**PARLIAMENT OF VICTORIA**

# PARLIAMENTARY DEBATES (HANSARD)

## LEGISLATIVE ASSEMBLY

## FIFTY-SIXTH PARLIAMENT

## FIRST SESSION

**Wednesday, 11 March 2009**

**(Extract from book 3)**

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

**By authority of the Victorian Government Printer**

## The Governor

Professor DAVID de KRETSER, AC

## The Lieutenant-Governor

The Honourable Justice MARILYN WARREN, AC

## The ministry

| | |
|---|---|
| Premier, Minister for Veterans' Affairs and Minister for Multicultural Affairs | The Hon. J. M. Brumby, MP |
| Deputy Premier, Attorney-General, Minister for Industrial Relations and Minister for Racing | The Hon. R. J. Hulls, MP |
| Treasurer | The Hon. J. Lenders, MLC |
| Minister for Regional and Rural Development, and Minister for Skills and Workforce Participation | The Hon. J. M. Allan, MP |
| Minister for Health | The Hon. D. M. Andrews, MP |
| Minister for Community Development and Minister for Energy and Resources | The Hon. P. Batchelor, MP |
| Minister for Police and Emergency Services, and Minister for Corrections | The Hon. R. G. Cameron, MP |
| Minister for Agriculture and Minister for Small Business | The Hon. J. Helper, MP |
| Minister for Finance, WorkCover and the Transport Accident Commission, Minister for Water and Minister for Tourism and Major Events | The Hon. T. J. Holding, MP |
| Minister for Environment and Climate Change, and Minister for Innovation | The Hon. G. W. Jennings, MLC |
| Minister for Public Transport and Minister for the Arts | The Hon. L. J. Kosky, MP |
| Minister for Planning | The Hon. J. M. Madden, MLC |
| Minister for Sport, Recreation and Youth Affairs, and Minister Assisting the Premier on Multicultural Affairs | The Hon. J. A. Merlino, MP |
| Minister for Children and Early Childhood Development, and Minister for Women's Affairs | The Hon. M. V. Morand, MP |
| Minister for Mental Health, Minister for Community Services and Minister for Senior Victorians | The Hon. L. M. Neville, MP |
| Minister for Roads and Ports | The Hon. T. H. Pallas, MP |
| Minister for Education | The Hon. B. J. Pike, MP |
| Minister for Gaming, Minister for Consumer Affairs and Minister Assisting the Premier on Veterans' Affairs | The Hon. A. G. Robinson, MP |
| Minister for Industry and Trade, Minister for Information and Communication Technology, and Minister for Major Projects | The Hon. T. C. Theophanous, MLC |
| Minister for Housing, Minister for Local Government and Minister for Aboriginal Affairs | The Hon. R. W. Wynne, MP |
| Cabinet Secretary | Mr A. G. Lupton, MP |

## Legislative Assembly committees

**Privileges Committee** — Mr Carli, Mr Clark, Mr Delahunty, Mr Lupton, Mrs Maddigan, Dr Napthine, Mr Nardella, Mr Stensholt and Mr Thompson.

**Standing Orders Committee** — The Speaker, Ms Barker, Mr Kotsiras, Mr Langdon, Mr McIntosh, Mr Nardella and Mrs Powell.

## Joint committees

**Dispute Resolution Committee** — (*Assembly*): Mr Batchelor, Mr Cameron, Mr Clark, Mr Holding, Mr McIntosh, Mr Robinson and Mr Walsh. (*Council*): Mr P. Davis, Mr Hall, Mr Jennings, Mr Lenders and Ms Pennicuik.

**Drugs and Crime Prevention Committee** — (*Assembly)*: Ms Beattie, Mr Delahunty, Mrs Maddigan and Mr Morris. (*Council*): Mrs Coote, Mr Leane and Ms Mikakos.

**Economic Development and Infrastructure Committee** — (*Assembly*): Ms Campbell, Mr Crisp and Ms Thomson. (*Council*): Mr Atkinson, Mr D. Davis, Mr Tee and Mr Thornley.

**Education and Training Committee** — (*Assembly*): Mr Dixon, Dr Harkness, Mr Herbert, Mr Howard and Mr Kotsiras. (*Council*): Mr Elasmar and Mr Hall.

**Electoral Matters Committee** — (*Assembly*): Ms Campbell, Mr O'Brien, Mr Scott and Mr Thompson. (*Council*): Ms Broad, Mr P. Davis and Mr Somyurek.

**Environment and Natural Resources Committee** — (*Assembly*): Ms Duncan, Mrs Fyffe, Mr Ingram, Ms Lobato, Mr Pandazopoulos and Mr Walsh. (*Council*): Mrs Petrovich and Mr Viney.

**Family and Community Development Committee** — (*Assembly*): Mr Noonan, Mr Perera, Mrs Powell and Ms Wooldridge. (*Council*): Mr Finn, Mr Scheffer and Mr Somyurek.

**House Committee** — (*Assembly*): The Speaker (*ex officio*), Ms Beattie, Mr Delahunty, Mr Howard, Mr Kotsiras, Mr Scott and Mr K. Smith. (*Council*): The President (*ex officio*), Mr Atkinson, Ms Darveniza, Mr Drum, Mr Eideh and Ms Hartland.

**Law Reform Committee** — (*Assembly*): Mr Brooks, Mr Clark, Mr Donnellan and Mr Foley. (*Council*): Mrs Kronberg, Mr O'Donohue and Mr Scheffer.

**Outer Suburban/Interface Services and Development Committee** — (*Assembly*): Ms Green, Mr Hodgett, Mr Nardella, Mr Seitz and Mr K. Smith. (*Council*): Mr Elasmar, Mr Guy and Ms Hartland.

**Public Accounts and Estimates Committee** — (*Assembly*): Ms Munt, Mr Noonan, Mr Scott, Mr Stensholt, Dr Sykes and Mr Wells. (*Council*): Mr Barber, Mr Dalla-Riva, Mr Pakula and Mr Rich-Phillips.

**Road Safety Committee** — (*Assembly*): Mr Eren, Mr Langdon, Mr Mulder, Mr Trezise and Mr Weller. (*Council*): Mr Koch and Mr Leane.

**Rural and Regional Committee** — (*Assembly*): Ms Marshall and Mr Northe. (*Council*): Ms Darveniza, Mr Drum, Ms Lovell, Ms Tierney and Mr Vogels.

**Scrutiny of Acts and Regulations Committee** — (*Assembly*): Mr Brooks, Mr Carli, Mr Jasper, Mr Languiller and Mr R. Smith. (*Council*): Mr Eideh, Mr O'Donohue, Mrs Peulich and Ms Pulford.

## 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

*Parliamentary Services* — Secretary: Dr S. O'Kane

**MEMBERS OF THE LEGISLATIVE ASSEMBLY**

**FIFTY-SIXTH PARLIAMENT — FIRST SESSION**

**Speaker:** The Hon. JENNY LINDELL

**Deputy Speaker:** Ms A. P. BARKER

**Acting Speakers:** Ms Beattie, Ms Campbell, Mr Eren, Mrs Fyffe, Ms Green, Dr Harkness, Mr Howard, Mr Ingram, Mr Jasper, Mr Kotsiras, Mr Languiller, Ms Munt, Mr Nardella, Mr Seitz, Mr K. Smith, Dr Sykes, Mr Stensholt and Mr Thompson

**Leader of the Parliamentary Labor Party and Premier:**
The Hon. J. M. BRUMBY (from 30 July 2007)
The Hon. S. P. BRACKS (to 30 July 2007)

**Deputy Leader of the Parliamentary Labor Party and Deputy Premier:**
The Hon. R. J. HULLS (from 30 July 2007)
The Hon. J. W. THWAITES (to 30 July 2007)

**Leader of the Parliamentary Liberal Party and Leader of the Opposition:**
Mr E. N. BAILLIEU

**Deputy Leader of the Parliamentary Liberal Party and Deputy Leader of the Opposition:**
The Hon. LOUISE ASHER

**Leader of The Nationals:**
Mr P. J. RYAN

**Deputy Leader of The Nationals:**
Mr P. L. WALSH

| Member | District | Party | Member | District | Party |
|---|---|---|---|---|---|
| Allan, Ms Jacinta Marie | Bendigo East | ALP | Lindell, Ms Jennifer Margaret | Carrum | ALP |
| Andrews, Mr Daniel Michael | Mulgrave | ALP | Lobato, Ms Tamara Louise | Gembrook | ALP |
| Asher, Ms Louise | Brighton | LP | Lupton, Mr Anthony Gerard | Prahran | ALP |
| Baillieu, Mr Edward Norman | Hawthorn | LP | McIntosh, Mr Andrew John | Kew | LP |
| Barker, Ms Ann Patricia | Oakleigh | ALP | Maddigan, Mrs Judith Marilyn | Essendon | ALP |
| Batchelor, Mr Peter John | Thomastown | ALP | Marshall, Ms Kirstie | Forest Hill | ALP |
| Beattie, Ms Elizabeth Jean | Yuroke | ALP | Merlino, Mr James Anthony | Monbulk | ALP |
| Blackwood, Mr Gary John | Narracan | LP | Morand, Ms Maxine Veronica | Mount Waverley | ALP |
| Bracks, Mr Stephen Phillip [1] | Williamstown | ALP | Morris, Mr David Charles | Mornington | LP |
| Brooks, Mr Colin William | Bundoora | ALP | Mulder, Mr Terence Wynn | Polwarth | LP |
| Brumby, Mr John Mansfield | Broadmeadows | ALP | Munt, Ms Janice Ruth | Mordialloc | ALP |
| Burgess, Mr Neale Ronald | Hastings | LP | Napthine, Dr Denis Vincent | South-West Coast | LP |
| Cameron, Mr Robert Graham | Bendigo West | ALP | Nardella, Mr Donato Antonio | Melton | ALP |
| Campbell, Ms Christine Mary | Pascoe Vale | ALP | Neville, Ms Lisa Mary | Bellarine | ALP |
| Carli, Mr Carlo Domenico | Brunswick | ALP | Noonan, Wade Mathew [5] | Williamstown | ALP |
| Clark, Mr Robert William | Box Hill | LP | Northe, Mr Russell John | Morwell | Nats |
| Crisp, Mr Peter Laurence | Mildura | Nats | O'Brien, Mr Michael Anthony | Malvern | LP |
| Crutchfield, Mr Michael Paul | South Barwon | ALP | Overington, Ms Karen Marie | Ballarat West | ALP |
| D'Ambrosio, Ms Liliana | Mill Park | ALP | Pallas, Mr Timothy Hugh | Tarneit | ALP |
| Delahunty, Mr Hugh Francis | Lowan | Nats | Pandazopoulos, Mr John | Dandenong | ALP |
| Dixon, Mr Martin Francis | Nepean | LP | Perera, Mr Jude | Cranbourne | ALP |
| Donnellan, Mr Luke Anthony | Narre Warren North | ALP | Pike, Ms Bronwyn Jane | Melbourne | ALP |
| Duncan, Ms Joanne Therese | Macedon | ALP | Powell, Mrs Elizabeth Jeanette | Shepparton | Nats |
| Eren, Mr John Hamdi | Lara | ALP | Richardson, Ms Fiona Catherine Alison | Northcote | ALP |
| Foley, Martin Peter [2] | Albert Park | ALP | Robinson, Mr Anthony Gerard | Mitcham | ALP |
| Fyffe, Mrs Christine Ann | Evelyn | LP | Ryan, Mr Peter Julian | Gippsland South | Nats |
| Graley, Ms Judith Ann | Narre Warren South | ALP | Scott, Mr Robin David | Preston | ALP |
| Green, Ms Danielle Louise | Yan Yean | ALP | Seitz, Mr George | Keilor | ALP |
| Haermeyer, Mr André [3] | Kororoit | ALP | Shardey, Mrs Helen Jean | Caulfield | LP |
| Hardman, Mr Benedict Paul | Seymour | ALP | Smith, Mr Kenneth Maurice | Bass | LP |
| Harkness, Dr Alistair Ross | Frankston | ALP | Smith, Mr Ryan | Warrandyte | LP |
| Helper, Mr Jochen | Ripon | ALP | Stensholt, Mr Robert Einar | Burwood | ALP |
| Herbert, Mr Steven Ralph | Eltham | ALP | Sykes, Dr William Everett | Benalla | Nats |
| Hodgett, Mr David John | Kilsyth | LP | Thompson, Mr Murray Hamilton Ross | Sandringham | LP |
| Holding, Mr Timothy James | Lyndhurst | ALP | Thomson, Ms Marsha Rose | Footscray | ALP |
| Howard, Mr Geoffrey Kemp | Ballarat East | ALP | Thwaites, Mr Johnstone William [6] | Albert Park | ALP |
| Hudson, Mr Robert John | Bentleigh | ALP | Tilley, Mr William John | Benambra | LP |
| Hulls, Mr Rob Justin | Niddrie | ALP | Trezise, Mr Ian Douglas | Geelong | ALP |
| Ingram, Mr Craig | Gippsland East | Ind | Victoria, Mrs Heidi | Bayswater | LP |
| Jasper, Mr Kenneth Stephen | Murray Valley | Nats | Wakeling, Mr Nicholas | Ferntree Gully | LP |
| Kairouz, Ms Marlene [4] | Kororoit | ALP | Walsh, Mr Peter Lindsay | Swan Hill | Nats |
| Kosky, Ms Lynne Janice | Altona | ALP | Weller, Mr Paul | Rodney | Nats |
| Kotsiras, Mr Nicholas | Bulleen | LP | Wells, Mr Kimberley Arthur | Scoresby | LP |
| Langdon, Mr Craig Anthony Cuffe | Ivanhoe | ALP | Wooldridge, Ms Mary Louise Newling | Doncaster | LP |
| Languiller, Mr Telmo Ramon | Derrimut | ALP | Wynne, Mr Richard William | Richmond | ALP |
| Lim, Mr Muy Hong | Clayton | ALP | | | |

[1] Resigned 6 August 2007
[2] Elected 15 September 2007
[3] Resigned 2 June 2008
[4] Elected 28 June 2008
[5] Elected 15 September 2007
[6] Resigned 6 August 2007

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## WEDNESDAY, 11 MARCH 2009

# Wednesday, 11 March 2009

**The SPEAKER (Hon. Jenny Lindell) took the chair at 9.35 a.m. and read the prayer.**

## CONDOLENCES

### Bushfires: Victoria

**The SPEAKER** — Order! I inform members this morning that I have received a condolence book from the people of Coonamble, a small rural town in New South Wales. I have received a letter signed by the Reverend Jeff Tym and Mrs Margaret Casey. There are over 850 signatures in the condolence book, which I will make available in the library for anyone who would like to go and have a look at it this week. Subsequently we will forward it on so that it can form part of the memorial book being put together, which most members in this house will already have signed.

## ELECTRICITY INDUSTRY AMENDMENT (PREMIUM SOLAR FEED-IN TARIFF) BILL

*Introduction and first reading*

**Mr BATCHELOR (Minister for Energy and Resources) introduced a bill for an act to amend the Electricity Industry Act 2000 and the National Electricity (Victoria) Act 2005 and for other purposes.**

**Read first time.**

## BUSINESS OF THE HOUSE

### Notices of motion: removal

**The SPEAKER** — Order! I wish to advise the house that, under standing order 144 notices of motion 44, 134 to 136, 198 and 199 will be removed from the notice paper on the next sitting day. A member who requires the notice standing in his or her name to be continued must advise the Clerk in writing before 6.00 p.m. today.

## PETITIONS

**Following petitions presented to house:**

### Schools: Catholic sector

To the Legislative Assembly of Victoria:

The petition of Victorian residents who choose Catholic education, or support this right of choice, draws to the attention of the house that the level of funding provided by the Victorian state government to Catholic schools is inadequate and discriminates against families who choose a Catholic education for their children.

The petitioners therefore request that the Legislative Assembly of Victoria guarantee funding at 25 per cent of the average cost of educating a child in the Victorian government school system, indexed annually and to provide equal funding for children with disabilities who attend a Catholic school.

**By Mr CARLI (Brunswick) (237 signatures).**

### Electricity: Gippsland powerline

To the Legislative Assembly of Victoria:

The petition of the people of Victoria and particularly those landowners, occupiers and residents within the corridor of the proposed high voltage line from Tynong to Wonthaggi and who collectively draw to the attention of the house the gross imposition upon them of the implementation of the subject proposal and its appalling consequences in many forms if it were to proceed.

The petitioners therefore request that the Legislative Assembly of Victoria calls upon the government to abandon the proposal.

**By Mr RYAN (Gippsland South) (431 signatures).**

### Racing: Stony Creek

To the Legislative Assembly of Victoria:

The petition of the citizens of South Gippsland and beyond draws to the attention of the house the content of Racing Victoria's (draft) directions paper and the disastrous outcomes which would inevitably befall the Stony Creek Racing Club and South Gippsland communities were the recommendations of the paper to be implemented.

The petitioners therefore request the Legislative Assembly of Victoria calls upon the government to ensure that all objectionable aspects of the Paper insofar as they relate to Stony Creek Racing Club are abandoned by Racing Victoria.

**By Mr RYAN (Gippsland South) (164 signatures).**

### Police: Red Cliffs

To the Legislative Assembly of Victoria:

This petition of residents of Red Cliffs and surrounding communities in Victoria draws to the attention of the house the need to increase police presence in our district.

The petitioners register their dismay after a weekend of vandalism with damage estimated to be in excess of $60 000 to the local bowling club and private and public property.

The petitioners therefore request that the Legislative Assembly of Victoria take action to increase staff levels at the Red Cliffs police station as a proactive step in ensuring that this criminal activity is not repeated.

**By Mr CRISP (Mildura) (16 signatures).**

## Rail: Mildura line

To the Honourable Speaker and members of the Legislative Assembly of Victoria:

This petition of the citizens of the region known as Sunraysia, primarily in the state of Victoria but including cross-border citizens of New South Wales centred on the city of Mildura, brings to the attention of the house the many promises to return the Melbourne–Mildura passenger train, without delivery.

The undersigned petitioners therefore ask the Legislative Assembly to bring forward the reinstatement of the said Melbourne–Mildura passenger train, especially in view of:

1. the many undelivered promises;

2. the urgent need to promote public transport in a global warming context;

3. the pressing need to connect remote Mildura to both Melbourne and the national rail network; and

4. the geographic distance now requiring a rapid service (very fast train) to be competitive.

**By Mr CRISP (Mildura) (63 signatures).**

## Racing: regional and rural Victoria

To the Legislative Assembly:

We, the undersigned citizens of Victoria draw to the attention of the house proposed changes to the operation of country racing clubs outlined in a directions paper from Racing Victoria Ltd. The petitioners respectfully request that the current race days allocated to all racing clubs in the south-west of Victoria be retained and that training facilities continue to be adequately funded in order that towns in the south-west continue to benefit from their retention.

The petitioners also request that the government formally recognises the role of the volunteers at racing clubs throughout south-west Victoria, the value of their work year round and on race days and their importance to the future of the racing industry.

**By Mr MULDER (Polwarth) (3515 signatures).**

**Tabled.**

**Ordered that petitions presented by honourable member for Gippsland South be considered next day on motion of Mr WALSH (Swan Hill).**

**Ordered that petition presented by honourable member for Brunswick be considered next day on motion of Mr DIXON (Nepean).**

**Ordered that petitions presented by honourable member for Mildura be considered next day on motion of Mr CRISP (Mildura).**

# DOCUMENTS

**Tabled by Clerk:**

Ombudsman — Crime Statistics and Police Numbers — Ordered to be printed.

*Subordinate Legislation Act 1994* — Minister's exemption certificate in relation to Statutory Rule 19.

# MEMBERS STATEMENTS

## Jill Gallagher

**Mr WYNNE** (Minister for Aboriginal Affairs) — Today I welcome the induction of one of 20 great women into the women's honour roll, Jill Gallagher. Jill is a Gunditjmara woman from western Victoria. She is a long-term advocate for Victorian indigenous people, especially women. Jill worked in Aboriginal heritage for 20 years and was instrumental in the development and implementation of the Aboriginal cultural heritage inspectors training program.

Jill has worked for Victorian Aboriginal Community Controlled Health Organisation since 1998 and has been its chief executive officer for the last seven years. During her tenure with VACCHO Jill has made a significant contribution to Aboriginal health through building partnerships with researchers, health professionals, senior bureaucrats and government ministers from both sides of politics. Under Jill's stewardship, VACCHO has grown in influence and was recently instrumental in achieving support in Victoria for the statement of intent to close the gap in indigenous life expectancy, which of course was celebrated in Queen's Hall on a bipartisan basis only a few months ago when the Premier and the Leader of the Opposition signed off on that statement of intent to close the gap in indigenous life expectancy.

That was a great evening and yet another shining example of Jill's leadership in the Aboriginal community, particularly around health outcomes. She, along with the 19 other women, is a very worthy recipient of a place on the women's honour roll.

## Department of Education and Early Childhood Development: Mornington Peninsula land

**Mr DIXON** (Nepean) — The Minister for Education and her department should hang their heads in shame over the stress and anxiety they have caused many Mornington Peninsula residents. The department owns two blocks of land totalling about 10 acres in Rye and Rosebud. Both blocks have been unused for years and both are located in heavily populated urban areas.

While these two heavily vegetated blocks have become drier and more overgrown each year, as well as becoming local dumping grounds, the Department of Education and Early Childhood Development has ignored requests from both the Mornington Peninsula shire's fire officer and the Country Fire Authority to clear the blocks because of their potential as fire threats. A number of nearby residents have complained to me about the state of the blocks, and following the recent fires in Victoria that level of concern and anxiety has reached a very high level.

When the department recently ignored the Country Fire Authority's urgent call to clear the land, I and the residents took the issue to the *Sunday Herald Sun*. As I explained to residents, the only thing this arrogant and tired government is concerned about is its image, and spinning that image. When the newspaper raised the issue with the department for comment and the department realised that a negative story would run — you guessed it — it backed off and promised to send in contractors to clear the blocks.

I assure the minister and her reckless department that local residents and I will hold the department to its word and will not let up until the land is cleared. It is a pity that the minister and the department will only act when they are threatened with exposure, not because it is the right thing to do.

## International Women's Day

**Ms MORAND** (Minister for Women's Affairs) — Members would know that International Women's Day was celebrated across the world on Sunday, 8 March. International Women's Day provides an opportunity to celebrate the achievements of women and focus our attention on where we need to do more to support women in communities across the world.

This year's celebration theme was 'Women and men — united to end violence against women and girls'. It is a very important theme as, unfortunately, the prevalence of violence against women and children is still at unacceptably high levels in many communities throughout the world, including here in Victoria and throughout Australia. National homicide monitoring shows that more than half of female homicide victims were killed as a result of domestic violence — that is, of the women killed in any one year, more than half were killed as a result of domestic violence. In Victoria 40 per cent of all homicides are family violence related, and Victoria Police attends 30 000 family violence incidents a year. We know that family violence does not discriminate: it is in your community, your neighbourhood, and the consequences are tragic, so the theme is very important in Victoria today.

As part of the week leading up to International Women's Day I had the pleasure of inducting another 20 women onto the Victorian Honour Roll of Women, including Jill Gallagher, whom the Minister for Aboriginal Affairs just mentioned. Another inductee was Gloria Mahoney, the chief executive officer of the Monash Volunteer Resource Centre. She is a fantastic woman — —

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

## Peter 'Pip' Borrman

**Mrs POWELL** (Shepparton) — On Friday, 6 March my husband Ian, son Corey and his partner Ally, a number of my parliamentary colleagues and I attended the funeral of Peter 'Pip' Borrman at St Brendan's Church in Shepparton, along with about 1500 other mourners.

Pip died on Wednesday, 25 February, when his Pitts Samson biplane crashed in a paddock near Shepparton aerodrome while Pip was training for his aerobatic display at the Avalon 2009 Australian International Airshow. Pip was recognised as one of the best exhibition aerobatic pilots in Australia, if not the world. He was respected by the aviation world because of his professionalism, commitment to excellence, passion for flying and the awe-inspiring aerobatic skills we all watched him gain over many years in the skies above Shepparton. Pip's father Ted had died whilst flying his Tiger Moth plane, which made Pip absolutely safety conscious — something I was pleased about when he took me for a fly and a few aerobatics in his two-seater Pitts Special.

Pip Borrman touched many lives. He was always happy to show people his planes, talk about flying and mentor young and old pilots. He gave my son Corey, who is a pilot, guidance throughout his flying career and always took an interest in his progress. Tragically, Shepparton has lost a wonderful ambassador and respected businessmen. Aviation has lost one of Australia's finest aerobatic pilots and a thrilling entertainer who drew large crowds wherever he flew. Pip's family and friends have lost a great bloke who will never be forgotten. My condolences go to his wife Janet, son Edwin, daughter Sarah, mum Marg and his four sisters. Pip's motto was 'Why be ordinary when you can be extraordinary?', and Pip was certainly an extraordinary person.

## Eltham East Primary School: Premier's Active Families Challenge

**Mr HERBERT** (Eltham) — I congratulate Eltham schools and in particular Eltham East Primary School for energetically promoting the Premier's Active Families Challenge. Last week I joined principal Cheryl Macnee and student leaders at Eltham East Primary School in dancing the chicken dance — a particularly energetic and fun dance that proves that exercise and fun go hand in hand. Eltham East Primary School is a fantastic local school that is providing a great education to our young people. The school is encouraging all its families to take up the challenge. Whilst the school is recognised throughout Victoria for the quality of its arts program, and in particular for its highly acclaimed school choir, it also recognises that young people need healthy bodies as well as healthy minds. This concept is underlined in the school's policy of wellbeing and fitness as important elements in good learning.

The Premier's Active Families Challenge reminds us all that in today's hectic lives, with all the demands on our time, we all need to take some time out to do some exercise. I hope all schools will follow the lead of Eltham East Primary School in promoting healthy habits and exercise for all growing young people.

## GriefLine: funding

**Mrs SHARDEY** (Caulfield) — I raise an issue on behalf of my constituent Abe Paluch about the forthcoming closure of GriefLine, an after-hours service which has been run by volunteers for some 20 years and which provides critical help for 40 000 distressed Victorians every year. The Brumby government, along with the Rudd government, has refused to provide the necessary funding to keep this phone counselling service operating. The service has been promoted by Labor for use by bushfire victims and has received calls referred by other services such as Lifeline, Nurse-On-Call, Cancer Council Victoria, the Royal Women's Hospital and the Specialist Statewide Bereavement Service. I am told that over the period of the bushfires the number of calls to GriefLine increased by some 40 per cent as people sought grief counselling services and were referred to the service by the Minister for Health in his press release of 11 February.

My constituent has referred to the Premier as being aware of the situation and as referring the matter to the Minister for Health for a solution. Given that the Minister for Mental Health mistakenly confused GriefLine services with services provided by the Specialist Statewide Bereavement Service, I call on the Minister for Health to address this shameful denial of funding to a service which will leave emotionally stricken Victorian bushfire victims without vital grief counselling.

## Aubrey McGill

**Mr CRUTCHFIELD** (South Barwon) — It is with great sadness that I inform the house of the passing of Aubrey Laurence Paul McGill on 17 February. Aub was 88 years old. A. L. P. McGill, or Aub, was a much-loved life member of the ALP and a long-time member of the Belmont branch. His service was held on 23 February. Regrettably I could not attend, but those present heard a very thoughtful and touching celebration of Aub's life. Ron Arthur, a former president of the Belmont branch, was the master of ceremonies. The service was attended by the member for Geelong, who is in the house and was a good friend of Aub's; Elaine Carbines, a former member of the Legislative Council; and Cr Andy Richards, all of whom shared their reflections on Aub, while other friends, including George Edison, Keith Thomson and Bill Rush, also spoke. Aub's daughters Laurel and Roslyn also gave very moving speeches about their much-loved dad.

Aub was brought up in Geelong West and, like his father, had a career in hairdressing. Indeed his original barber's chair was front and centre at the service. At the service there was a photo of Aub, which I will show the house, sitting in his much-loved hairdressers chair.

**The SPEAKER** — Order! The member will not use props.

**Mr CRUTCHFIELD** — I would like to quote from the eulogy delivered by Aub's youngest child, Laurel:

> Aubrey Laurence Paul McGill — What a guy!
>
> I don't believe I ever met anyone who didn't like my Dad.
>
> Dad was so easy to love, he had a true appreciation of people and you felt it when you were with him; he just made you feel special.
>
> He was one of life's rare and fortunate individuals who was, truly, happy with his 'lot' in life — he loved his wife, he loved his family, he loved his parents, he loved his home and he loved Geelong.

My sympathies to Aub's family, particularly his wife, Joan, and children — Pauleen, Roslyn, Mark and Laurel. You have had the privilege of having a truly loving, honest and respected dad, and we are all the richer for having known him.

## Ambulance services: Ferntree Gully

**Mr WAKELING** (Ferntree Gully) — I wish to highlight to the house the inaction of the Minister for Health in responding to my request for permission to accompany my local ambulance for a day. Despite being a local representative I was informed I must seek permission before meeting with the ambulance service in Rowville and Ferntree Gully. This I did, and I subsequently met with our local ambulance officers to see the great work they perform for my community. During this visit I received an offer to accompany the officers on the road for a day to learn firsthand how they serve the community. However, before I can take up the offer I again need permission from the minister. It has been nine months since I contacted the minister about this issue, and despite repeated attempts from my office I have not received an answer. I find this action deplorable as it hinders my ability to interact with and serve my community.

## Graeme Duggan

**Mr WAKELING** — I inform the house of the recent passing of Mr Graeme Duggan. Graeme was a wonderful servant of the Noble Park community. He served his community with distinction as a councillor with the City of Springvale from 1972 until 1993, serving as mayor of the city in 1979 and 1980. Graeme was also an active Rotarian and received a Paul Harris Fellowship in recognition of his years of service. Graeme was an active member of the Liberal Party for many years. His commitment to the party saw him contest the 1982 election as the Liberal candidate for Springvale. Graeme was respected and admired by many within the Liberal Party. He will also be remembered for his many years of dedication to the Noble Park community. Graeme is survived by his wife, Glenda, and his two daughters.

## Transport Accident Commission: Geelong office

**Mr TREZISE** (Geelong) — On Thursday, 26 February, together with my parliamentary colleagues from Geelong and the Minister for Finance, WorkCover and the Transport Action Commission, I had the pleasure of attending the opening of the new TAC building in Geelong by the Premier. I can assure members that this was a great occasion and one that was welcomed by the community of Geelong. It was welcomed because there are now 650 new jobs in Geelong providing an economic benefit estimated at nearly $60 million per annum to the local economy. Of the 650 TAC employees now based in Geelong, 160 have purchased homes in the region and another 130 are renting properties. I welcome them into the community and I am sure that they will quickly come to realise that they have made a good decision, if they had not already thought so.

The building itself provided more than 800 people with work during its construction. It is state of the art, has a 5-star green rating and 4.5-star Australian building greenhouse rating, and more importantly the new coffee shop attached to the building has already established itself as a place to be, not only for employees but also locals. The move of the TAC to Geelong was viewed with great scepticism by some, including the members on the opposite side of the house, but I can assure these doomsayers and others that the TAC has already proved to be a great success and one that will assist Geelong greatly in the even harder financial times to come.

## Rail: Glenrowan station

**Dr SYKES** (Benalla) — Today members of the Glenrowan community will come to Parliament in a last attempt to persuade the Minister for Public Transport to reopen the Glenrowan railway station as part of the north-east Victorian railway upgrade.

The Glenrowan Improvers Group, led by the lively Paddy Milne, the sage Linton Briggs, Kelly historian extraordinaire Gary Dean and steady-as-she-goes Bill Gent, wants the Glenrowan railway station reopened to make it easier for tourists to visit Glenrowan, home of Australia's most famous bushranger, Ned Kelly. The Glenrowan railway station is an integral part of the Kelly legend: police came by train to Glenrowan to capture Ned Kelly at the Kelly gang's last stand, just a couple of hundred metres from the railway station.

The railway station was closed in 1986. Shortly after, the new Hume Freeway bypassed Glenrowan and freeway service centres were built just north of there. Those changes have cost the Glenrowan community millions of dollars in lost income. Reopening the Glenrowan railway station would help build tourist numbers and inject outside dollars into the Glenrowan community which, like many other small rural communities, is doing it tough.

The people of Glenrowan are asking for the Brumby government's support to pass the Ned Kelly story on to hundreds of thousands of people who would find it easier to visit Glenrowan if the railway station were reopened. I urge the Brumby government to support the

keepers of the Ned Kelly legend and reopen the Glenrowan railway station.

## John Hall and Chris Kelly

**Mr SCOTT** (Preston) — I rise today to honour the contribution to the community of former councillors John Hall and Chris Kelly, a father and daughter combination. John Hall was a longstanding councillor and a fixture on the then City of Preston council. He was a person with a proud English migrant background who helped build a modern Preston, and a true Labor supporter who kept the Labor Party alive during the dark days of the 1960s and 1970s prior to witnessing its return to government. He was a committed unionist who fought hard for the rights of disadvantaged people.

His daughter, Chris Kelly, has been equally committed to the community. As a longstanding councillor in the city of Darebin she served as mayor and was dedicated to the disabled and particularly their rights. She volunteered and worked with the disabled and people from a disadvantaged background, particularly in soup kitchens, something that I know a number of members of Parliament have volunteered to do but something that not all members regard as a public office and are willing to do. She has also been a stalwart of the local Labor Party and a committed unionist, serving as an official of the Health Services Union.

John Hall and Chris Kelly represent dedicated community-minded people who serve their community, work with local schools, local people and community groups and do not cease their contribution to the community after leaving public office. They have been an example to many and have fought hard. For instance, John Hall is a fixture in Kingsbury, a suburb just in the Bundoora electorate, where he works hard with local people. Chris Kelly has likewise worked hard with churches and local schools and brings a commitment of time, intellect and generosity — —

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

## Bushfires: tourism

**Mr TILLEY** (Benambra) — Many of the towns in north-east Victoria are dependent on tourism for their survival. The recent bushfires which directly impacted Mudgegonga and Bruarong and threatened other towns including Stanley, Eskdale, Running Creek, Dederang and Yackandandah were collectively titled the Beechworth complex fire. This is a misleading title and has given rise to the impression that Beechworth caught fire. Cancellations of trips to regional Victoria have placed added financial pressure on businesses reliant on tourism. The township of Beechworth was not directly impacted, yet the fire's title has the business community of Beechworth struggling to survive with dwindling numbers of visitors. I stand here today to say that Beechworth is open for business. I remind the Premier to put in place immediately the promises of financial support for tourism businesses impacted by the 2009 fires. These promises were made in this place yesterday.

## Wodonga: Australian Motocross Championship

**Mr TILLEY** — On another matter, the 2009 Australian Motocross Championship has chosen Wodonga as the venue for its first round. The official launch was held last week in Wodonga at the Albury Wodonga Motor Cycle Club, which hosted the event.

I congratulate the event promoter, Kevin Williams, and his team for having confidence in coming to the north-east and holding the event in Wodonga and for all the hard preparation by the Albury Wodonga Motor Cycle Club, particularly Craig and Christine Windham, John Gillespie, Trevor Davies, Chris Sanders, Mark Sutherland, and the Ryan, Fuller and Garoni families. This event gives north-east Victoria an opportunity to stage a signature national event and enables the region to showcase everything else it has on offer.

## Nunawading City Football Club: bushfire support

**Ms MARSHALL** (Forest Hill) — It is with great pride that I rise today to inform the house of a Victorian bushfire appeal fundraiser I organised with Nunawading City Football Club on 1 March at Mahoneys Reserve in Forest Hill.

Following a catch-up shortly after Black Saturday with some of the Nunawading City Football Club management, including coach, Billy, we talked about holding a get-together for the members as a way of raising some money. As word got out, local businesses jumped to be involved, and the City of Whitehorse mayor, councillors and staff were absolutely fantastic in ensuring all of the t's were crossed and the i's were dotted. Almost $5000 was raised at a time when there are so many great causes. I want to place on record my deepest gratitude to everyone from Forest Hill who supported, participated and attended without hesitation. I thank them.

The event was a demonstration of the compassion, generosity and strength of the wonderful community and constituents of Forest Hill.

## Australia Day: civic award

**Ms MARSHALL** — I am proud to bring to the attention of the house an accolade given to Forest Hill constituent Naine Sankey, who was presented with an Australia Day Civic Award following more than 20 years involvement with The Avenue neighbourhood house. Naine has had many hats, including those of coordinator, committee of management member, tutor and class participant. Congratulations, Naine: we are all very proud of your contribution to making Forest Hill the great place that it is.

## City of Whitehorse: Young Citizen of the Year

**Ms MARSHALL** — The City of Whitehorse Young Citizen of the Year was single mum Jessica Portughese. Jessica was given this honour as a reward for her work as a peer leader of the young mothers group at Box Hill's Family Access Network. Great work, Jessica. Our deepest thanks for your commitment to making Forest Hill the better for your involvement.

## Land tax: rates

**Mr THOMPSON** (Sandringham) — I wish to raise the concern of a number of my constituents, some from migrant backgrounds, who face massive land tax increases on investments that are seeing them through their retirement years. In the case of one constituent, his land tax increased from $3879 to $8772, more than a doubling, and representing a 126 per cent increase from last year.

In a letter to me, my constituent says:

> I am aware of all the arguments about increased valuations … but it is ridiculous for any tax to increase that much from one year to the next.
>
> I hope you can do something to alter the system as it is not fair as it stands.
>
> I can't imagine how much land tax will be collected if my increase is an average one.

For the record, for the first time land tax is moving to account for over $1 billion of state revenue.

Another representation I received from a constituent `concerns an increase in land tax from $10 000 to $19 476, while at the same time the income base for this gentleman, who is in his 90s, remains unchanged. Again, as a result of the failure of the government to adjust the land tax scale in a meaningful way by the removal of the 50 per cent capping limit on increases, Victorians across the state, including many from migrant backgrounds, confront unfair imposts.

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

## Innovation: stem cell research

**Ms CAMPBELL** (Pascoe Vale) — Cord blood cell and adult stem cell scientific breakthroughs continue to provide positive research results and progress towards better medical treatment. In early February, Gavin Jennings, the Minister for Innovation, announced that a joint Victorian and New South Wales government grant had helped to create Australia's first human-induced pluripotent stem cell line, iPS. It is known that iPS cells can be derived from adult stem cells. As Minister Jennings stated in a media release on 2 February:

> iPS cell derivation does not require donated excess IVF embryos or human eggs and no embryos are destroyed in the process.

The Australian iPS cell line was developed by researcher Dr Paul Verma and his group at the Monash Institute of Medical Research, who are working with Professor Bernie Tuch at the Sydney Cell Therapy Foundation. They will now be able to generate iPS cells from type 1 diabetes patients to help them to understand the disease and develop better drug treatment.

In mid-February the Murdoch Children's Research Institute's Dr Faten Zaibak published the results of a three-year study that the *Age* newspaper reported as being internationally hailed as a step towards a cure for genetically inherited diseases such as cystic fibrosis.

Dr Zaibak placed DNA with the faulty gene that causes the disease into a cord blood stem cell. That stem cell can transform — —

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

## Jack Foy

**Mr BURGESS** (Hastings) — I rise today with great sadness to pay tribute to the passing of a very special member of the Hastings community. Thirteen-year-old Jack Foy was tragically killed on Sunday evening when he and six of his friends fell from a shade sail at the Hastings Westpark Primary School. I have chosen to speak about Jack today in an effort to express at least a small part of the enormous grief that the Hastings community is feeling at the loss of this fine young man.

Jack was a treasured member of the Hastings community. Jack Foy and his team mates had beaten Pearcedale in the under-15s cricket premiership by 12 runs on Sunday afternoon and had been celebrating with a game of basketball at the school. The Foys are a well-known sporting family in the Hastings area. Jack's father, Pat, is a former Sydney Swans player and took the Hastings Football Club senior team to a premiership in 1992 as captain-coach.

Hastings Cricket Club president, Vincent Booth, described Jack as a great leg-break bowler and said he had played cricket for about five years after starting in the under-11s team. He bowled and batted so well that he had been selected to travel with the under-15s Mornington Peninsula Cricket Association team to England next year. Mr Booth also said that everyone is distraught; it is a tragic loss. He had a bright future in cricket and was also a talented footballer with the Hastings Junior Football Club. We are all shattered by this loss, but Hastings is a very close-knit community; the family is very well respected and loved by all.

Three of Jack's friends were taken to hospital, one with head injuries, one suffering back injuries, and one with a broken arm. The 14-year-old son of junior coach Greg Bradshaw, Jason, was flown to the Royal Children's Hospital with serious injuries. Our thoughts and prayers are also with Jason and his family.

## Peter Dalton

**Ms D'AMBROSIO** (Mill Park) — Today I wish to inform the house of the inspiring humanitarian efforts of Peter Dalton, a lifetime resident of Lalor. Peter has had a long-time commitment to volunteering in his local community. He is particularly renowned for his care for and assistance to those who are socially and financially disadvantaged — which he does with great compassion and humility.

Peter has utilised his proficiency in Spanish, Italian and French to assist non-English-speaking new arrivals to the community. In 1987 Peter was awarded a bachelor of arts at La Trobe University. He has continued to upgrade his skills and knowledge in service of the community in a voluntary capacity. He has a graduate diploma in humanities as well as a diploma in community science.

Peter's charitable works have been numerous and varied. Some include volunteer assistance at St Luke's church and with other welfare and pastoral committees. He has also given computer instruction through community-based initiatives for people retraining for the workforce or personal development. Peter exemplifies the best attributes of all volunteers in our community. He goes about his giving in a quiet and humble way, with an unending determination. I know that many other members of the local community have been inspired by Peter, who has always led by example.

This year Peter was nominated for citizen of the year in the City of Whittlesea Australia Day awards. I wish to pay tribute to and commend Peter Dalton on his volunteer work.

## Fitzsimons Lane–Porter Street, Templestowe: roundabout

**Mr KOTSIRAS** (Bulleen) — I once again call on this arrogant and uncaring government to stop finding excuses and provide funding for the installation of traffic lights at the Fitzsimons Lane–Anderson Street–Porter Street intersection. This intersection is one of the most dangerous and terrifying intersections in Manningham. It has complex branching lanes, with choices of paths and directions. Directions are confusing, paths are hard to follow and with its twists and turns it equates to a terrifying ride that one would experience in a theme park.

Driving back from church last week, I found myself stunned at the terrified expressions on people's faces as they attempted to cross this intersection. Drivers are stunned and surprised by how cars manage to manoeuvre themselves through this nightmare. It is indeed breathtaking for the observers. There have been a number of accidents, and I am surprised that more people have not been injured or killed.

I once again challenge the minister and those cardigan-wearing, folder-holding, cappuccino-drinking public servants at VicRoads to take the test and see if they can successfully cross this intersection without their anxiety and fear levels rising. I ask the minister to attempt this experiment on his own, not with his chauffeur driving the car while he sits in the back seat reading the newspaper. I call on people at VicRoads to come back to reality, investigate this intersection and provide proper and realistic advice to the minister, in the hope that traffic lights are installed at this intersection.

## Courtenay Gardens Primary School: leadership group

**Ms GRALEY** (Narre Warren South) — It is always a lot of fun to visit Courtenay Gardens Primary School in Cranbourne, as the school is full of kids enjoying the benefits of innovative education programs — it even has its own TV station — and is so ably led by the

enthusiastic and ebullient principal, Loretta Hamilton. The school spends a lot of time and undertakes a pretty arduous process for the selection of its school leaders.

Lots of students put up their hands, and the experience of interviews, speeches and garnering the vote of your peers is an invaluable learning experience.

I had the pleasure of presenting the school leadership group with their badges. The school captains are Mitchell Bradford, who is following in his dad's footsteps, and Sandeepa Suriyage. The school vice-captains are Anthony Bandalan and Rebecca Prowd; Bec's parents have led the way by being actively involved on school council. Melba house captains are Zak Roscoe and Emily Paterson; its vice-captains are Ryan Bridle and Jesse Martin.

Bradman house captains are Scott Fallon and Anthia Everidis, with vice-captains being Daniel Kittto and Stacey McGookin. Chisholm house captains are Aaron Stoneman and Brooke Frawley, with vice-captains being Jordan Rundle and Frances Pacpaco. Flynn house captains are Dylan Divers and Chloe Kruisselbrink, with vice-captains being Simon Ruei and Courtney Mason.

My message to the young leaders was that leadership means being caring, inspiring and working hard. From the way they presented themselves on the day — well-attired, polite and eager — this group of Cranbourne youngsters is sure to serve the school with distinction. It was terrific to see so many parents in attendance, supporting their children on this proud occasion.

Our firefighters, police and emergency services personnel are great role models for our new leaders. The school is to be congratulated on its fantastic fundraising efforts for the Victorian bushfire appeal, contributing a marvellous $5000. There were students who brought their moneyboxes to school and gave all the money away, their dream of a new bike or a new video game being superseded by their desire to help others. It has been a great effort on their part.

## Leadership Victoria: 20th anniversary

**Mr NOONAN** (Williamstown) — I rise to congratulate Leadership Victoria on its 20th year of service to the Victorian community. Established in 1989 as an independent, non-profit organisation, Leadership Victoria has created a range of innovative programs and community services which enable talented individuals from a range of professions and backgrounds to hone their leadership skills and to contribute to the Victorian community.

The success of Leadership Victoria has been driven by the Williamson community leadership program which brings together 36 emerging Victorian leaders annually and takes them on a journey of self-discovery and professional development. The nine-month program offers participants a rare opportunity to explore social and economic issues by tapping into a network of established leaders in diverse areas such as business, arts, environment, welfare, unions, research, sport, agriculture and government.

The Williamson program has now produced over 700 alumni, many of whom now populate top leadership positions in the private, public and non-profit sectors of our community. In the current Victorian Parliament I am joined by both the member for Doncaster and the Treasurer as fellows of the Williamson program. As a result of the program each year over 200 Victorian non-profit organisations now receive pro bono assistance from Leadership Victoria's fellows through the organisation's skills bank service.

Finally, I wish to acknowledge the contribution of Richard Bluck, who will retire from his position as executive director of Leadership Victoria later this year after 20 years of service. Richard has led the organisation with distinction, reflecting his passion, commitment and boundless vision.

## Olympic Village pensioners: bushfire support

**Mr LANGDON** (Ivanhoe) — I would like to congratulate the Olympic Village combined pensioners who raised $971 for the bushfire appeal. The Olympic Village pensioners are not in the most affluent area of Melbourne but they have big hearts and raised that $971 over three Tuesdays. Well done, a magnificent job!

**The DEPUTY SPEAKER** — Order! The time for members to make statements has now concluded.

# MATTER OF PUBLIC IMPORTANCE

## Land tax: rates

**The DEPUTY SPEAKER** — Order! The Speaker has accepted a statement from the member for Scoresby proposing the following matter of public importance for discussion:

> That the house condemns the state Labor government for its latest record land tax grab from property owners and

businesses which is causing considerable grief and anguish at a time of significant economic slowdown for Victoria.

**Mr WELLS** (Scoresby) — The land tax hikes in Victoria are creating a massive economic problem in the state which focuses on self-funded retirees and small business. The Brumby Labor government has absolutely no idea about how it should handle the situation, and that is why we have moved this matter of public importance. Every single member of Parliament receives many complaints from ordinary people, such as self-funded retirees and small business, that the increase in land tax is grossly unfair.

**Mr Nardella** interjected.

**Mr WELLS** — The member for Melton indicates that he has not received one complaint from any small business or self-funded retiree. He may need to keep his office open a little longer so they can come in and make those sorts of complaints.

We have had an example of a person who was thrown out of a Labor member's office because the member would not talk to him about the increase in land tax. The attitude of some Labor MPs is interesting. That constituent has been phoning us to receive advice about how he can assist his elderly mother, who is receiving a small rental income from her property.

It is interesting to note that the Treasurer's speech in budget paper 1 — I know the member for Burwood would have read this a number of times — under the heading 'A competitive business environment' says:

> We also continue our record of leadership on tax reform.
>
> In this budget, we will cut the top land tax rate by 10 per cent — from 2.5 per cent to 2.25 per cent — and make an adjustment to all land tax thresholds of around 10 per cent.
>
> This means that the top rate of land tax has more than halved since we came to office.
>
> …
>
> And it means that every land tax payer in the state will benefit from these changes.

Let me just read that last line again to make sure I have it right and that the members of the Labor Party also have it right:

> And it means that every land tax payer in the state will benefit from these changes.

That is a very interesting comment, because no-one ever believes what was written in that statement.

I will now refer to the Public Accounts and Estimates Committee no. 3 report of 2008, which also talks about land tax relief. The reality is that land tax, according to the PAEC, will increase from $765 million in 2007–08 to $1.04 billion — that is, an increase of $284 million in just one year.

I also note with great interest that in 1998–99, the last full year of the Liberal-Nationals coalition government, the total amount of land tax collected in this state was $378 million; it will be $1.176 billion in the new budget update. For the first time ever the amount of land tax that is going to be collected will be over $1 billion. According to my mathematics, that increase in land tax amounts to 211 per cent. The CPI (consumer price index) rate in June 1999 was 121.5, while in June 2008 the index was 162.5 per cent — that is, a change of 33.75 per cent. The CPI has increased in that time by 33.75 per cent, yet the land tax grab by the Brumby government has increased by 211 per cent. How does anyone possibly expect small businesses and self-funded retirees to survive those increases?

Land tax has no link whatsoever with the ongoing operation of a small business; there is no link between profitability and the well-being of that business. It is an extra slug on the value of the land. As I have mentioned, the hardest hit will be small business and self-funded retirees. Let me explain that: how does a small business recoup the cost of land tax especially in this climate? He or she cannot just put up the prices, because then they become uncompetitive or go out of business. They could start sacking a worker or two in order to pay the bill.

How else does he or she find the money, which in some cases is tens of thousands of dollars, to make ends meet? There is no revenue stream whatsoever for the landowner to offset the increase in the land value. There are no extra sales; there are no extra profits as a result of an increase in the value of that land; there is no corresponding increase in revenue. In other words we have a massive increase in recurrent expenditure offset against an increase in a capital item which can only be realised at the point of sale.

In 1998–99 the value of land tax coming into this state was $378 million; there will be a significant increase, to $1.176 billion, which is the estimated amount in 2008–09. The government said it is going to cut the rate by 10 per cent. The fact is that the land tax bill will increase and inject a massive $1 billion in revenue into the state's coffers. That is what is wrecking the business community, especially the small business community, and self-funded retirees.

One of the problems we have had with this whole exercise is that the government has removed the 50 per

cent cap; that cap was designed to cap land tax bills so the government could not increase land tax by more than 50 per cent. Across the board right across the state, the offices of MPs have been inundated by people who have concerns about their land tax bills.

I put out a press release in early 2008 warning the government that the scrapping of the 50 per cent cap on land tax would be a disaster for this state. As I pointed out in that press release of 1 February 2008:

> Introduced just prior to the November 2006 election, the land tax cap limited the increase in land tax to 50 per cent of the previous year's bill, to reduce the effects of rapidly rising land values.
>
> 'The effect of scrapping the land tax cap will be that many Victorians' land tax bills will increase massively in 2008.

Yet the Treasurer's press release of the same date says:

> 'Today Treasurer John Lenders boasted that Victorians pay less land tax in 2008 following reforms.

It is factually incorrect. But it gets worse. The previous shadow Treasurer, the member for Box Hill, warned the government in his press release of 27 March 2006, entitled 'Brumby backflips on Arthurs Hotel land tax bill'. We all remember this case in that the land tax bill for Arthurs Hotel went from $1694 to $21 255 in one year. In the last part of his press release the shadow Treasurer said as another warning back in 2006:

> Next year, the cap won't apply, so unless the government introduces genuine land tax relief for small and medium businesses in this May's budget, in 2007 Arthurs Hotel and other taxpayers across Victoria face being hit with the full force of the increases that are still in store despite Labor's phoney 'cuts' to date.

The member for Box Hill warned back in 2006 that this would have dire consequences.

What has happened with the latest round of land tax bills? People would say we are going through the toughest economic downturn since World War II, and we see that demonstrated over and over again. Things are even more difficult in Victoria because of the mismanagement of the state finances by the Labor government.

I will go through a summary of what has happened. The land tax assessments are based on the land values as of 31 December 2007, effective 1 January 2008. That is fact. The respective land values will be for the assessments in the 2009 and 2010 calendar years. As I said, we warned the state government about the removal of the 50 per cent cap on land bills. We said, 'Don't do it'. The applied land tax threshold of $250 000 has not been appropriately indexed in proportion to increase of property values, and now we have seen increases of 100, 200 and 300 per cent just this year.

Land tax bills, which were based on 2007 inflated property prices, have fallen substantially since then. In the December quarter of 2007 the median price of a residential house was $472 000, and just one year later the median price house for the December quarter of 2008 is $426 000 — that is, a decrease of 9.7 per cent. As I mentioned previously, for the first time the land tax receipts will go past $1 billion. Based on the revised land tax estimates brought out in December they will hit $1.176 billion. There is no doubt that many Victorians will struggle to pay their land tax bills. Regrettably this is another cash-dash grab which will cost jobs.

What has happened and what has been told to us in our offices? A war widow in Melbourne's northern suburbs, struggling to supplement her small pension with rental income from an adjoining residential property, has seen her land tax bill nearly double, from approximately $3600 last year to $7100 this year. A single mum in the eastern suburbs lives on $16 000 per annum from rental income, trying to do the right thing and look after herself and her children without any government assistance. While her rental income has increased approximately 20 per cent, her land tax bill has virtually tripled, increasing 198 per cent in five years, going from $3167 in $2004 to $9440 this year.

A self-funded retiree in the eastern suburbs will see almost his entire rental income disappear in taxes and charges due to land tax, which has tripled from $18 000 to $54 000 in 2009. A food manufacturing company in a south-east Melbourne suburb has seen its land tax bill triple from approximately $7100 to over $21 300, and is contemplating cutting staff levels to pay for that land tax bill.

A small property developer and construction company in the south-eastern suburbs with a $12 million per annum turnover has seen land tax go from $25 000 in 2008 to approximately $150 000 this year. That developer has had to borrow $100 000 to pay the land tax bill and is looking to sack staff to pay additional costs. A transport company in the eastern suburbs has experienced a doubling of its land tax bill, from $65 000 to $130 000.

The Liberals and Nationals warned the Brumby government not to remove the 50 per cent cap, but government members did not take one iota of notice. As a result we are going to see job losses, because there is no way known people can offset the cost of the land

tax against an asset which is increasing in value. They can only realise that profit once they sell the asset. We do not want small business owners being forced to sell their businesses because of an unrealistic land tax grab by the Brumby government.

**Mr NARDELLA** (Melton) — What a lazy, good-for-nothing, ill-thought-out matter of public importance we have before the house today! In 15 minutes of research the shadow Treasurer has gone to the library and got out some of his own press releases and those of the previous shadow Treasurer, and while he was at it, he got out our press releases. That is all the hard work this honourable member has put into this MPI.

But it gets worse, because he also had 15 minutes to tell us what his policy on land tax was, or is going to be. But no, that is too hard for this opposition. It is too hard for the Liberal Party and for The Nationals to sit down and think about what their policies are going to be, leading up to the next election. For them, any modicum of work, any thought that they could sit down and work cooperatively, work as a team, to work out what their policy for Victoria is going to be in the future — what policy they are going to take to the people of Victoria — is something the Liberal Party and The Nationals find anathema. They cannot do it. They are so busy fighting amongst themselves that for them to do any work whatsoever — this debate demonstrates this — is beyond their capability.

Let me go through this Baillieuland matter of public importance before the house. In doing so I will answer some of the points made by the shadow Treasurer. The fact is that this government has reduced land tax and continues to reduce land tax. The shadow Treasurer, who is numerically illiterate and cannot read a balance sheet, wants to laugh — —

**Mr Wells** — That is a lie.

**Mr NARDELLA** — It is not a lie. If you want to talk about facts, let us talk about facts. The Kennett government did two things with land tax. The first was to decrease the threshold to $85 000. When the shadow Treasurer was on this side of the house, he was part of the government that reduced the threshold to $85 000. What an appalling situation. Worse still, he was part of the government that increased the land tax rate to not 2.25 per cent, not 3 per cent, not 3.5 per cent, not 4 per cent, not 4.5 per cent but 5 per cent. He was happy when Jeff Kennett, as Premier of this state, reduced the threshold to $85 000 and increased the rate to 5 per cent. The Leader of The Nationals has just walked into the chamber. He was also part of the government that was very proud of reducing the threshold to $85 000.

What have we done? We have done two things. We have reduced the top rate of land tax not once, not twice, not three times, not four times but five times. It is now down to 2.25 per cent from the Liberal-National party coalition rate of 5 per cent. The tax-free threshold has been increased not once, not twice, not three times, not four times, not five times but six times. It has gone from the piddling $85 000 supported by the Liberal Party and The Nationals back in 1999 to $250 000. Under the Kennett government Victoria had one of the most uncompetitive rates of any state in Australia, yet members opposite have the gall to come in here and say we have increased these taxes, that we have increased the rate and that we have increased the threshold inappropriately. They want to put those false propositions before the house because they do not want to let the truth get in the way of a good story.

That is all those opposite do here. They are commentators who put hypothetical cases before the Parliament. Let us go through some of the cases. The first case put by the shadow Treasurer involved around $7000 in land tax being paid by a land-holder for a block of land for some small rental return. The value of that little bit of land in the case he put forward was over $1.5 million. The member on the other side of the house said such a land-holder should not be paying land tax or should be paying a lower rate of land tax, but he did not say what it should be, because that would be too hard. Let us go to case 2. Case 2 involved somebody paying around the $12 000 mark in land tax. The value of the block of land in question was around the $2 million mark. The shadow Treasurer then talked about a third case. What was the value of the land in that case? It was approximately $4 million, give or take a couple of cents. The shadow Treasurer is nodding his head in agreement. We are talking about land with a substantial value in a situation where valuations have gone up.

However, let me remind honourable members that under the Kennett government the valuations were not done every year, every two years or every three years; the valuations were done once every four years. When the land tax bills came in the screams were extremely loud — much louder than they are at the moment. We have reduced the period between valuations to two years. That is fairer for land-holders and reflects in a much better way the value of the land. I agree with the shadow Treasurer that land can go up or down in value. At the moment land prices are stabilising, and in some areas they are going down, and that will be reflected when there is another round of valuations by councils in

a couple of years time. It will be reflected in the land tax take at that time in the future.

Those are the facts as presented to the house by the shadow Treasurer. The matter that is really important for the Victorian people is to realise that opposition members are commentators. They are very good at reading press releases — both their own and the government's — and they are very good at reading the budget papers, but what would they do? If you try to read between the lines in what they are saying, you find the lines are thick with nothingness. They are saying they would reduce land tax, which would reduce the revenue of the state even further. What would that mean? It would mean other taxes would go up or services would go down. Land tax is used to provide the services that are important to the Victorian community — the 1400 extra police, the upgrades to the schools, the 9000 nurses and 9000 teachers we have put on, and improvements to roads and public transport. All those services — the child welfare services, health services, upgrades to hospitals, new dental clinics, new super-clinics, new air ambulances — would be affected by the decrease in revenue from taxes.

We are not saying that reducing taxes is a bad thing, because in fact we are reducing land tax by about $490 million over four years from the last budget. The shadow Treasurer forgot to read that out. He forgot to read out the part that said there is a reduction in the take from land tax of $490 million. He might say that is not true, but in essence it means he is unprepared to read the budget papers correctly.

One thing about matters of public importance is that they are an important vehicle for any honourable member to put before the house their vision for the future. This is what the shadow Treasurer has absolutely failed to do. There is no vision, and there is no understanding of the budget process. There is no understanding of the hard work that is required. It is even worse than that: I think it means that those opposite do not even believe there is a global financial crisis. If they did, they would not make these Baillieuland promises — when they ever make promises — or position themselves this way by saying that taxes are too high and that they will reduce them.

We have a severe global financial crisis, with revenue and the budget affected by the global changes, a slowdown in the economy and jobs being lost, even though we are creating jobs as quickly as we can and supporting jobs and businesses, especially small businesses — and the Minister for Small Business, who is at the table, has been doing a fantastic job. In essence this means those on the opposition benches are not only climate change deniers but also deniers of a global financial crisis.

Those opposite come into the house and say, 'We have the magic pudding', because that is the level of their reading material, apart from press releases from both the opposition and the government. They get out the picture book and say, 'This is a great policy. We have the magic pudding policy. We can reduce taxes but increase services'. That is Baillieuland stuff. It is wrong policy.

For the state of Victoria it means the effect on people, businesses, services and the communities we serve will be diminished. It means the hard policy work they have needed to do for the last nine and a half years has not been done. They have been in opposition for the last nine and a half years, and they have not been able to come up with one solid policy with regard to land tax.

The member for Scoresby had 15 minutes to give us a policy, a vision or an idea other than demonstrating to the house that he could read not only press releases but also *The Magic Pudding* by the Australian author whose name escapes me at the moment. He demonstrated his inability, and the inability of the opposition — both the Liberal Party and The Nationals — to think. Worse than that, he demonstrated the opposition's inability to put forward a vision, a policy that will take it to the next state election, demonstrate its position and put before the Victorian people how it sees the future and how it will pay for the future, instead of simply uttering the weasel words the member for Scoresby put before the house earlier.

**Mr RYAN** (Leader of The Nationals) — For the member's information, it was Norman Lindsay who wrote *The Magic Pudding*. I might add that Hans Christian Andersen wrote *The Emperor's New Clothes*, and I reckon the member ought to have a read of it, because he does not have any gear on, even as we speak!

I strongly support the matter of public importance that has been introduced by the shadow Treasurer. Let us get back to the facts. In 1998–99 land tax collected in Victoria amounted to $378 million; in 1999–2000 it was up to $411 million; in 2003–04 it was $748 million; in 2004–05 it was $847 million; in 2005–06 it was $780 million; in 2006–07 it was $989 million; in 2007–08 it was $865 million; in 2008–09 it was — wait for it! — $1 176 million.

They are the facts; those are the actual numbers. There has been a 186 per cent increase in this government's land tax revenue between 1999–2000 and this year.

They are the facts. This year, 2008–09, land tax revenue is expected to increase by 36 per cent. That is a fact.

All this is to be contrasted with the spin, some of which we have heard from the member for Melton during his contribution to the debate this morning. We saw more of this spin as recently as 19 February, in a press release issued by the Treasurer. It was issued in the context of the bushfires tragedy. In general it was a welcome announcement by the government, because it talked about land tax relief for bushfire-affected areas. The context of that, where it may lead eventually and what ultimate benefit we see derived from that government move, we are yet to tell. However, we certainly welcome the principle of it.

However, in the context of today's debate, there are a couple of components of the press release that are reflective of spin. I quote:

> Since 1999 we have cut land tax by $3 billion, including several adjustments to the tax-free threshold, creating a fairer rate scale and more than halving the top rate of land tax from 5 per cent to just 2.25 per cent now.

That is part of the spin. I quote from over the page:

> In this year's budget we cut land tax by $490 million while NSW increased their land tax rates by $170 million per year …

I note in passing that when it gets to the point that any state compares its financial state to that of New South Wales, we have to worry. We must have awful problems if New South Wales is used as the benchmark.

We all recognise that Labor cannot manage money; that is a generic fact about Labor jurisdictions. They borrow money — they spend money they do not have — and posterity is left to pay it off. That is all part of Labor governance; we recognise that. However, when this government starts comparing its performance with the current New South Wales Labor government, warning flags should fly all the more.

To see the other element of the spin in relation to this, I go back to a press release from the Treasurer on 1 February 2008. I quote:

> Treasurer John Lenders said the 2007–08 reforms to land tax announced in the last budget were reflected in this year's assessments and would save Victorians $508 million.

What is happening here is the ultimate line of spin. The government is completely ignoring the all-important issue — that is, the bottom line and how much Victorians are paying. They are, rather, talking about the rates at which these charges are made. They are concentrating their commentary around the fact that, very properly in the current circumstances of the economy that we have had apply in Victoria over the past few years, those rates should have come down.

Of course they should have come down, because it is not the rate itself which really matters in all of this; it is the figure to which you apply the rate to thereby get the bottom line. As ever in life, and politics is no different, it is the bottom line that counts, and the bottom line is that this year the government will increase its land tax take from the Victorian taxpayer by 36 per cent or in the order of $300 million. It is a staggering impost upon Victorians and an absolutely astounding impost upon us at a time when Victorian businesses are struggling and when people are battling to keep their jobs.

Particularly in those sectors where land tax is so often paid, employers are faced with making difficult decisions as to how they run their businesses and how they continue to employ — all of those sorts of things — yet here they have this shocking impost being imposed by the government: there is the spin.

Then you have the result, which I have outlined in part in what I have just said. The result was obvious to us even if we look back to 2005, when Jim Ryan — no relation of mine, but my heart and mind are with him — was the licensee of the Whitehorse Inn Hotel. Unfortunately he had to shut his pub because the government was insisting upon a land tax increase which had his tax go from $4000 five years prior to the date of this 2005 article, up to $43 000. After he shut the pub he did that eminently most sensible of things: he moved to Sale, to my home town. He is now running Jack Ryan's Irish Bar in Sale — and doing a great job, too.

**Mr Helper** interjected.

**Mr RYAN** — I do call in every now and then, Minister — only for medicinal purposes and to make sure that I am able to continue conversation with my constituency! It is very important to have on-the-ground contact with your constituency, unlike the member for Melton who has absolutely no idea. Jimmy Ryan is now in sunny Sale, doing a wonderful job running a very successful pub. He has had to escape from Melbourne, because this hopeless government, which spends money like a drunken sailor, had imposed that awful impost upon the land on which Jim was operating his hotel.

I refer to what is but one example back in 2005, because even as we speak this is all in play again. We

will see, without a doubt, that employers are going to have imposed upon them this enormous burden so that the government coffers are again being fed by these exorbitant sums of money. At a time when employers need as much relief as can possibly be garnered for them, the Labor government is out there saying one thing but doing another.

**Mr Nardella** interjected.

**Mr RYAN** — It is not difficult to hear when the member for Melton is speaking. I heard him mention the impact of the global financial crisis (GFC). I accept that the GFC, as it has becoming popularly know, is an issue, but the bigger issue is the spin this government is trying to run through every element of its marketing, which fundamentally says, 'It is not our fault. It is everybody else's fault'.

The Premier's constant line is, 'It is not our fault. There are all sorts of external factors at play'. Do not worry about the fact that we have had absolute record amounts of income coming into Victoria over the course of the 10 years of this government. Do not worry about the fact that Labor has not once come close to running its budget on budget.

Do not worry about the fact that, thank goodness, throughout that time each year receipts exceeded what the budgeted income was intended to be, otherwise we would have been in the red long ago. Do not worry about the fact that, time after time, I among others have stood in this Parliament and said, 'What happens when the music stops? What are we going to do when the music stops?'. Most unfortunately, for the moment at least, the music has stopped.

For 10 years this government should have seen what was coming. It could not run the show on budget, and now we are all reaping the consequences. Amongst the worst of it is this massive impost upon the employment sector in Victoria. This is the old pea-and-thimble trick come to life yet again. The government's basic spin in relation to all of this is you talk about the rate of application but not about the bottom line.

Unfortunately the music has stopped and this government has been left without a chair. It has been left standing in the middle of the room, like the proverbial on the proverbial, and unfortunately it is employers in Victoria in particular who continue to have to pay the price. Shame on the government!

**Ms RICHARDSON** (Northcote) — It gives me great pleasure to rise to speak on this matter of public importance regarding land tax. It gives me the opportunity to talk about the significant reforms Labor has undertaken in land tax in this state and about the significant cuts that the government has made.

It also provides me with an opportunity to thoroughly analyse the arguments put by the members for Scoresby and South Gippsland about land tax arrangements as they exist in Victoria today. It also gives me an opportunity to delve into the real motivations behind the members' arguments and what they have put to the house; perhaps I will say more about that later.

Members on this side of the house know that the Liberals repeatedly come in here and make claims that they cannot substantiate; again they have done that today. I will have a look at land tax in this state. Land tax is paid by roughly 4 per cent of Victorians and is paid by around 16 per cent of properties. It is not paid on family homes, on farmland or a range of other properties, including retirement villages, rooming houses, caravan parks, residential care facilities, land used by charities, land used by bodies that provide sporting, outdoor, recreational and cultural activities, or land owned by friendly societies.

The amount of land tax paid is based on the municipal valuations of land that are made every two years for the purpose of calculating council rates. The first $250 000 of land owned is exempt because of the tax-free threshold; it is a progressive tax. In other words, the amount paid increases above certain thresholds depending on the value of the land. For example, for land valued between $250 000 and $600 000, you would pay $275 plus 0.2 per cent of the amount above $250 000. As an example, someone with land-holdings valued at less than $250 000 pays no land tax whatsoever, but a person with land valued at $400 000 pays $575, and a person with land valued at $500 000 pays $775.

Land tax provides for key services in our state including public hospitals, money for schools, for police, for roads and water projects — all of the services that are vital to our state. Under Labor, Victoria became the first state to abolish an array of state taxes in exchange for GST revenue, but we have also made significant improvements to land tax since coming to office in 1999.

We have recognised that the increasing land values have impacted on Victorian businesses, on property investors and on those with holiday homes. In response we have made significant reforms to the land tax regimes which have saved Victorians a total of $3 billion since 1999. Labor has done this by increasing the tax-free threshold and has also created a fairer rate

scale. It has halved the top rate from 5 per cent to just 2. 25 per cent.

In fact Labor has cut the top rate for land tax five times since coming to office. As I said, it was 5 per cent under the previous Liberal government, and it is now 2.25 per cent. In last year's budget we announced $490 million worth of reductions to land tax rates over four years, and it will be $120 million in 2008–09.

The tax-free threshold was again increased at the last state budget. In fact it has been increased six times since Labor came to office and it is now at $250 000 compared to $85 000 in 1999 under the previous Liberal government. Labor's improvements to the land tax regime in this state have meant that roughly 500 000 people who would have paid land tax under the previous Liberal Kennett government have not paid land tax, thanks to these changes.

Labor has introduced other improvements. We have created other exemptions to the land tax regime, including those for aged-care facilities, residential services and rooming houses. All this was done in 2004. In 2005 we introduced an exemption for caravan parks. All those properties were eligible for land tax under the Kennett Liberal government. The caps that were introduced in 2006 and 2007 were intended to deal with the significant rises in property values. The cap was removed in the May 2008 budget, but at the same time, as I said earlier, we cut land tax by $490 million over four years. We have also removed the land tax bills for properties that have been affected by the recent fires.

The Institute of Public Affairs recently found that a typical business in Victoria pays the second lowest rate of land tax in Australia. For example, if you own land valued at above $400 000, you pay less than in New South Wales, and 60 per cent of Victorian land tax payers are better off than those in Queensland and New South Wales. Under the Kennett Liberal government we saw one of the most highly punitive land tax regimes in the country. The top rate of land tax was 5 per cent. Members of the Kennett government who were here prior to 1999 repeatedly voted for an increase to that top land tax rate, pushing it up to 5 per cent. They also repeatedly voted to lower the tax-free threshold to $85 000, and that hit more landowners.

Now let us have a look at the land tax increases in this state, remembering that $3 billion dollars in land tax revenue has been saved by Victorians since Labor came to office. Firstly, 62 per cent of land tax payers will face an increase of less than $500, and 73 per cent will face an increase of less than $1000. There are many reasons why their land tax bill may have gone up in recent years — of course these reasons are never discussed by the Liberals.

If a landowner purchases additional land, that obviously increases the combined value of their properties and places them in a higher land tax bracket. If land is subdivided, that increases the valuations of the separate properties leading to a higher tax bracket. Rezoning is another reason why land tax payments increase substantially. I read of an example in Cranbourne where a property was valued at $500 000. It was rezoned and a $5 million value was then placed on the properties, which led to an increase in land tax. The other reason is that property values have gone up over the years. We responded to that by introducing the cap and then the savings in the last budget. Two out of three land tax payers whose rates are increasing will find them to be roughly in line with the valuation increases.

As a result of the land tax reforms in the last five budgets, land tax revenues have not exceeded increases in the aggregate value of taxable property in Victoria. It is a claim repeatedly made by members opposite, but it is false. They claim falsely that land tax revenue has risen by 155 per cent. This is not the case. Land tax revenue has increased by 128 per cent while property values have increased by 149 per cent, so the increase on our take in land tax is not as great as the increase in property values.

I just want to look at why the member for Scoresby repeatedly comes into this house and puts unsubstantiated claims before us. In respect of land tax, I suspect that has something to do with the holdings he has in land. If members look at the register of members' interests, they will see that he has a property in Rosebud and a couple of properties in Knoxfield which are eligible for land tax. If members have a look at the Leader of the Opposition's entry they will find it is quite an interesting read — he has interests in properties in Richmond, Toorak and Sorrento. The Leader of the Opposition of course pays a significant land tax bill. When the member for Scoresby waddles up to the Leader of the Opposition and says, 'I want to talk about land tax', it has more to do with him trying to line his pockets than to protect the interests of the state. Labor has built more schools, more hospitals and better roads. None of these things can be done unless we pay land tax. That is the fact of the matter. Again the member for Scoresby wants to be self-serving when he comes into this place and puts false arguments before the house.

**Ms ASHER** (Brighton) — I too wish to participate in the debate on the matter of public importance submitted by the member for Scoresby. Given that the

ALP members who have participated in this debate so far have embarked on a history lesson about land tax, I would like to remind them that when I was first elected to this place in 1992 the Labor Party levied land tax on the principal place of residence. If members of the Labor Party would like to look at the history of land tax in this state, they can do so, but I invite them to do so completely. It was the Kennett government that had to remove land tax on the principal place of residence.

I also want to make reference to the fact that we on this side of the house encourage people to own property. The member for Melton owns several properties, and I say, 'Good on him!'. I gather the member for Albert Park also owns a couple of properties — good on him too.

**Mr Foley** interjected.

**Ms ASHER** — I do not think the fact that members of Parliament own property is grounds to slam a motion on land tax. I think property is a good investment. Unfortunately the import of the matter of public importance before the house today is that the Labor Party is taxing it too severely and the end result of these policies will in fact distort investment decisions away from property and into other forms of investment. This may well have an impact on Victorian jobs and is the substantive policy point that the opposition is raising in this MPI today.

I refer to the *Budget Update 2008–09* and in particular to a table on page 58. It is important to note the government's forecast on taxation revenue for the 2008–09 year. According to the 2008–09 budget, taxation revenue was going to be $13 382.9 million and the revised statement has taxation revenue at $12 880.1 million. We see the government is estimating a decrease in overall taxation revenue from its original budget estimates to this budget update. However, if we look at the line items on taxes on property, we see the reverse occurring. At page 68 of the document the Labor Party has estimated an increase in total taxes on immovable property from the initial budget to the revised statement that was tabled in December. In particular, in relation to land tax, the budget had land tax collections at just over a billion dollars — $1 049.8 million — and in the revised statement the estimated land tax collections by the government are $1 176.4 million.

We see this interesting contrast that the government's taxation revenue in that particular period is estimated to go down, yet its land tax revenues and overall taxes on immovable property will go up. This is because the ALP has a general view about land tax, which is that it thinks land is able to be taxed and would prefer to offer tax relief in other areas. Our contention is that because of the impact on investors, small businesses and jobs — I note that the Minister for Small Business is at the table and I would expect him to understand this point — this is not the right time to have such substantial increases in collections.

I turn now to a couple of general comments which have been made by other members in this debate. These land tax bills that are coming through now are based on valuations as at 31 December 2007 and the most punitive element of what is happening is the removal of the 50 per cent cap. As I said, self-funded retirees and investors have been impacted upon; small business has been impacted upon; and I fear that it will cost jobs.

I will refer to a couple of examples, because I think it is important that the Labor Party understands what the impact of the removal of the cap in particular has been on people who have to pay this tax, and I want to refer to a number of constituents in my own electorate. One emailed me in February saying:

> It was a terrible shock when I opened my mail tonight to find that the Bayside council had estimated the value of the land at 50 per cent more than the previous valuation two years ago and the even greater shock that the land tax has increased 100 per cent!
>
> …
>
> Surely the government must consider reducing this burden in these bad economic times. I hope my story will add to the case for tax change and help keep the pressure on the Brumby government to act.

I hope that story adds to this debate. As members can imagine, I have had a lot of people coming through my door complaining about excessive increases in land tax. Another constituent had land tax payable of just over $4000 in the previous year and now his land tax bill is over $6600. These increases are very significant to bear in the course of one year. I refer to another email sent to me by a land tax payer in March last year warning about the removal of the cap. This person wrote a letter to the Premier and copied it to me. It states:

> … we are concerned about the removal of the limit on the land tax increase.
>
> …
>
> … land tax is likely to increase and we will no longer have any protection from an excessive increment.

The Premier and the Treasurer were warned about the impact of the removal of the cap. This same couple has written to me again and outlined the level of disadvantage that they will suffer. They make a very

valid point that it is too late for them to change their investment decisions. As with small business, these decisions have already been made and property has been acquired. The entry costs are high: stamp duty is another high impost. You simply cannot treat an investment in property the way you treat an investment in shares and sell. Once you are locked into a decision, given the enormous barriers to entry, it is generally very difficult to get out of that investment.

Another constituent wrote to the Treasurer saying that land tax in that particular example in 2008 was $1230; in 2009 it is over $2900. Again, this constituent puts to me that she will not pass this on to her tenants — there are laws prohibiting that from happening. But if this increase were passed on to the tenants of the property, those tenants would receive a rent increase in excess of $70 per month or 6 per cent to offset the increases in land tax.

There is real concern for investors and for small business operators who own property and are paying land tax of a dimension that they did not expect to pay. But it is no surprise to me that this is the form of tax the government has chosen to levy with a lot of vigour because this government has form on land tax. I refer members of the house to the *Review of State Business Taxes* of February 2001 conducted by John Harvey — the Harvey report — in which the government flagged what it wishes to do. The then Treasurer, now Premier, fully supported this report when it was released, although he had to back off in due course following a community outcry. The review committee, chaired by John Harvey, proposed a flat rate of land tax of 2.89 per cent to be levied with no threshold on all business property.

That is what the Treasurer, now Premier, proposed in 2001, and he backed off when there was community outcry. One of the really interesting things is that the day on which the Harvey report was released the then Treasurer backed off on one of the recommendations but allowed that land tax option, with no threshold on tax to be levied on all business property at a flat rate. He allowed that proposal to stay in the political marketplace for months until the pressure was such that he had to rule it out.

The Brumby government has form on land tax. We know what it wants to do. It wants to increase taxes, even with tax revenue going down overall. It wants to increase land tax, and it wants to pillory small investors and small businesses.

**Mr FOLEY** (Albert Park) — It gives me great pleasure to contribute to the debate on this matter of public importance (MPI) proposed by the member for Scoresby. We perhaps need to refresh ourselves on what this dynamic MPI is actually suggesting. It is proposing that the house condemn the government:

> … for its latest record land tax grab from property owners and businesses which is causing considerable grief and anguish at a time of significant economic slowdown for Victoria.

There is nothing about an alternative. In the contributions we have heard so far from opposition members in support of this proposition there has been nothing about how they would manage this significant and, as the member for Brighton says, overall decline in the proportion of state revenue.

It is a pleasure to rise after hearing the contributions by the members for Melton and Northcote to the debate. Between them they covered a lot of the important public policy areas. The member for Northcote focused on the facts of the matter and the member for Melton focused on the government's continual reform of the land tax regime to keep it competitive in comparison to those of other states. In particular the member for Melton pointed out the hollowness and the lack of substance in the contributions by members of the Liberal Party and The Nationals to this discussion.

In that context it is quite important that the people of Victoria take notice of what the Liberal and Nationals coalition is talking about. So far, all we have heard is the increasingly predictable moaning by this fractious coalition. The member for Melton referred to it quite correctly as the predictable magic pudding approach of the Liberals, who continue to be everything to everybody, promising an economically irrational, totally undeliverable magic recipe of lower taxes, increased spending — all too regularly from what limited contributions they have made so far — and ill-directed funding, no matter how well or ill-conceived that approach might be.

This debate is even more important to the people of Victoria when you peel it back, because what it reflects is the differing views on each side of the house about what type of society and what type of community we want to build in Victoria for the 21st century. Is it really the Liberal model, which we gather to be some kind of rapacious and grasping model of competing individuals, all driving their own self-interests with no concept or model for the common good, or a unifying model of what the role of government can be?

Essentially that is what you are talking about in respect of the revenue base of the state. You are talking about the role of the state; you are talking about what the model of government is and how it is going to go about

responsibly funding what it does. All we hear from the Liberals, through this ill-conceived MPI, is that in their view somehow or other the role of government, this 18th-century Leviathan model, should be removed from as many forms of society building and community building as it can. This is because there are not going to be many ways to fund the government's activities, if you look at how the Liberal and Nationals coalition reflects its underlying values as reflected in this MPI.

That is fundamentally because coalition members share the view of a former prime minister of the United Kingdom, Maggie Thatcher, that there is no such thing as society; there are only individuals pursuing their isolated self-interests. Scratch any of the Liberals and their mates opposite and you will find a drowning neoconservative waiting to get out as they try to position their ideology around this kind of misshaped MPI. Scratch any Liberal opposite and you find in reality someone with a slash-and-burn approach, a wrecker of state programs who wants to get out as soon as they can. This has continually been reflected during their limited time in government over the last few decades. I suspect this will increasingly be the case as we get closer to the next election and will be an item of some focus for the Victorian community.

This MPI is really about the Liberals using what they consider to be some kind of respectable language about looking after small business and sticking up for the battler. However, in doing they are not able to demonstrate on the facts, as the member for Northcote has pointed out, how the state's reform of land tax has been a continual work in progress. This state has placed land tax payers in a sensible and relatively competitive position nationally. Those opposite, when having a discussion on the revenue base for the state, have no regard for the detail of what is required. They have no regard for the consistent reform of the state's land tax regime that this government has continually monitored. They have no regard for the comparison between states or indeed our competitive position. They simply try to pooh-pooh sensible comparisons when they are made. Instead they seek refuge behind their lazy and indolent shadow Treasurer, who simply relies on a Google search of various media releases for his cheap one-liners and tries to appeal to the lowest common denominator in this debate.

Let us actually consider, as the member for Northcote has adequately pointed out, some of the failures of opposition members and the matters they have not considered in this debate.

This government has recognised the impact on Victorian businesses and property investors of rising property values over recent years. This government has made significant land tax regime savings. If those reforms had not gone ahead, there would not have been the cuts of some $3 billion in land tax. This government has moderated the impact of property price increases on land tax bills and improved Victoria's interstate competitiveness on land tax. That has been done in a market that over the life of this government has seen the value of land rise continually as an important contributor to Victoria's economic activity. As a result, Victorian land tax payers who have land holdings above the $400 000 mark pay less than they would in other comparable eastern seaboard states, particularly New South Wales. At the same time Victorian land tax payers who have holdings of between the $350 000 mark and approximately $5.67 million pay less than comparable taxpayers in Queensland. All that goes to undermine the suggestions by Liberal Party members — to use their colourful but inaccurate language — that this a record land tax grab from property owners and businesses.

Whilst of course the rates and the overall take of a declining proportion of the state's revenue basis of land tax are increasing, the reality is that they do so against a background of a more rapidly increasing value of the land as a key asset to both Victorian taxpayers and the Victorian economy.

What really masks the contribution of members of the Liberal-Nationals coalition here is that, if they were to be honest with the people of Victoria, they would necessarily have to detail how they would propose to pay for what one would assume from their position — that is, a reduced land tax regime. In so doing they would have to detail which schools they would close to pay for it. They would have to detail which elements of the record investment in the Victorian school plan they would not proceed with and which of the 1300 new police they would sack and thereby place at greater risk community safety. They would have to detail also which mental health programs, which hospital beds, which natural resource management programs and which support for farmers — that is, which support for the role of government in this society those opposite would choose to reflect the cuts that from their rhetorical position one would imagine they would be taking to the Victorian people on this issue.

Of course we get none of that detail in the contributions from members of an opposition that is bereft of ideas and lacks a vision of the role of government beyond the simple knee-jerk, all-too-often conservative party position in this country that somehow government is a bad thing and that somehow taxes are bad, rather than

what they are: the model of an arrangement for a civilised society.

**Mrs POWELL** (Shepparton) — I support the matter of public importance introduced by the member for Scoresby:

> That the house condemns the state Labor government for its latest record land tax grab from property owners and businesses which is causing considerable grief and anguish at a time of significant economic slowdown for Victoria.

We could also add that in addition to the economic slowdown we have had prolonged drought for about the past 10 years, which means that people's ability to pay has been greatly reduced. On income, when I talk to small business owners they tell me that their revenue, the money they get in, has decreased dramatically. People are not spending as much. When they do spend, in some businesses they are paying much later, so those businesses have to carry that cost. There has been a huge effect on restaurants, clothes shops and service stations — all people who have to pay land tax. There has been a dramatic decrease in people's ability to pay their land tax.

We must also consider people affected by bushfires. A large number of people have had their homes and businesses destroyed by the bushfires, yet the government is not waiving their land tax debts. This government will not acknowledge that people are going through some dreadful times and will not give any assistance to them.

While all that is happening this government is still getting a windfall land tax gain, and it continues to increase its land tax revenue. The member for Scoresby outlined some of the businesses and other people he has dealt with who have had massive land tax increases. The concern of opposition members is that small businesses will close. This is an issue that government members seem to overlook: if people do not have the capacity to pay, they will just walk away. People's businesses will close, and another part of that is that people will lose jobs. Whenever we see businesses under pressure, obviously the first thing the business operators have to do is reduce staff or let them go. This has a devastating effect on all Victorians, particularly those who lose their jobs but also the employers who have to put off staff.

As the member for Scoresby said, land tax has huge effects on self-funded retirees. I heard some members of the government laugh about that, but they are people on a fixed income. They do not have the capacity to budget for massive increases in tax. We have to make sure that those people are looked after. They are not the wealthy of this state, although it appears that members of the Labor government think they are and are using those people as a cash cow to achieve windfall gains in land tax.

Land tax is an annual fee payable on land with a taxable value of $250 000 or more. Some land is exempt — that is, land used for primary production or land on which there is the principal place of residence. I was pleased that the member for Brighton reminded us that it was the Kennett government that removed the land tax that applied to the principal place of residence. That was one thing government members overlooked.

The taxable value of land is the municipal site value, which is provided to the State Revenue Office by the relevant municipality, so local government plays a huge part in providing that data. Council valuations are used by the State Revenue Office for land tax purposes and councils are reimbursed about half the cost of the valuation. The Brumby government is using inflated prices to value its land tax income. As the member for Scoresby reminded us, the current land tax is based on the figures for 31 December 2007, during a time of peak property prices. Labor members might be interested to know also that this government intends to amend the Valuation of Land Act 1960 to centralise rating authority valuations under the valuer-general's office and take valuations away from local councils. This will have a detrimental effect on councils, because rates are the only tax base available to local government.

Another concern about this proposal is the conflict of interest that will be created, as the Brumby government will benefit from any increase in property valuations through increased land taxes. This is a concern of a number of councils that have written to me saying that they believe a conflict of interest will be created for the government, because, as I said, it will benefit. It will be in control of the valuations and the land tax provisions.

On 2 December last year the government released a discussion paper called *The Future Direction of Rating Authority Valuations in Victoria*. The submissions were to be in by 2 February, but because of a huge outcry the government extended that to 16 February. There were no discussions with councils before or during the time when that discussion paper was under consideration, even though there was an intergovernmental agreement between the Municipal Association of Victoria (MAV) and the state government that the government would consult local government before any major decisions were made. That was a huge oversight by this government, which has again done what it has for years done to local government — just disregarded it.

The timing of the release of the discussion paper was appalling. It was released one week after council elections in November, which meant that approximately 50 per cent of the councillors were new, so inexperienced councillors were expected to make decisions on a very complex issue. Rating valuations must be accurate. As I said earlier, land tax is based on municipal valuations. The rating valuations are important to councils, which use them to apportion their rates equitably as well as to determine supplementary tax valuations.

On behalf of the opposition I wrote to all 79 councils and the MAV and the Victorian Local Governance Association, the two peak bodies representing local government. I had a massive response. There is massive opposition to the government's proposal to take control of and centralise property valuations. The concerns included that it will not result in improvements to the quality or cost of valuations. Local knowledge is absolutely important in understanding local conditions. The government says it will be cheaper for councils, but no evidence of that was provided.

New South Wales and Tasmania have centralised systems, and councils in those states are charged more than the average cost that is charged to Victorian councils. Victoria pays $8.80 an assessment, whereas New South Wales pays $12 for each assessment and is on the way to paying $16. Tasmania pays $22 per valuation assessment. There are three valuation bases in Victoria. They are site value, net annual value and capital improved value. The other states have only site value, so we are not comparing apples with apples when we are finding out whether it is of benefit to Victoria to go down this path. There is also a concern that the transfer of the property valuation role to the valuer-general means the state government will manage the valuation contracts and provide the valuation data to councils at a charge. There has been no discussion about what the charge to councils will be. It also means that the government is in complete control of valuations that are used for land tax purposes. The majority of councils oppose the government's proposal.

I have written to the Minister for Local Government and to the Premier calling on the government to abandon its proposal to take responsibility for rating valuations from municipal councils. Councils have invested huge amounts of time and money in their rating intellectual capacity and databases because they really need the information in order to rate their municipalities appropriately. We must make sure that data is completely accurate. The integrity of data must be ensured so there will be fewer disputes over property valuations and fewer disputes over land tax valuations. The cost to councils of buying back the information has not been stipulated, nor has the cost of buying back information on any supplementary valuations. Growth councils will need accurate and up-to-date data.

The government is trying to become both the owner of the information and the seller of the information to councils. It also wants to benefit by assessing land tax based on the valuations made. The government stands condemned for its greedy land tax grab at a time of significant hardship for ordinary Victorians. I call on the government to support the matter of public importance and to not criticise the opposition by saying it does not have a proposal. We are not the government. The government is the government, and it needs to listen to ordinary Victorians.

**Mr BROOKS** (Bundoora) — In joining the debate I should say that I have rarely met anybody, either a private individual or someone running a business, who enjoys paying any form of tax. When it comes to taxation people expect from their government that the taxation regimes will be as fair as possible, that the revenue raised will be used efficiently and that as far as possible the tax mix will promote economic growth and the protection and growth of jobs. In that context land tax is a very important part of the overall suite of revenue provided to the Victorian government. Obviously that revenue goes to provide the basic services that Victorians expect and deserve, such as hospitals, schools and police.

Other speakers have made these points, but I want to reiterate that land tax is imposed on the unimproved value of land, not including the value of buildings or improvements on it. In the context of the debate and some of the points made by members opposite, it is important to remember that an increase in land tax reflects an increase in land value. Homeowners do not pay land tax on the family home if it is their principal place of residence unless it is owned by a trust or a company. Around only 16 per cent of properties in Victoria are liable to have land tax levied on them, and the first $250 000 worth of land is exempt thanks to the tax-free threshold which was increased by the Brumby Labor government in the last budget.

The Brumby government has a very strong and positive record when it comes to reducing the land tax burden. Since coming to office the government has made around $3 billion worth of cuts to land tax. The top rate of tax has been cut five times, and it is now sitting at 2.25 per cent compared to 5 per cent when the government came to office. As I said, the tax-free threshold has been increased six times and now stands at $250 000 compared to $85 000 when the government

came to office. Land tax brackets have been adjusted significantly to reflect rising property prices. In the last budget this government announced just under $490 million worth of cuts over four years which will benefit all land tax payers. That will mean $120 million worth of savings to land tax payers in the 2008–09 financial year. It is worth noting that the New South Wales government recently increased its land tax take by $170 million a year.

The Brumby government has reformed the system of land tax it inherited from the previous government resulting in savings of around $3 billion. It has reduced land tax rates on three occasions — in the 2006, 2007 and 2008 assessment years — to even out the progressiveness of the land tax scale. It has made changes to land tax brackets on three occasions — in the 2005, 2006 and 2008 assessment years — to reduce the land tax liability on land-holdings that fall within the middle brackets. The government removed indexation in the 2006–07 budget, so that assessments are now based on valuations conducted by local councils every two years. It has also created exemptions for supported residential services, rooming houses and aged-care facilities. It has improved processes for people wanting to lodge an objection to enable them to appeal. It has also extended the time in which people can make payments.

The government has introduced a range of measures both to reduce land tax and to increase the threshold so that people are not caught up in land tax when the value of their land falls below $250 000. In a comparison with other states, all businesses with land values between $400 000 and $5.67 million pay the second-lowest land tax in Australia — less than is paid in New South Wales and Queensland. All residential taxpayers with land values of between $695 000 and $4.25 million pay the second-lowest land tax in Australia. Most people who pay land tax are better off than they would be in New South Wales. Over the life of this government approximately half a million people have not paid land tax as a result of decisions made by this government to increase the tax-free threshold from $85 000 inherited from the previous government to the $250 000 tax-free threshold which exists currently.

When listening to the debate today we have heard a range of bizarre arguments put by members opposite. The only example that the Leader of The Nationals, the party which purports to represent country Victorians, could cite was four years ago in the city of Whitehorse, even though the member for Scoresby tells us that members' electorate offices are being inundated with complaints about the system. It seems strange that the Leader of The Nationals could not find an example from country Victoria.

The member for Scoresby cited the *Report on the 2008–09 Budget Estimates — Part Three* of the Public Accounts and Estimates Committee, but he did not mention item 2.7.1 headed 'Tax relief measures in 2008–09 budget' at page 39 of that report. Table 2.6, which I am sure the member for Scoresby is aware of because he is a member of the Public Accounts and Estimates Committee, outlines the government's tax relief measures. As I said before, land tax alone equates to just under $490 million over four years. The table details land transfer duty relief. It details payroll tax relief. It does not detail the successive cuts that the government has made to WorkCover premiums in an effort, along with all the measures I have indicated, to improve conditions for business in Victoria, because this government understands that the best way to provide long-term jobs for Victorians is to ensure that business is able to get on with the job of creating jobs and prospering.

The Liberal Party has a very short memory when it comes to land tax. We have heard a lot of people from that side of the chamber complaining today, but we know that when the Leader of the Opposition was the president of the Liberal Party and that party was running Victoria, he presided over a party that increased the top rate of land tax to an uncompetitive 5 per cent. It actually lowered the threshold to $85 000 to take in more taxpayers. The Brumby government is increasing the threshold and reducing the tax rate. Members on the other side of the house will remember that they were the ones who reduced the threshold to try to rope in more taxpayers so they could — —

*Honourable members interjecting.*

**The ACTING SPEAKER** (**Mr Seitz**) — Order! The member for Bundoora, without assistance.

**Mr BROOKS** — That was to grab more land tax from Victorian land tax payers. The opposition went to the 2006 election making made a lot of noise about policy documents that referred to cutting land tax, while at the same time it made billions of dollars in election promises that were unfunded. It would be very interesting to hear from the Liberal Party as to how it intended to fund those election promises. Did it intend to dishonour its promise to reduce land tax? Did it intend to cut services as it did the last time it was in government? The only thing the Victorian people have to go on in relation to these matters is past performance.

We have seen the Liberal Party cut into services in the past, we have seen it increase land tax rates and we have seen it reduce land tax threshold rates. Its track record is there for people to see — and so is ours. As I have said, we are the party that has cut land tax rates and business costs through reductions in WorkCover premiums and other government taxes. We have seen Victoria bucking the national trend as we move through this global financial crisis. We continue to perform relatively strongly.

If opposition members feel very strongly that the land tax arrangements should be changed, it would be very interesting if they actually put forward a position. They have failed to do that today. The member for Scoresby had 15 minutes to outline a policy position, and we heard zilch. As the member for Melton indicated, all we heard was a regurgitation of a number of press releases and some very glib one-liners. Opposition members will not be able to produce a policy for us in this debate today because they do not stand for anything — they are divided and have been too lazy to put in the hard work.

**Mr KOTSIRAS** (Bulleen) — I stand to strongly support the member for Scoresby and the matter of public importance he has moved in this house. Any reform of land tax by this lazy government has been cosmetic. It has made no big difference to my constituents. Members of this government hate it when they are shown to be hypocrites. Members on the other side hate it when it is shown that they sit mute in their caucus room, refusing to have a go at the minister and refusing to tell the appropriate minister to do something about land tax. Every single member on the other side should be pushing the government to do more on land tax, because it is costing jobs and causing hardship to many in my electorate of Bulleen.

This government should not be blaming everything and everyone for its incompetence. It should not be looking at the opposition. It is the government. It has drivers, limousines and 50 staff in the minister's office. It has departments, consultants and lawyers who are paid so much money, yet this government is unable to achieve anything. Many landowners have been shocked to learn that they face land tax increases of up to 300 per cent this year.

I want to talk about self-funded retirees in my electorate. These are people who have worked hard all their lives, who have made some money, bought properties and now intend to live the rest of their lives in some comfort. They have made sacrifices, yet this government is now trying to take that away from them. This is the first time in history that land tax has subsidised a government's incompetence by more than a billion dollars. This massive land tax hike comes at a time when property owners are struggling through the worst economic decline in many years, yet they get another slap in the face from this government. But Victorians should not be surprised, because in 1994, when Mr Brumby was the Leader of the Opposition, he asked a question without notice of the then Treasurer. He said:

> I refer the Treasurer to his budget decision to provide land tax relief of some $20 million … and I ask: why has he provided $20 million in tax relief instead of providing increased funding for the Metropolitan Ambulance Service, which is clearly in crisis?

The ambulance service is very important, but why would the then Leader of the Opposition not ask the government of the day to cut back on advertising and cut back on staff in ministers offices? The then Leader of the Opposition decided instead to choose land tax. The current Premier was against the Kennett government's introduction of land tax relief because in his opinion anyone who owns property is wealthy. The thinking is that we therefore should slug them, that we should try to take as much money from them as we can. That is appalling. In 1994 the current Premier criticised the then government for land tax reform. He could have targeted so many other initiatives, but he targeted the land tax reform of the Kennett government. That just shows he was against any land tax reform. This is still going on today. What has the government done since 1999? We have had nine dark years of a Labor government — —

**Mr Wells** — Long, dark years.

**Mr KOTSIRAS** — They have been long, dark years. If we have a look at land tax, we see that in 1999–2000 the government was receiving $400 million from land tax, in 2000–01 it was $500 million, in 2001–02 it was $515 million, in 2005–06 it was $780 million and in 2008–09 it was $1.1 billion. This is what the government is getting from those hardworking Victorians who have worked all of their lives and made sacrifices. The government is getting $1.1 billion from those Victorians.

I have received numerous phone calls from constituents and many have come to see me regarding land tax. In one case, land tax went from $4928 to $8495 — that is, an increase of 72 per cent in just one year. I am talking about the same properties. Another constituent came and spoke to me. In the previous year his land tax was $880 and this year it is $2600, an increase of 195 per cent in one year. A further constituent who came to see me previously had had land tax of $10 247; this year it

is $37 912. That is an increase of 270 per cent in one year on the same properties. Is it any wonder that people are hurting? Working Victorians are hurting under this lazy, inept and uncaring Labor government. Is it any wonder?

Constituents are now starting to write to the government — to the commissioner of state revenue. One constituent wrote:

> There is little doubt that any trading entity which attempted to increase fees to their clients by nearly 300 per cent would not remain in business for any great length of time. Why is it that a government … should feel it is justified in doing … that?
>
> In your … circular letter … in the second paragraph you attempt to point out what you consider to be significant changes to land tax. Surely, advice of massive increases in land tax charges, over the previous year, would qualify as a more significant change than those indicated. In fact your changes become rather insignificant in comparison.
>
> It is interesting to note, particularly in the current economic climate, that our state Labor government feels justified in claiming such huge increases in its taxes, when the federal Labor government and its leaders are so prominent in their public statements in calling upon restraint in all sections of the community.

And what do we get from the government? In the *Manningham Leader* there is an article headed 'Land tax comes under fire' in which a constituent complaints about the huge increase in her land tax:

> My parents' land tax jumped from $10 000 to $39 000 …
>
> Although we understand it is a tax on the wealthy, everyone gets hurt including the staff who may lose their jobs.

What was the response from the government? The article continues:

> Matt Nurse, spokesman for Victorian Treasurer John Lenders, denied Mr Kotsiras's claims, maintaining that almost 85 per cent of Victorian properties would not incur any land tax this year.

Eighty-five per cent! This guy is advising the minister! I suggest he leave the minister and find himself an alternative job, because he is no adviser. This is wrong, and it is poor advice to a minister. He goes on:

> In this year's budget we cut land tax by $490 million.

He did not say how much the government is getting. As I said, we started off with $400 million, and it is over $1 billion today, but all we get from the spokesperson from John Lenders's office is to say it is not true, it is not happening and people are better off today than they were back in 1999.

I ask the mushrooms on the other side to stand up for their constituents. They should stand up for the people who voted them in. They are members of this Parliament and should stand up in the caucus room and argue with the minister to persuade him to do something about land tax rather than just passing the white folder along, with everyone singing from the same hymnbook. I have no problem with hymnbooks, provided they are of high quality. But if the information is false and people are misleading the public, they should be ashamed of themselves. Members opposite need to speak up and ensure their voices are heard and that they properly represent their constituents. Members are there to be the voice of constituents in Parliament. At the present moment they are failing to do that.

Time will tell. People have long memories. I urge members on the other side to actually do something and achieve something in their final 12 months, before it is too late, because land tax is hurting Victorians. Land tax is hurting working families, and it is certainly hurting people in my electorate. I ask the government to act quickly.

**Mr STENSHOLT** (Burwood) — I am sure it comes as no surprise to members opposite that I do not support the motion of the member for Scoresby. We may barrack for the same footy team, but in this case we are diverging. The member quoted from budget paper 1, which I had read, but I refer the member to budget paper 4 and urge him to look at page 180, where it says that:

> Land tax is an annual tax assessed on the total taxable land owned by a landowner. The taxable value of land is the municipal value provided by the relevant municipality. There are several exemptions, including land owned and used by charitable institutions for charitable purposes, land used for primary production, and land that is used as the landowner's principal place of residence.

So that is the definition of land tax. I note that it is actually a tax. I noticed that the arguments put forward by the opposition are premised on a falsehood. The member for Bulleen saying that the government's line is just not credible or is false shows a misunderstanding of what land tax is all about.

I note that in today's *Age* there is an opinion piece on property tax; I am sure the member for Scoresby would have read it over his breakfast — at least I hope he did. It talks about re-establishing the public capture of land values and quotes from Philadelphia's first tax law in 1693:

> Put to the vote: as many are of the opinion that a public tax upon the land ought to be raised to defray the public charge, say 'yea' …
>
> … Carried in the affirmative, none dissenting.

I hope the Liberal and Nationals members opposite are not saying to this Parliament that they do not support taxes on property, because I would be very surprised and would think they really did not have any understanding of taxation and the need for it.

Why do we have land tax and taxation? We have it in order to secure and help run our hospital system and to fund our schools, police, the projects that secure Victoria's water future, our roads and many other services here in Victoria.

A tax on property is not something new. It goes back many thousands of years. Property taxes were used in Egypt, Babylon, Persia and China and throughout the ancient world. From approximately 200 B.C. to 300 A.D. Romans paid property taxes on the value of land, buildings, livestock, trees, vines and other personal property, so this is nothing new. Those who are strong in British history will realise that after 1066, William the Conqueror introduced the Domesday Book. No-one likes paying taxes — I have no problem admitting that — but we need to run services in the state for the good of the people; the Domesday Book created an early form of land taxation where town officials kept cadastral records of everyone who owned property.

This has continued on to today, where land tax is levied in Victoria. The taxing of people and their property, as James Madison said in the USA, is essential to the very existence of government. Taxation is necessary in order to provide the services we have in Victoria and indeed, throughout the world. As I have already mentioned, the states and territories need to generate their own income, and this is one of the forms of taxation in Victoria.

I noticed that statements have been made about all the increases in land tax. This is the furphy put forward by the opposition: that there have been increases in land tax, when it is clearly not the case. I quote from page 181 of budget paper 4, which states:

> The 2008–09 budget provides an increase of approximately 10 per cent to all tax thresholds —

in other words, the thresholds have gone up, which means you pay less tax at that particular level —

> increasing the tax-free threshold from $225 000 to $250 000, and reduces the top land tax rate from 2.5 per cent to 2.25 per cent effective from the 2009 land tax year.

That is what we are talking about today. It continues:

> These initiatives will mean that virtually all Victorian businesses with land holdings valued between $0.4 million and $5.7 million will pay lower rates of land tax than in NSW and Queensland.

The budget paper goes on to provide the schedule for both general land tax rates and trust land tax rates.

This is a concern for people in my electorate; I have no problem with that. Indeed, over the last nine years I have very vigorously represented those people in questioning land tax rates. Let me assure members opposite that I have not been silent in caucus and at other meetings, and I am sure the Minister for Public Transport who is at the table will back me up on that. We are in there supporting our constituents on this and many other issues.

**Mr O'Brien** — Support the matter, then, Bob.

**Mr STENSHOLT** — We are not supporting this matter of public importance because it is wrong. It is based on an inconsistency in and a misunderstanding of land tax. The government has been active in ensuring that the threshold has been raised, and it has been raised now, I think, some five times.

The member for Brighton spoke on this MPI earlier. When she was the Minister for Small Business she sat at the cabinet table and saw the threshold reduced to $85 000, thereby catching virtually every small business in Victoria. What is the Liberal Party's attitude when it comes to times of economic difficulty? I will quote from a second-reading speech made by then Treasurer Alan Stockdale on 7 October 1993. Members may well yawn at my mention of Alan Stockdale; perhaps he is a bit boring, but when talking about this issue in 1993 he said:

> Had the scale not been amended, land tax revenue would have declined by almost $175 million reflecting the effect of the recession in depressing property values.

The Liberal Party's form when there are economic difficulties is to raise the land tax schedule and lower the threshold so as to catch more people. What did we do? As I have already mentioned, we cut land taxes by $490 million. The member for Bundoora mentioned table 2.6 on page 39 of part 3 of the Public Accounts and Estimates Committee report on the budget estimates; it refers to land tax cuts of $488.7 million over four years. This year it is $122.3 million. The total tax relief from a number of measures is over $1 billion.

I refer members to page 209 of budget paper 4. Members opposite may think it is not a fair deal but I can tell them that there are enormous concessions, enormous tax expenditures and land tax exemptions in the system. I will go through them for the benefit of members. They add up to $1.551 billion in 2011–12, growing from $1.289 billion in the last financial year.

Tax exemptions include Crown property, principal place of residence, land held in trust for public or municipal purposes, charitable institutions, commonwealth land, primary production land, land vested in statutory authorities, CityLink and EastLink. There is a partial exemption for non-profit organisations, retirement villages, caravan parks and residential care, as well as aggregated site value below the tax-free threshold. There is an enormous amount of exemptions there.

Let us go back to what was happening in 1999. I have the list from page 6 of budget paper 3 of the budget estimates for 1999–2000. The schedule shows the rate was up to 5 per cent for every dollar over $2.7 million. What would you pay today if that applied? If you had a property worth $1 million, with the 5 per cent you would paying $6230 instead of $2975. If you had a property worth $5 million, instead of paying $69 975 you would be paying $169 880.

If you went for the member for Box Hill's flat tax proposal, which I rejected in about 2 seconds flat when it was proposed in 2001, you would be paying $150 000 rather than $69 975. I will not go through the other ones there but you can see that you are paying much less now than you would have paid under the old Liberal scheme. And, as I mentioned before, in times of economic difficulty the Liberals raise the tax and lower the threshold. A former Minister for Small Business, the member for Brighton, is in the chamber; she was sitting at the cabinet table when the Kennett government lowered that threshold.

We have raised the threshold some five times. We have reduced the top rate from 5 per cent to 2.5 per cent. We have changed and simplified the thresholds in the middle of progressive taxation. We have cut land tax by $3 billion. We have supported people right throughout Victoria.

**Mrs FYFFE** (Evelyn) — I am pleased to rise to support the matter of public importance, which states that this house condemns the state Labor government for its latest record land tax grab from property owners and businesses which is causing considerable grief and anguish at a time of significant economic slowdown for Victoria.

This year's land tax cycle began on 16 February. The valuations are based on 2007's inflated prices. Land-holders are reeling in shock at getting bills treble what they were last year, yet property prices are falling. The government take has increased from $380 million in 1999 to an estimated record take of $1 billion-plus this year, but who is going to pay for these land taxes? Who are the people who are going to have to pay them?

In her contribution the member for Northcote, reading from the register of members interests, highlighted several members on this side of the house, including the Leader of the Opposition, and listed the properties they own. It is quite interesting that the member for Northcote also lists properties: there is the house in Alphington, the house in Regent and the house in Reservoir. She also owns other properties.

I was upstairs listening to the debate in this house. While I was listening I heard the impassioned plea by the member for Melton, who kept asking what we would do with land tax if we were in government. Having the members' register of interests highlighted by the member for Northcote made me wonder why the member for Melton was so concerned about and so interested in what we will do in 12 months time.

Looking at this I see that the member for Melton also has land interests. You look at this and wonder if there is some self-interest. The member for Northcote was trying to imply that members on this side of the house were being greedy and had self-interest. If I wanted, I could highlight several other members on the other side of the house who may be as interested as the members for Melton and Northcote were.

An aspect of land tax in Victoria has made me and members of my community angry. A statement from the Treasurer's office dated 19 February said:

> Those property owners scheduled to pay land tax on properties destroyed by the recent bushfires will have their land tax on those properties effectively waived …

It goes on to say:

> This new arrangement will help relieve the financial burden on landowners affected by the bushfires by allowing the SRO —

State Revenue Office —

> to identify those properties destroyed by the bushfire and offer tax relief …
>
> Land tax would also be waived for businesses that have been left unable to operate and generate revenue due to bushfire damage.

The people who read that statement and heard the statements in the media by members of the government took it, as I took it, that this meant that those who had their properties destroyed on Black Saturday would not be paying land tax; however, that is not true. They have each received a letter from the Treasurer saying:

> Hundreds of Victorians have lost their homes as a result of the fires. Immediate government assistance has … been made available …

It has, and rightly so. The letter continues:

> As part of our effort to help bushfire-affected Victorians we have sought to hold assessments …

This is fair enough. Then it says:

> As is always the case taxes and duties help the government fund such vital services as firefighting, policing and hospitals, and to commence rebuilding our communities.
>
> If you are unable to pay your land tax assessment at this time because of the fires, I would urge you to contact the State Revenue Office as soon as you can to discuss options to relieve hardship.

That initial announcement was a cynical, deliberate, media-driven one, so typical of this government. The landowners believed, as I did, that it meant they would have a one-off relief this year. The letter talking about taxes being used for services is a sneaky, dirty trick. It put psychological pressure on traumatised people to pay their bills. People whose lives have been shattered, who appreciate and value the work done by police and firefighters, who may have had loved ones in hospital and who want their communities to rebuild are being pressured in this letter from the Treasurer to pay their land tax bill. Are they going to argue that they cannot pay it? They will struggle and try to pay it because they will think that if they do not, the wonderful services that helped them in their time of need would be short-changed. It is despicable that the government could use such psychological pressure on people who at this terrible time have been affected by the bushfires and will now feel they have to pay their land tax bill.

The government seems to think that the increase in land tax based on the 2007 valuations is a good thing. It talks about a reduction, but it is not a reduction. We all know the actual value of properties in 2007 was highly inflated. Many workers who bought an investment property to fund their retirement struggled to get the deposit together. They cut back on many luxuries for years because they wanted to be able to eventually retire in comfort without relying on government pensions. They were looking after themselves — it is the Australian ethos that we look after ourselves — so they would have cut back. These properties may have been bought 15 or 20 years ago with a 30-year mortgage. For a modest investment the land value at the time of purchase was probably well under $100 000; it would probably have initially been rented out initially at $100 or $150 a week, and possibly now at $280 or $300 a week. The value of this land could have risen in 2007 — when prices were going through the roof — to more than $900 000, if it were an inner suburban house or a house in what is now a desirable suburb. So rents would have gone up. However, I give the example of a land tax bill for this year of $4383 — this is for an identified property — a jump of $2931. For the smaller investor — the mums and dads just seeking independence in retirement — this jump cannot be absorbed. Rents will have to be increased by a maximum of $56 per week or $244 per month just to cover the increase. Heaven help the families who are renting!

The other answer is for the property to be sold on a depressed market, which would mean not only that the investors would not have as much in the bank as they had expected for their retirement but also that one more family would be made homeless. What will the government's response to this be? There has not been a dramatic increase in the amount of housing available for people who are homeless. Figures released this morning show that residential rents increased by 10 per cent last year. Median rent in December 2008 was $315, compared to $280 in December 2007 — an increase of $35 per week. In the figures for the next quarter we will see a dramatic increase as the flow-on effects of this excessive land tax valuation come in. We will find people unable to pay their rent and becoming homeless.

Reference has been made to the opposition using media clippings for their contributions to this debate. I would like to follow through on that and highlight an article by Neil Mitchell in the *Herald Sun* of 26 February. He said:

> Did anybody mention today that times are tough?
>
> Had you heard that belts had to be tightened, cloth cut and hatches battened down?
>
> …
>
> Governments need to show restraint where it is needed and flexibility everywhere. That is not happening.
>
> Consider … the state government, and Premier John Brumby. While he has been magnificently compassionate during the fires, behind the scenes his government has been biting chunks off people who can't afford it and businesses that are struggling.
>
> His land tax has always been ugly.
>
> In this environment it is obscene.
>
> The latest bills are based on valuations made during the boom but paid during recession. Some have increased 300 per cent in 12 months.

What is that going to do? It will mean that jobs will be cut. Small businesses cannot absorb these increases so

they will have to cut back on employees. It will compound the downturn in the economic cycle, making it impossible for small businesses to continue. We will have more and more people out of work and homeless. The government is not doing anything to help that situation.

**Mr O'BRIEN** (Malvern) — In the very brief time I have available I would like to note that the budget papers indicate there is to be a 37 per cent increase in the take on land tax by this government. A 37 per cent increase in tax is extraordinary, and for government members to talk about cuts in the rate of tax while ignoring the elephant in the room — that is, the massive increase in collections on land tax — is to say that this government has ignored a massive problem which is affecting ordinary Victorians.

By 'ordinary Victorians' I mean not just those owners of property of whom it is obvious that members opposite have some deep-seated class envy — notwithstanding the fact that many of them are amongst members of the government — but I mean also the people who rent properties. Land tax increases are passed on to tenants, be they small business tenants or residential tenants. Increased land tax means increased rents, which means it is harder for renters to pay the rent on their homes and harder for small businesses to pay the rent to keep their businesses afloat. The government has completely ignored the impact of its increased land tax takes on these vulnerable sectors of the community.

## STATEMENTS ON REPORTS

### Public Accounts and Estimates Committee: financial and performance outcomes 2006–07

**Ms ASHER** (Brighton) — I rise to make a comment or two on the Public Accounts and Estimates Committee report on the 2006–07 financial and performance outcomes, dated May 2008. In particular I want initially to refer to page 42 of that report, where the committee has highlighted higher revenue and higher expenses being the hallmark of this government's performance in financial management over many years. Given the government's performance so far in not estimating correctly its revenues and expenses, what actually happens when there is lower revenue and higher expenses, as is going to be the case this financial year?

The committee analysed the reasons reported by the government for a higher-than-expected revenue of $1.5 billion in 2006–07 compared with the latest estimate. The committee highlighted a growth in taxation revenue of $230 million and noted that there was higher-than-forecast payroll tax revenue of $25 million due to employment growth in that era and an increase in land tax revenue of $99 million. Indeed that was part of the government's changes to special trust provisions and what the committee referred to as 'greater compliance'.

The committee also highlighted additional revenue from land transfer duty of $101.8 million. The committee highlighted the higher revenue in that financial year and then looked at greater expenditure; it claims:

> Grants increased by $323 million from the revised May 2007 estimate …

and then went on to outline a range of those grants.

It is interesting that the government has a clear track record, and table 2.4 of the report bears this out in terms of the surplus the government has been boasting about for some years. The government has a record of collecting higher revenues and having higher expenditure. That has been the government's performance in its budget management. But as I often point out, this Labor-dominated committee often has some useful findings. At page 45 of the report, after having analysed the supply services and other expenses increase, which in that financial year was $791.5 million, the committee goes on to warn the government.

I think the government should have heeded the warnings of this committee some time ago. The committee's report is worth quoting, when it states:

> The committee recognises that the past variations between actual and estimated operating results have been favourable to date —

to date! —

> and have contributed positively to the state's financial standing.

The committee then went on to say:

> It also appreciates the need for the government to employ conservative strategies in the forecasting of key revenue budget items and minimising the risk of adverse consequences for the state's financial condition that may flow from unforeseen changes to the local economy or unplanned climatic events including drought, bushfires and flooding.

The committee should be congratulated on its foresight, because what we have seen now are certainly changes to the local economy and indeed somewhat broader and some unplanned climatic events which may or may not

impact on the budget; and obviously we will have to hear about it. Again I find myself wishing that the Treasurer and the Premier had read this report of the Public Accounts and Estimates Committee, because they have had a long track record throughout government of grossly underestimating their taxation revenues in the good times and over expending according to their own initial estimates. One can only conclude that as the bad times now approach, it is a great shame the government did not invest in the good times.

## Economic Development and Infrastructure Committee: mandatory ethanol and biofuels targets in Victoria

**Ms CAMPBELL** (Pascoe Vale) — I take this opportunity to comment on the inquiry into mandatory ethanol and biofuels targets in Victoria by the Economic Development and Infrastructure Committee; its report was tabled in this place last year. In particular I refer to pages 170 and 171, which make reference to research and development. Members who have read this report would be familiar with the fact that the committee initially embraced the inquiry's terms of reference and continued to find them extremely interesting. We informed ourselves on a range of topics that are important to the biofuels, particularly in relation to research and development.

I will put on the record a little bit about biofuel technology. Most of us would understand the term 'biofuel'; it would be very much around first generation biofuels. Fuels such as biodiesel and bioethanol would fall into that category. These are the fuels made with existing commercial technologies. The manufacturing process for biodiesel is relatively simple. It requires modest capital outlays that can be readily undertaken on farms in particular.

The second generation of biofuels that takes research and development to a higher level is based on technologies that are yet to be commercially proven. Second generation ethanol has been described as a fuel of the future. It is based on lignocellulose feedstock. This is a structural component of plant biomass and can be derived from trees and grasses, and from cereal and paper waste. Lignocellulose is also a large component of municipal waste.

This area is extremely interesting to read about. With appropriate research and development I think it could provide Australia with some fuel security and assist in our balance of payments if governments at state and federal levels were to highlight and give appropriate support to it. As I said, ethanol made from lignocellulose is still largely at the developmental stage and is very much still at the pilot stage of development in laboratories.

Particularly in the current environment, with fuel prices and the price of a barrel of oil dropping, it may not be necessarily be financially viable — but that is at this current point. The production of ethanol from lignocellulose could become financially viable and, in terms of our balance of payments and fuel security, it is something that all governments should be investigating and supporting.

I turn to page 171 of the report, where recommendation 23 highlights that at the relevant ministerial council we need to have consideration of the development of a nationally coordinated research program to examine feedstock and biodiesel technologies for application in the Australian biodiesel industry.

The committee highlighted one of the sites we visited, Smorgon Fuels, which is producing biodiesel from algae. We spent a very interesting and informative time with the scientists there who have found that algae presents a potentially high-yield means of obtaining large quantities of product with vastly improved resources efficiency compared to the production of biodiesel from crops and animal products. I think it is important that measures be explored to harness this new and exciting technology and that this house and other parliaments do likewise.

## Environment and Natural Resources Committee: impact of public land management practices on bushfires in Victoria

**Mr INGRAM** (Gippsland East) — I rise to speak on the Environment and Natural Resources Committee's final report on its inquiry into the impact of public land management practices on bushfires in Victoria and also the government's response. This report has received favourable coverage right across regional Victoria. I am a member of the Environment and Natural Resources Committee and I actually had my name down to speak on this report a couple of weeks ago, even before the fires, because I normally do not get a call-on in this area of the business of the house. It is incredibly important that the recommendations of the committee be implemented in full. There has been a lot of discussion in my community and in other communities around Victoria expressing concern at the government's response and in-principle support for some of the recommendations.

I think one of the most important recommendations that needs to be addressed concerns the area of targets, and I will explain some of the reasons why I believe that. The inquiry recommended an increase in the area of prescribed burning from 130 000 hectares to 385 000 hectares. This is a threefold increase. Some of the evidence presented to the inquiry showed that there was no real, basic justification for why the 130 000 hectares target was set. The government needs to ensure that the new target is met, even though some members of the department do not necessarily support area targets. The reason area targets are important is so that there is a way of proving that the government has met its obligations under the prescribed burns.

Among the information provided to the committee was a really good report prepared by Dr Kevin Tolhurst, who presented to the committee, and Phil Cheney for the then Department of Natural Resources and Environment, which concludes that:

> … broad area prescribed burning changes a number of fuel characteristics that will result in reduced rate of spread, reduced spotting, reduced flame heights, reduced fire intensity and increased ease of suppression for a period of time following the burn.

That really highlights what most people in my area have been arguing for a long time — that if you get the prescribed burns right, it reduces the amount of fuel and increases the ability for the agencies to put out fires and protect key assets. There are a number of recommendations which I think need to be implemented, and I will go into them.

One of the other things that has been an issue in Gippsland for a long while is the government's response to the fencing policy. It is absolutely essential that the government adopts a defensible and consistent policy on fences. After the 2006–07 fires and the 2002–03 fires, a lot of my constituents felt left out in the cold by the government in relation to its response to fencing. Basically there had been a lack of ability to clear around fence lines and boundary fences. Fences were burnt out predominantly due to the way the bush had been managed and in some cases by back-burns. Unfortunately people were left without any support in relation to replacement of those fences and bore the full cost of their replacement.

Staffing and skills was another issue that came through in a lot of detail. We had a large number of public hearings and a lot of very good submissions — there were really good submissions to the inquiry from people who had put in an enormous amount of effort. I would like to thank the staff members of the committee who put in a huge amount of time and energy. I also want to thank the scientists and other people who have a great deal of expertise in this and who provided their knowledge to the inquiry, as well as all those people who were impacted by the 2002–03 fires and the 2006–07 fires in my electorate and who put in submissions and really gave their all to the inquiry.

## Road Safety Committee: vehicle safety

**Mr TREZISE** (Geelong) — I take this opportunity to comment on the *Report of the Road Safety Committee on the Inquiry into Vehicle Safety* which was tabled in this Parliament in August 2008. In doing so may I first of all congratulate the committee, including its chair, the member for Lara, and the staff on this report. The Road Safety Committee has always prided itself on operating in a bipartisan manner. Although there was much rigorous debate in the development of this report, at the end of the day the report that was handed in is very good. I congratulate all members of the Road Safety Committee on their work, including the members for Polwarth and Rodney, who are both now in the chamber.

Vehicle safety is a very important aspect of road safety. The committee acknowledged that technology in vehicle safety has improved in leaps and bounds over recent years and decades. We have moved a long way forward since the days of the late 1960s and early 1970s when this state introduced seatbelts into cars. I have to note that the state of Victoria was the first jurisdiction anywhere in the world to make the wearing of seatbelts mandatory. In turn it was the Victorian parliamentary Road Safety Committee that at that time led the way in ensuring that seatbelts were introduced in Victoria, and as I said, it was the first jurisdiction anywhere in the world to do this. Of course in addressing the issue of vehicle safety the committee also realised that much of the responsibility sits with the federal government.

The committee examined a number of issues, and one of the important issues raised by the committee in its report is the practice of vehicle manufacturers, both domestic manufacturers and importers of vehicles, at the very best bundling safety equipment with luxury items. For example, for the purchaser of a vehicle to get electronic stability control (ESC) or curtain airbags they may have to purchase leather seats or some type of flash CD (compact disk) player. They are examples of instances where the Road Safety Committee had concerns with the bundling of technology.

The committee also addressed new technologies, not only in cars but in motorcycles. For example, the committee noted that motorcycle manufacturers have

also at best shied away from developing or introducing new technologies into bikes — probably the bottom-of-the-line bikes — and that anti-lock braking is not being installed in motorcycles but can be purchased as an optional extra. Features such as anti-locking brakes can truly be a lifesaver for the rider of a motorbike.

The Road Safety Committee's report on its inquiry into vehicle safety at level crossings is an important document, and I am pleased to note that the government is taking up many of the recommendations made by the committee. The recommendations, when addressed and implemented, will make vehicles in Victoria far safer than they are at present. As I said, I welcomed the inquiry and was proud to work with the committee, and I am pleased that the government has taken up many of its recommendations.

## Road Safety Committee: improving safety at level crossings

**Mr WELLER** (Rodney) — Today I would like to talk about the Road Safety Committee's report on its inquiry into improving safety at level crossings. As the previous speaker indicated, the member for Polwarth, who is in the chamber, and the member for Geelong were part of that committee. Another member of the committee, and also its chair, who is not present in the chamber at the moment, is John Eren, the member for Lara. David Koch, a member for Western Metropolitan Region, and Shaun Leane, a member for Eastern Metropolitan Region in the upper house, are also members of the committee.

The committee produced an in-depth report, and I want to make the house aware of some of its comments, particularly those of its chair, the member for Lara, in his foreword to the report. He said — and the whole committee supported him:

> New measures that should be implemented include removing obstacles for the use of lower cost technology and intelligent transport systems. This is not a new issue but it is now urgent, deserving high-level action by the government.

It is not new; it has been out there for a long time, and it is now time that the government responded. Mr Eren went on to say:

> Technologies, including those using global positioning systems (GPS), should also be trialled and introduced to support the enforcement of road rules at crossings.
>
> Work is also necessary at the national level to ensure that actions, especially those involving new and developing technologies at the rail/road interface are uniform throughout Australia. Clearly Victoria has much to offer and a substantial amount to gain in safety by being energetic in the national forum.

We have a role to play nationally, and I look forward to the minister taking this issue up at a national level to get a good outcome right across Australia. Mr Eren also said in his foreword:

> The state government has identified over 20 000 safety issues at crossings in a survey completed in 2007. The Department of Transport should prepare, with all the rail and road stakeholders, an overall cost estimate of the works required to address the issues identified in the survey. The department should then prepare a funded, three-year program to implement the required safety measures.

If we look at the main part of the report we can see a table which identifies where these in excess of 20 000 safety issues are located. V/Line has 3822 outstanding issues; local government has 13 384 outstanding issues; VicRoads has 1889 outstanding issues; and there are several others that in all add up to over 20 000 outstanding issues. This highlights the fact that the government — as the chair of the committee said in his foreword — needs to put up a funded package to resolve these issues. Obviously there is recognition that the issues are there, but the funding has not been provided to resolve these issues.

Further on the report says:

> The committee recognises that some local government councils may find it difficult to meet their obligations due to drought and/or financial hardship in their municipalities. The committee considers that this issue should be taken into consideration by the Department of Transport when funding responsibilities are negotiated with individual councils.

I believe the committee is saying there that we have got to acknowledge that some local governments do not have the money to fully fund solutions to these issues. As we can see, there are 13 000 outstanding local government issues, and the state government has a role in providing a package to assist in dealing with this backlog of issues. We need to get them resolved, because level crossing safety is important to this government, to the Parliament and to all of Victoria. The government has a responsibility to make sure that the funds are there for all of the players to play their roles and make Victoria's roads safer.

## Education and Training Committee: effective strategies for teacher professional learning

**Mr SEITZ** (Keilor) — I rise to speak on the report by the Education and Training Committee on the inquiry into effective strategies for teacher professional learning, and I congratulate the committee, ably led by the member for Ballarat East, on that report. The committee looked at professional learning and made a

distinction between personal development and professional learning, which is of course a distinction that needs to be understood.

Committee members looked at the Canadian model of professional learning and found a lot of positive points, which they included in their recommendations. The committee found that Scotland was recognised as having one of the foremost education systems in the Organisation for Economic Cooperation and Development countries because professional development is mandatory. Scotland also has an inspectorate system, which we do not have in Victoria, although we have an adequate professional learning system.

The committee spent quite a bit of time addressing the development of a culture of professional learning in schools, which is important. It includes peer group pressure and setting aside time for professional learning to assist and develop students. The school and the broader community benefit from it, as does the state. If we have a well-educated society, naturally we will be at the forefront of economic development and all other aspects of life in Victoria. It is important for the teachers who are at the forefront of developing our society by instilling learning particularly in the early years of a child's education. We know that by the end of primary school, when students go into secondary education, parents seem to disappear from the learning scene of helping at home. It is important that there is a continuation of professional learning and development of our teachers.

Committee members conducted a number of interviews with and surveys of people. They also had an open day, with representatives of teachers from various regions presenting their views. From my experience as a teacher, once I confronted a classroom after I got my degree in teaching I found out what teaching is really all about. Once I had been there for a few months, learning and putting theory into practice, I really started to develop. I was fortunate that the school had a strong commitment to leadership and personal development, which was the terminology used in those days. It was of benefit not only to me but also to the school. It is important that that is continued and the culture is developed.

Victoria's school system does not have an inspection process, but it has a support system. When I talk today to principals and schoolteachers, I hear that the regional support system available to teachers is excellent and highly commendable. The committee has included, on page 127 of its report, table 4.3. It lists how many hours each teacher in Queensland, where there is a prescriptive formula, should be putting into professional learning. That applies also to casual or relief teachers. Sometimes forgotten are the people who are at home or who, for various reasons, are working as casual teachers. They also need assistance to keep up with modern teaching technologies, and that objective is highly commendable.

The committee's recommendation 4.1 on page 129 — I see that the Minister for Education is at the table — is:

> That the Victorian government ensure that adequate resources for teacher professional learning are available to all Victorian schools, including resources to meet the special needs of rural and regional and underperforming schools.

**The ACTING SPEAKER (Ms Beattie)** — Order! The time for making statements on reports has expired.

## TRANSPORT LEGISLATION MISCELLANEOUS AMENDMENTS BILL

*Second reading*

**Debate resumed from 10 March; motion of Mr PALLAS (Minister for Roads and Ports).**

**Mr MULDER** (Polwarth) — When this bill was called on for debate yesterday, government and opposition amendments were circulated. The government's amendments mimicked what had been prepared and circulated by the opposition. We are in agreement on provisions whereby the minister will allow roads to be prioritised for particular uses and classified as specified roads. I will talk later about those amendments.

The main provisions of the bill deal with the increased involvement in road projects by SEITA (Southern and Eastern Integrated Transport Authority), the government's toll road facilitator, beyond the responsibility of EastLink. It deals with the issue of declared roads. The bill introduces requirements for recreational boats in Victoria to carry a builders plate which meets the Australian builders plate standard and introduces a broader range of penalties and enforcement provisions with respect to marine safety for commercial marine operations, but not for recreational boats. The bill contains a definition of the standard for a builders plate, which then defines those vessels. It requires all commercial ports to have regard to the benefits of increased competition in the provision of services to the port.

It requires all commercial ports to prepare a port development strategy every four years. It enables the chief investigator, transport and marine safety

investigations, to compel persons to attend and answer questions regarding transport investigations. It allows the Secretary of the Department of Transport to install bus stop infrastructure and remove, relocate or modify bus stopping points.

I refer to clause 25 in part 5 of the bill. This affects section 3 of the Southern and Eastern Integrated Transport Authority Act 2003 by amending the definition of 'project'. In the past that definition for SEITA was:

> … the EastLink Project

It now adds:

> … a Road Transport-Related Project.

It goes on further:

> Road Transport-Related Project means a project declared under section 4A to be a Road-Transport-Related Project.

Quite clearly SEITA is the government's toll road facilitator. The government's other road authority, VicRoads, deals with our freeways, arterial roads and a lot of VicRoads-controlled country roads throughout Victoria.

The question needs to be asked: what are the other road-related projects that SEITA will take on board for the government? We know very well that it has already been doing some work on the Frankston bypass. It would appear, certainly via the media and other means of communication, that the government has a very strong intention of slapping a toll on the Frankston bypass.

On that issue, I refer to some media releases. On 16 September 2008, on page 5 of the news section of the *Age*, first edition, this was reported:

> Motorists could be charged tolls to use the long-awaited Frankston bypass — after the state government yesterday refused to stand by its 2006 election promise of a toll-free road.
>
> Acting Premier Rob Hulls and roads minister Tim Pallas said all proposals were being considered — including tolling the $500 million bypass, if built — as part of the government's imminent transport plan.
>
> During the 2006 election campaign, former Premier Steve Bracks —

who I acknowledge now has form in this regard —

> promised the proposed bypass would not be tolled.
>
> But when asked yesterday if that no-tolls policy still remained, Mr Hulls said, 'All I can say is that speculation in relation to tolls about a hypothetical road is not worth commenting on. All options are being looked at, all proposals are being looked at'.

At around the same time, on page 18 of the first edition of the *Herald Sun* of 16 September 2008, this appeared:

> Remarkably, the Brumby government seems prepared to break a 2006 election promise after breaking one made at the previous election.
>
> Steve Bracks took Labor to the 2002 election saying he would not put tolls on the EastLink freeway. Labor did so.
>
> The then Premier made a similar promise at the 2006 election about the proposed Frankston bypass.
>
> The government broke its first promise, saying the taxpayer simply couldn't afford what became Australia's biggest infrastructure project.

An article in the first edition of the *Herald Sun* of 16 October states:

> A $700 million road project bypassing Frankston and slashing travel times for thousands of motorists will be built next year.
>
> And the Brumby government wants the super-link to be toll free.

There are a whole host of contradictions in relation to how the proposed Frankston bypass will be funded. The article states further:

> The government signed off on the multilane Frankston bypass just days ago and it will form a key part of the Victorian transport plan due at the end of the year.
>
> Motorists will join the Frankston bypass at the intersection of the Mornington Peninsula Freeway and EastLink.

Once again there is a cone of silence around the government in relation to the future of this project and how it is to be funded. A person who attended a forum at the Hilton hotel in Sydney between the 24 and 26 February entitled MetroRail Australia 2009 told us that one of the presenters referred to the Frankston bypass as being the next toll road to be constructed in Victoria. When you look at the media around the original announcement about the Frankston bypass, when you look at the commentary that is being conducted in forums on road and rail transport and when you look at the bill before the house, which extends the scope of the Southern and Eastern Integrated Transport Authority (SEITA), it is not hard to understand why people think that once again the government intends to break an election commitment and to slap a toll on the Frankston bypass.

There is no doubt that EastLink would be applying extreme pressure on the government, because nothing has been done about the Frankston bypass. There is a bottleneck where EastLink hits the particular road and

that has caused an enormous amount of difficulty for EastLink, which is losing money as a result. As I said, no doubt the government has had a tremendous amount of pressure from EastLink to do something quickly. The tolling of the Frankston bypass may be the payback by the Minister for Roads and Ports for inaction and will form part of the EastLink toll road. Only time will tell whether that is how the government intends to get around it, but quite certainly when you look at the information we have in front of us today it appears to be on the cards.

VicRoads is the Victorian road authority that deals with our freeways, our arterial roads and our other road networks. If SEITA is conducting another toll road project, then I say to the Minister for Roads and Ports, who is at the table, that it is about time he came clean about it. We really do not need the duplication of agencies, particularly given the financial circumstances we face at this time. SEITA should perform the role it has been commissioned for. It should be wound up as soon as possible after that role has been completed, and VicRoads should be left to get back to doing what it does, which is building roads using taxpayers money right here in Victoria.

I know that last time the excuse raised in relation to the Scoresby backflip was that the government needed the money for the transport system and that it was not aware of what it was costing to run transport, when in fact the private operators had had their books open on a day-to-day basis for the government. That was a furphy. We do not know what the government's excuse is going to be this time around, if indeed this road ends up being tolled. However, in his summing up today the minister should say that absolutely no tolls will be placed on the Frankston bypass and that the government will not do what it has done in the past — start the project, get through an election and, if it is successful again, reverse the decision. As we know, what the government says today does not necessarily stick when it moves into the future.

I turn now to clause 15, which the amendment before the house relates to. In the bill as drafted, again the minister attempted to ride roughshod over local councils. We have seen him do it in the past with clearways, where he bypassed his own code of conduct.

**Mr Pallas** interjected.

**Mr MULDER** — It was your code of conduct that you bypassed! The minister rode roughshod over local communities and local councils and pushed forward with his clearway project. The same situation was being developed with this bill. The minister was attempting to declare certain roads without going to local councils and informing them of the decision or even involving them in a decision that was being made. The grave concern got down to the issue of heavy vehicles and where they were going to go through municipalities. As it stands the bill says the minister simply has to consult with the Minister for Local Government and between them they will make a decision as to which local roads will be used for heavy vehicles. When you have municipal roads which are paid for by local ratepayers then surely local ratepayers and councils have every right to be considered and to be a part of any decision-making process. The amendment addresses that issue.

The minister should have undertaken the same process in relation to clearways. Hopefully, he has learnt his lesson. I would say that Mr Herschel Landers will be looking very closely at the amendment and asking whether, if the minister is prepared to go down this path with local councils for declared roads, why he was not prepared to do the decent and right thing in the first place with the clearways announcement made by the government. Quite clearly in that case the minister was prepared to ride roughshod over the top of local communities.

This issue has history. We know that prior to Christmas 2007 VicRoads sent out a letter to local councils basically asking them to show cause as to why they would not open up their entire local road network to heavy vehicles. At the time the minister jumped on the radio and said, 'It is a very poorly worded letter. We would never do that without consultation. We have to go down the path of consultation'. He said, 'That particular process is not going ahead. There are no plans for roads to be declared to be high-productivity freight vehicle routes. We would not do that without talking to local councils and local communities'. Not long after that a leaked map appeared from VicRoads showing that all along the minister had been up to his neck in setting up a high-productivity freight vehicle route throughout Victoria.

The minister followed that up with this legislation to ride roughshod over local councils and not even take them into consideration. It was not until the coalition — the member for Shepparton — wrote to all 79 member councils of the Municipal Association of Victoria and got its report that the minister had the blowtorch put under him in relation to that issue. He was pulled kicking and screaming into the chamber with his amendments to make sure that on this particular occasion at least he went down the path of ensuring there was some form of consultation in the legislation.

We support that. We think it is the right and decent thing to do — —

**Mr Pallas** — Did you call me decent?

**Mr MULDER** — I sort of called you decent. It is the right and decent thing to do. You can grow a bit, you know; it comes with time.

I turn now to the issue of the Australian builders plate standard and recreational boats. Some questions were raised about this in relation to what a recreational boat is. As we know, there are a lot of boats that are used for commercial purposes but also boats that people use at weekends. Boats which will not be required to have Australian builders plates fitted include aquatic toys, amphibious vehicles, canoes, kayaks and similar boats, hydrofoils, hovercraft, pedal-powered boats, personal water craft carrying no more than two persons, racing boats, rowing shells used for racing and rowing and training, sailboards, sailboats, submersibles and surf rowing boats. Any boat that is outside that description will be picked up under the Australian builders plate standard for recreational boats.

I know we have had some significant accidents in recent years, including one involving a boat that exploded, with loss of life. That was a refuelling issue. We have had other cases of older boats which have been left idle for some period and which have issues with inboard motor fumes creating the risk of ignition. It is important that we make sure boats are safe. We want to make sure there is not an overburdening approach in terms of the amount of regulation we put on boat owners, but I also note — and I am not sure whether it is the result of this particular process — that a gentleman brought a boat licence renewal to me very recently which showed that the cost of his boat licence had almost doubled. I assume that it is possibly as a result of this new process of the bureaucracy that will follow on this issue.

I will refer to pages 58, 59 and 60. I find it somewhat extraordinary that we will have this provision included in statute law in this state:

> Consent of Director of Public Transport required to install, attach or affix rubbish bin or cigarette disposal unit

This is actually a part of legislation. Rubbish bins and ashtrays have found their way into Victorian legislation. I am wondering what Kenny would be thinking out there — he has been left out in this particular case. I find it extraordinary that this has not been picked up in the regulations. Rubbish bins and ashtrays! Of all the issues we are out there facing at the moment — we cannot get the trains to run on time, people are clogged up in traffic on a day-to-day basis, travel times continue to get longer, it is tougher and harder to get to work, and there are atrocious conditions on the public transport network — here in the Parliament of Victoria we now have legislation about ashtrays and rubbish bins!

The government has actually gone mad. This is a stupid, idiotic, nanny state bill.

**The ACTING SPEAKER** (**Ms Beattie**) — Order! It might now be the appropriate time to break for lunch; the member for Polwarth will have the call later.

**Sitting suspended 12.59 p.m. until 2.04 p.m.**

**Business interrupted pursuant to standing orders.**

## DISTINGUISHED VISITOR

**The SPEAKER** — Order! Before calling for questions, I would like to welcome the Consul-General of Paraguay, Mr Reinaldo Pereira Mongelos, and a delegation. Welcome.

## QUESTIONS WITHOUT NOTICE

### Bushfires: recovery

**Mr RYAN** (Leader of The Nationals) — My question is to the Premier. Will the government commit to funding local government municipalities to enable them to provide rate relief to bushfire-affected properties?

**Mr BRUMBY** (Premier) — The government is obviously working very closely with local government. As the Leader of The Nationals would be aware, the relief centres which were set up after the bushfires were joint efforts between the state government and local governments, with in addition in some cases, assistance from the federal government, particularly through the army. There are no plans at this point in time for the government to provide direct rate relief to local government. We are, as I said, working closely with it in relation to a range of matters. I know that submissions have also been put to the bushfire appeals panel headed by John Landy in relation to the matter which the Leader of The Nationals has raised. At this point in time there is no further information I can provide him with.

## Employment: government initiatives

**Mr FOLEY** (Albert Park) — Could the Premier update the house on how the government is focused on securing jobs in the face of the global financial crisis?

**Mr BRUMBY** (Premier) — I thank the honourable member for his question. The most recent national accounts data, which was released last week, showed that Australia's economy and Victoria's economy are clearly not immune from the global financial crisis. Certainly in these tough global times our government remains very clearly focused on ensuring that we see more jobs generated in our state and on helping Victorian families through what is a difficult time. As was stated in an *Age* article on 5 March on the release of the national accounts data 'Victoria appeared to swim against the tide'.

The national accounts data showed quarterly growth in state final demand of 1.2 per cent in December. That was, by the way, the highest of any state, and it compared to a fall of gross domestic product of 5 per cent in the same quarter. I am pleased to report that dwelling investment in Victoria grew by 7.5 per cent in the quarter and by 12.2 per cent over the year. This was the best result achieved by any state in Australia. Business investment grew by 3.3 per cent in the quarter, the second-highest result behind Queensland, and public investment grew by 2.8 per cent in the quarter, including a 9 per cent increase in state and local government spending.

Last week the building approvals figures were released. They showed that Victoria again recorded the highest value of building approvals anywhere in Australia, and the figure over the year was $18.6 billion — the strongest building effort in Australia. We also had the highest number of dwelling units approved, and the January data also showed that Victoria's exports had grown by 7 per cent over the same period last year. On top of that, the Real Estate Institute of Australia housing affordability results for December showed that Victoria is the most affordable state for rental affordability and the most affordable state on the eastern seaboard for home loan affordability.

Our government has slashed $5.7 billion in taxes. The Institute of Public Affairs recognises our competitive tax system, ranking Victoria first among the non-resource states in its December 2008 report. But these are difficult times. The International Monetary Fund is predicting growth of just 0.5 per cent in 2009. As we know already, many other countries have experienced significant contractions in their economies. For those reasons we have embarked on a program, which, as I said, is very focused around jobs, jobs and jobs. It is why we have quadrupled infrastructure investment, and if you include government-sector infrastructure plus the non-financial public corporations, we will see $27 billion of state money invested in infrastructure over the next four years.

It is why we have announced measures to fast-track new private sector investment. It is why we have got the most generous first home buyer scheme anywhere in Australia. It is also why we are committed to keeping the budget in operating surplus and maintaining our AAA credit rating. We are also working shoulder to shoulder with the Rudd government on its $42 billion stimulus package to help the national economy through this tough period. I believe that we have got the right measures in place, the right fundamentals in terms of skills, in terms of infrastructure and in terms of taxes, as I said earlier.

We have cut the top rate of land tax to 2.25 per cent — it has gone from 5 per cent under the Kennett government to 2.25 per cent under ours.

*Honourable members interjecting.*

**The SPEAKER** — Order! The member for Warrandyte is consistently interjecting, and I ask him to cease.

**Mr BRUMBY** — Payroll tax is at the second-lowest rate in Australia, at 4.95 per cent, and WorkCover premiums have had five successive cuts. These are very difficult times. As we are all aware, there have been a number of very high-profile job losses which have occurred in recent weeks.

But amidst all of that there have been some positive stories for our state. Telstra's announcement yesterday that it will roll out its super-fast cable broadband in Melbourne first represents a $300 million to $400 million investment, a major boost to business and a major boost to our competitiveness in this state.

I recently announced, with Minister Allan, that Hoffman Engineering, Australia's largest private engineering firm, is setting up a base in Bendigo, creating 150 new jobs; it is a great news story for Bendigo. Also last week the Minister for Tourism and Major Events announced that the new Melbourne convention centre's Hilton Hotel is due to open very soon, creating more than 220 new jobs for the state.

These are positive elements in what is a very difficult national and international environment. It will be a very difficult year for us as we move through 2009, but I think the fundamentals we have in place in Victoria

give us the best prospect of holding jobs and attracting new investments such as the ones I have announced today.

## Crime: statistics

**Mr BAILLIEU** (Leader of the Opposition) — My question is to the Premier. Given that the Ombudsman has today reported 'underrecording of crime by police, particularly in relation to assaults', will the Premier now admit that record crime rates are a major problem in Victoria and that, rather than fixing the problem, the government has been covering it up?

**Mr BRUMBY** (Premier) — Victoria is the safest state in Australia, and I am proud of that fact. Ensuring that we have got the best quality data is absolutely crucial to the government and to the Parliament, and that is why we welcome the Ombudsman's report. Just so the opposition leader is clear about this: the Ombudsman's investigation found no evidence that the crime statistics or police numbers have been or are subject to manipulation or falsification by Victoria Police members.

*Honourable members interjecting.*

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

**Mr BRUMBY** — The Ombudsman's report also notes Victoria's low crime rate in comparison to other states and acknowledges a number of improvements that have been made by Victoria Police over the past 12 months to improve crime reporting practices, including moving to the Australian Bureau of Statistics (ABS) national crime recording standard in July 2008. The report further notes that the new $70 million LINK crime data system will be introduced later this year.

I turn to the crux of the Leader of the Opposition's question. I might say that the Leader of the Opposition wrote to the Ombudsman, and the Ombudsman believed it was in the public interest to investigate these matters. He has done that, and I welcome his report. I refer to what the Ombudsman actually says in his report, on page 24:

> I note at the national level the comparative results of the ABS *Recorded Crime — Victims* statistics presented in the *Report on Government Services* show Victoria to have lower levels of crime in most crime categories over a number of years compared to other Australian jurisdictions.

Also, in terms of crime victimisation rates as measured by the ABS crime and safety surveys, Victoria had lower rates — —

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask for some cooperation from government members, particularly the Minister for Health. I also ask for cooperation from the opposition, particularly the members for South-West Coast and Kew.

**Mr BRUMBY** — The Ombudsman also says Victoria had lower rates for household and personal crime, which is significant as these surveys are not affected by public reporting to police or by police detection and recording practices. He went on to say that in this context Victoria is also lower on a range of criminal justice measures such as court cases, prison population and young people in detention both in numerical terms and per capita compared to other Australian jurisdictions.

As I have said, the Ombudsman identified one specific instance which may have involved falsification of an official police clearance record. He recommended that this matter be referred to the Office of Police Integrity. It would obviously not be appropriate for me or anyone else to comment further until that investigation is complete. The report shows that we are the safest state in Australia. On a range of data our crime rates in most areas are well below those of other states in Australia. We welcome this report. It is important to have the highest quality and most reliable data going forward, and the government will therefore examine closely all the recommendations that are made by the Ombudsman.

## Bushfires: temporary housing

**Mr HARDMAN** (Seymour) — My question is to the Minister for Housing, and I ask: can the minister outline to the house action the government is taking to provide temporary housing to people who lost their homes in the bushfires?

**Mr WYNNE** (Minister for Housing) — I thank the member for Seymour for his question. The response by the government to the immediate emergency of the fires has been very comprehensive. As the Premier indicated in an answer yesterday, the government provided emergency accommodation to more than 234 households in the first instance, and almost 400 households have now been provided with medium-term accommodation assistance.

It has been a very comprehensive response by the government in the first instance. Medium-term assistance is the next challenge going forward. I was very pleased to be with the Premier, the Minister for

Community Services and Christine Nixon, the head of the Victorian Bushfire Reconstruction and Recovery Authority, in Flowerdale this time last week to outline a suite of options that will be made available to victims of the fires. Public housing is available. Community housing is available. Serviced government sites have been secured. Donated caravans are available, and there have been offers of private rental accommodation.

As we know, this is a very difficult period for the survivors of the bushfires. Many people are still displaced and do not have the ability at this stage to return to their towns because of the forensic work that needs to be undertaken. Also, sites will need to be cleared and people will have to take time to assess their situations and how they wish to move forward in the future. I think that will be quite a painful and difficult time for those people. We need to be respectful and move at the pace of local communities. We know that the response in each of those communities will be different. We will be guided by our local communities, by our local governments and by the reconstruction authority.

The policy of our government is that we will move forward in a way that is a cooperative one with those local communities. We want to ensure that our response is equitable in the way we support the survivors of the bushfires. As the Premier announced last week, all survivors of the bushfires will be offered a rent-free period of three months. Public and community housing and movable dwellings will be made available. They will be rented to survivors at the same rental as public housing tenancies. A range of caravans have been made available to us. We will make sure that they are made available at a nominal rental — somewhere between $25 and $55 a week depending on the amenity of the caravan being offered. Office of Housing-sourced private rental properties will be available at a similar rental to public housing tenancies.

Now more than ever we need to support the survivors of the bushfires. This is probably the most difficult time going forward. People are going to have to make very difficult assessments about whether they want to return to their sites or their townships and what will be there when they return, particularly in places like Marysville. This is not the time for any of us to be taking cheap political shots. It is a time for us to be respectful of those communities. We will stand with the survivors of the fires. Victorians, I believe, expect nothing less.

## Police: numbers

**Mr McINTOSH** (Kew) — My question is to the Premier. I refer to today's report by the Ombudsman, which found that, and I quote:

> … core general duties at a number of police stations … have been relegated … to a lower priority; with fewer staff available to perform these tasks.

I ask: will the Premier now admit that the provision and allocation of police resources in this state has been totally inadequate and what is needed is more police, and more police on the street?

**Mr BRUMBY** (Premier) — I am surprised by the honourable member's question. Resource levels are a matter for government. I believe our record in government speaks for itself. We have provided over 1000 additional police — in fact it is 1400 additional police — compared with the 1990s under the former Liberal government, which promised 1000 and cut 800.

I am happy to take responsibility for the investment we have made in increasing police resources. The police budget today is the highest it has ever been. It is the highest in nominal terms and the highest in real terms. But it has always been a fact that how and where police are deployed is a matter for the Chief Commissioner of Police. It always has been and always will be. I would rue the day if, heaven forbid, this individual were ever the police minister and were deciding where police officers would go around the state. These are operational matters. They are matters for the chief commissioner and have always been thus.

We are happy to say that we have invested significantly in police resources. Those police resources are deployed by the chief commissioner, and the result of that deployment is that we live in the safest state in Australia.

## Bushfires: children's support services

**Mr HOWARD** (Ballarat East) — My question is to the Minister for Children and Early Childhood Development, and I ask: can the minister inform the house what action the government is taking to help children in fire-affected areas?

**Ms MORAND** (Minister for Children and Early Childhood Development) — I thank the member for Ballarat East for his question. We all know the Victorian bushfires have had a devastating impact upon communities, upon families and particularly upon children. The response of the Victorian community has been inspirational and overwhelming in its scale. So

many people have helped, directly or indirectly, in responding to these fires. As an important part of the recovery process we have focused upon supporting families and their children to access the services they need to recover from the trauma and also to get back to school and children's services as soon as possible.

Three primary schools — Strathewen, Marysville and Kinglake West — were destroyed. Three kindergartens — Flowerdale, Marysville and Kinglake — were also destroyed on Black Saturday. Kinglake kindergarten also had a long day care service, and a maternal and child care service was also destroyed in the fires at Kinglake. Of course, many thousands of homes were destroyed, which displaces families and children in the short and long term.

The department has established an interim school for the Strathewen children at Wattle Glen Primary School. That was up and running on the Wednesday after the fires. It was a fantastic response from the department. A lot of people were there supporting that community on the day the children resumed school. Also, interim arrangements were in place in Epping for students of Flowerdale and the three Kinglake schools. An activity program is already operating out of Kinglake neighbourhood house and also out of the community centre in Flowerdale. Work is now under way to re-establish kindergarten licences for Kinglake and Flowerdale kindergartens. We are also operating an activity program in Marysville, and consultations about future plans for Marysville are currently under way.

The Premier has made it clear that we will be rebuilding the schools and early childhood services. They are at the forefront of our rebuilding efforts. Discussions with the affected communities have already started. We understand the importance of consulting with communities on what they would like to see in this rebuilding process. We certainly have a very clear view that the needs of children are central to the regeneration and the long-term social cohesion of the communities that we will rebuild.

I am pleased to hear that so many children are back attending local services, because the advice of experts in responding to trauma highlights the importance of children getting back to normal activities as soon as possible. Staff from my department and the Department of Human Services are working with those services to ensure that all staff who work with children in schools, in neighbourhood houses or in children's services have the professional support they need to provide the best possible support for children at this very important time.

Where children and families have relocated as a result of the bushfires — where their homes have been destroyed — they are no longer able to attend kindergarten services in their own communities and might be attending kindergartens anywhere in Victoria. I am pleased to say the government has extended the eligibility criteria of the kindergarten fee subsidy, which effectively means that children can attend kindergarten for free. That means that the children of fire-affected families can attend preschool services for free, no matter where they are attending.

We also think it is important to develop an online resource and to ensure that existing telephone helplines, such as Parentline and the maternal and child health line, have additional resources available to them to help them to give the specific support that parents and early childhood services and staff need.

The devastating fires of a month ago have reinforced the importance of communities and of families. We are here to ensure that families and children get the support they need.

## Schools: funding

**Mr DIXON** (Nepean) — My question is to the Minister for Education. Given that senior managers of her department are telling schools that they will have to merge or not receive federal government's stimulus money, I ask: is this being done by ministerial direction, or has the minister totally lost control of her department?

**An honourable member** interjected.

**The SPEAKER** — Order! The member responsible for that noise should look to themselves and consider how they would like to be treated if they ever get the call as a minister.

**Ms PIKE** (Minister for Education) — I thank the member for his question. Education, as we all know, is the first priority for this government. That is why at the last election we committed $1.9 billion through the Victorian schools plan to rebuild, renovate and extend 500 government schools. In fact over the next 10-year period every government school will be rebuilt, renovated or modernised. We are certainly on target for this commitment. We want the quality of school facilities to match the quality of education that is delivered in them. We want to continue to update our schools so that they are at the forefront of contemporary teaching and learning practices.

In addition to this substantial investment, the federal government is now providing well over $2 billion for

every primary school and a number of secondary schools in Victoria as part of its economic stimulus package and as a commitment to education around the country. This is a once-in-a-lifetime opportunity, a magnificent opportunity to deal with the result of periods when there was neglect of education infrastructure — periods when there was underinvestment in schools — and to have a generational change in infrastructure, the physical state of public education.

There is nearly $2 billion of state government money coupled with federal government money — an exciting opportunity for the Brumby government and the Rudd government to work together to maximise investment opportunities. In fact state and federal government members are out there talking to all of their schools about how they can use their money. Any other members would be too embarrassed to even go, given that the federal opposition opposed the package, which of course would have denied our schools that extra money.

Schools are being encouraged to identify projects that best meet the needs of their local communities and enhance their existing facilities, and every single school is doing that. What a change this is! We are talking about rebuilding; we are talking about new facilities; we are talking about growing the system, not just sacking teachers — —

**Mr Dixon** — On a point of order, Speaker, the minister is debating the question. Could you ask her to come back to actually answering the question? We are talking about the federal stimulus package.

**The SPEAKER** — Order! The member's question included in it reference to the federal government funding package. The minister's answer is totally relevant to the question asked.

**Ms PIKE** — There has been a very significant change in policy, which is that we, unlike previous governments, do not forcibly close schools. I think 300 schools were closed under the previous government. We do not ride roughshod over the needs and aspirations of local communities. We do not go out there and sell them to the highest bidder and have benefit from them in that way.

We work with local communities to support local communities to fulfil their goals, and we work with them to meet their aspirations for the best quality education in their local community. We have made it absolutely crystal clear that we do not force schools to close or merge. We do not do that.

*Honourable members interjecting.*

**The SPEAKER** — Order! I suggest to the member for Warrandyte that he cease interjecting. If he wishes to ask a question of a minister, he should stand in his place at an appropriate time. I offer the same advice to the member for Ferntree Gully. I also offer some advice for the government benches: the level of interjection is ridiculous. The minister, to conclude her answer.

**Ms PIKE** — This is a very significant opportunity for our education system — an absolutely enormous investment in capital funding from the federal government and the Brumby government. We have a huge work program. We have very short time frames.

**Mr Baillieu** — On a point of order, Speaker, the minister has now had several minutes to answer the question. She is debating the question. She has neither denied the assertion nor addressed the question. I would invite you to get her to answer the question.

**The SPEAKER** — Order! I do not uphold the point of order. I have asked the minister to conclude her answer.

**Ms PIKE** — We are working very closely with schools. We are providing them with the information and the resources they need to take advantage of this enormous opportunity. I think we are going to see a huge change within the infrastructure in our education system. It is an exciting time for all schools right across the community.

## Bushfires: small business support

**Ms LOBATO** (Gembrook) — My question is to the Minister for Small Business. Could the minister advise the house on what action the government is taking to support businesses that have been destroyed or damaged by the recent bushfires?

**Mr HELPER** (Minister for Small Business) — I thank the member for the question and for her strong support of bushfire-affected communities. In reply to the member's question, a $51 million commonwealth and state package was announced on 17 February by the Premier and the Prime Minister.

As a part of this package a number of important measures to support small businesses, including farmers, affected by the recent tragic bushfires were announced. The package provides grants of up to $25 000 for small businesses directly damaged by the fires. An initial payment of $5000 supports businesses to meet immediate needs — such as the replacement of tools, a fax machine or an office desk — just to get

through the initial impact of being affected by the fires. Some 378 of these grants had been approved as at 10 March, with another 234 currently being processed.

A further part of the package is the provision of loans at concessional interest rates. An important part of the package is free-of-charge, one-on-one business advice. I want to express my thanks to the Small Business Mentoring Service and the Victorian Employers Chamber of Commerce and Industry for, in partnership with the government, putting 100 bushfire business advisers into the field very promptly. These advisers provide terrific support to small businesses as they face the enormous task of rebuilding.

The task faced by small business, including farm businesses, to rebuild after the fires is indeed enormous. I have every confidence in the resilience of the small business sector and in the people involved in agriculture.

The measures I mention today and other support available — and here I particularly want to draw attention to the efforts of the Minister for Regional and Rural Development through Regional Development Victoria — will assist in a speedy recovery for our bushfire-affected areas. We hope the business community and the business sector will benefit from the economic activity that the process of rebuilding will inject into the fire-affected regions.

Finally I encourage all Victorians to continue to show their generosity and their support for fire-affected communities by going to them, visiting them and spending lots of money in those communities.

## Land tax: rates

**Mr WELLS** (Scoresby) — My question without notice is to the Premier. In the interests of preserving jobs and investment in Victoria will the Premier immediately take steps to have valuations for land tax adjusted from the current December 2007 base to take into account the substantial decline in property values?

**Mr BRUMBY** (Premier) — The valuation arrangements were changed some time ago to ensure that the valuations were done on a more regular basis to ensure that they more closely resemble the actual value of the property at the date at which the land tax is levied. I would have to take advice from the Treasurer, but I do not believe it is possible to undertake valuations on a shorter time frame than that which is followed at the moment. I would ask the honourable member to go back and review this, where valuations were undertaken on a much less frequent basis and then adjustments were made by the Valuer-General — —

**An honourable member** — What if they have sold the house?

**Mr BRUMBY** — Values go up and they go down; that is the point. What we have tried to do is align the valuation process with the tax assessment, and I believe the system in place is fairer than it was some years ago.

## Solar energy: government initiatives

**Ms DUNCAN** (Macedon) — My question is to the Minister for Energy and Resources. I refer to today's announcement about solar energy, and I ask: can the minister outline for the house what action the Brumby government is taking to promote solar electricity generation in this state and what benefits this provides?

**Mr BATCHELOR** (Minister for Energy and Resources) — I thank the member for her question. The member for Macedon is a well-known champion of the environment, all forms of renewable energy and fairness, so it is little surprise she would ask this question. Victoria is leaving the rest of Australia in the shade with the announcement today that the Brumby government wants to bring forward another large-scale solar power plant in Victoria. The Brumby government is prepared to provide up to $100 million, with matching funding from the commonwealth, to bring forward another new, large-scale solar power station to be fuelled by the sun.

**Mr Ryan** interjected.

**Mr BATCHELOR** — That's right. I need to explain it for you.

**The SPEAKER** — Order! The minister is to continue without assistance from the Leader of The Nationals.

**Mr BATCHELOR** — Today's developments come on top of what we are already doing in this solar space. We are investing in solar research and development, supporting renewable energy through our Victorian renewable energy target scheme and providing solar hot water rebates. We have established the Solar in Schools program, and we are investing in the Solar Systems power station in northern Victoria.

You can see, Speaker, that we have a portfolio, a smorgasbord, of solar initiatives which will provide an affordable, environmentally friendly and fair system — and it will be able to achieve these objectives all at once. Today's announcement confirms that Victoria is

the nation's leader in solar energy. Victoria is the most solar-friendly state in Australia.

The Brumby government has achieved this leadership not just simply because we like the sun, but rather because we see solar power as a key component of our energy mix going forward. Generating electricity from the sun is currently very expensive, especially when it is produced from rooftop photovoltaic systems on individual homes. The challenge for the solar industry, whether it is large scale or at the domestic scale, is to drive down the cost. Today's announcements clearly are designed to help make that happen.

Electricity from rooftop solar panels costs about $400 per megawatt hour to produce. When you produce solar energy from large-scale power stations such as we announced today, this cost drops to about $175 per megawatt hour. Keeping the costs down is important not only to the government but also to consumers. Under this proposal solar energy can become not only cheaper but more available.

Because the sun shines best in the blue skies over the north of the state, this proposal will bring jobs — real, long-term jobs — to regional Victoria. Members will recall that the first of the large-scale solar power stations is being developed by Solar Systems. This is projected to provide 950 jobs during construction as well as 44 jobs at the ongoing operational stage. Today's announcement of a second solar power station will bring forward a similar number of jobs for regional Victoria.

We are investing in solar power to reduce power costs while creating jobs, particularly in regional Victoria. We have a plan. We are driving new solar energy investment, and we will continue to work to ensure that solar power has a sunny future here in Victoria.

## TRANSPORT LEGISLATION MISCELLANEOUS AMENDMENTS BILL

*Second reading*

**Debate resumed.**

**Mr MULDER** (Polwarth) — I just want to comment on new section 84AB, which the Transport Legislation Miscellaneous Amendments Bill proposes to insert in the Transport Act 1983. Under this provision the chief investigator may require persons to attend and answer questions:

> (1) If the Chief Investigator considers it necessary for the purposes of an investigation into a public transport safety matter or a marine safety matter under this Part, the Chief Investigator may require a person to attend before the Chief Investigator and answer questions asked by the Chief Investigator relating to matters relevant to the investigation.

The proposed section goes on to say that notice will be provided to the person required to attend and:

> (4) The time specified in the notice must be reasonable having regard to the circumstances.
>
> (5) When a person attends before the Chief Investigator under this section, the Chief Investigator may require the questions to be answered on oath or affirmation.
>
> (6) Before requiring a person to answer a question under this section, the Chief Investigator must inform the person of the effect of subsections (9) and (10).

The issue I want to raise gets to the heart of rail safety here in Victoria. If the chief investigator believes there is a significant risk of a serious rail accident, for instance, does the chief investigator use these powers to draw on the department, heads of department and even ministers in relation to a potential rail accident or a serious rail accident?

In doing so I pose the question in relation to a document that the opposition has put out in the past entitled *Long Term Rail Asset Renewal Strategy — Track. Description of Renewal Activities, as Defined in the Connex AMP and DOI Guidance Material*. The document refers to the condition of the rail network in Melbourne. It also refers to the failure of the government of the day, the failure of ministers and the failure of the Premier and the Treasurer to make sure there is sufficient funding available to provide a safe and reliable rail system in Melbourne.

I refer to one of the issues raised in this document, where it talks about infrastructure renewal and upgrades and the time in which these types of upgrades should be carried out. I am talking about replacement of timber sleepers. This document quite clearly refers to 765 kilometres of main line track with 1460 sleepers per kilometre and deals with the replacement program. It says:

> At a reduced life expectancy of 18 years for the hardwood sleepers in the system, it is estimated that 53 700 sleepers per year need to be replaced. The actual annual replacement rates to 2007–08 are 27 241 sleepers per year. This implies an increase on the current sleeper renewal levels is required.

What it is saying here is that the government of the day is not providing the operator with the funding or the resources to properly maintain the rail infrastructure. If an accident was caused as a result of old timber sleepers rotting, rails buckling and a train being derailed, would

this mean that the chief investigator in this case would be calling on the minister or senior persons within the department to explain why the government of the day failed to carry out this vital rail infrastructure upgrade.

The document goes on to refer to staging main line turnouts, points and crossings. It indicates there are 650 points and crossings in the network with a replacement life of 30 years. This indicates that 22 a year will need to be replaced over the course of the next franchise. The suggested quantum of turnout renewal activity in the annual maintenance plan is considerably less at eight turnouts a year. That is about a third of what is recommended to have the rail network running in a safe manner. We are talking about points and critical crossings where trains cross other lines, yet the government's own documents point quite clearly to the fact that the work is simply not being undertaken. I ask once again whether this is the type of matter the chief investigator would be looking at, and who would be held accountable and responsible should there be an accident at one of these sites where critical points and crossings have not been upgraded as recommended.

We even get down to the issue of ballast. The document says:

> With a replacement life of 50 years this would require 29 800 cubic metres per year to be replaced. These rates approximately correspond with the value recommended by the … Wilson report of 28 720 … at present a significant increase on the current renewal activity of 9200 cubic metres a year.

It says again that around only one-third of the ballast that requires replacement is being replaced.

Moving further through the document, it refers to problems with drainage and the lack of replacement of rails. If you believe the government, the current rail infrastructure will last for 306 years but really needs to be replaced at around 75 years. We are getting to a situation where drainage around the lines is not being maintained and where there is not enough ballast. We are getting to a situation where timber sleepers are rotting out. We are getting to a situation where rails are breaking because they are old and should have been replaced. We face a disastrous build-up of infrastructure failures, pointing to the fact that we could have a serious rail accident simply because of total and utter neglect. Again I point to the clause in the bill which provides that the chief investigator will demand that people come forward should we have a serious accident, and I ask whether the minister will be called forward and questioned in relation to a failure to invest in the rail system.

The situation gets worse when you look at another document that was put forward to V/Line. This is information the government has at its fingertips. It is entitled *Infrastructure Asset Maintenance Strategies 2008–09*, and it deals with the communication system operating on V/Line trains. This document clearly says to the minister:

> The Victorian non-urban train radio (NUTR) system is life-expired, unsupported by its manufacturers, and has lost the confidence of its providers and users.

This information is in the government's hands. It has been provided by the operators of the system, who are trying their best to provide a safe and reliable public transport system — a safe rail system. It is information that is at the government's fingertips. When considering the bill before the house we have to ask ourselves whether, if we have a serious rail accident in rural Victoria on the V/Line network, these provisions will be used to pull forward the people who should be pulled before the chief investigator. I am talking about the government of the day, including the responsible ministers — anybody at all in the chain of responsibility who should have ensured that this radio network was upgraded and that the infrastructure works that should have been carried out were carried out in a timely manner. You would certainly hope that this very powerful provision in the bill — which means that there can be a demand that someone come forward and provide information to an investigation — would be used in an appropriate manner.

We have also in the past raised issues, which have been reported, in relation to the Connex business plan, in which the government has been warned of a series of safety concerns about the metropolitan network. Firstly, there is a risk of passengers being stranded at stations because there is no room for them to get on a train. That in turn creates the risk of passengers surging forward while trying to get into a carriage when a train turns up. As was pointed out and reported on, there is also a risk of someone on a platform being pushed into the pit in front of an oncoming train.

There is a recommendation that safety barriers should be put in place on some stations. I imagine that the stations referred to are those about which it is mentioned there is a risk of passengers being stranded. Once again, when the government has all those warnings at its fingertips, when the minister and the department have been warned that there are significant safety risks and concerns out there, something should have been done about them, and it needs to be done before we find ourselves with a very serious rail accident.

I am hoping that we do not have a serious rail accident, because for some time now — touch wood — we have not had a serious rail accident in Victoria. I hope and trust that if we have a significant safety breach or a serious rail accident the chief investigator will get to the bottom of the matter of all this information being at the minister's fingertips. Why has the work not been done, why has funding not been provided to make our rail network safer, and why has the government not answered the calls of Connex, the operator, in particular to provide sufficient funding so that it can run a safer and more reliable public transport network here in Victoria?

**Mr HUDSON** (Bentleigh) — It is a pleasure to speak in support of the amending transport legislation bill. This bill is important because it amends a number of acts and supports the government's key transport policies. These include giving priority to trams, buses, bicycles and pedestrians on parts of the road network; upgrading the status of public transport in our roads legislation; strengthening rail safety requirements; and providing the Department of Transport with greater input in relation to bus stop infrastructure.

On the priority for public transport on roads, this bill amends the Road Management Act. It allows the designation of roads as priority roads for trams, buses, bicycles, pedestrians and freight traffic. It is important for us to recognise that around 80 per cent of our public transport network is on roads. The government has already done an enormous amount of work to provide priority for public transport on our roads.

I refer to the bicycle network. Since we came to government, we have already created more than 900 kilometres of bike paths as part of the principal road network. What that means, of course, is that the number of cyclists is increasing by a huge amount. Between 2001 and 2006 the number of people cycling to work within the city of Melbourne and the nine surrounding municipalities increased by 63 per cent. We have envisaged in the Victorian transport plan that there will be a further 15 000 commuters who will be either walking or cycling to work or study in the inner city of Melbourne as a result of the investments we are making.

We are doing that with bus lanes. This year we are carrying 98 million people on our buses. That is a 13 per cent increase. That is happening because we are giving more priority to buses and increasing the number of bus routes. We are extending them in the outer suburbs. In the past two years we have upgraded 146 bus routes. Importantly, we are giving priority to buses on our roads. We are doing that on Stud Road, we have done that on North Road on the way out to Monash University and we are doing that in the Doncaster corridor, where we are spending more than $360 million to upgrade the key commuter bus routes from Doncaster to the central business district. That includes increased priority for buses on our roads. That will mean that within three years every 10 minutes there will be a peak-hour commuter service providing a high-speed link to the city.

We are also seeing that with trams. Members can see all the priority that has been given to trams on our road network and the investment we are making in disabled-accessible tram stops for people in wheelchairs and those with other mobility problems. Those super-stops are taking up road space but they are giving priority to that mode of transport that has the best capacity to move large numbers of people, particularly in the inner city.

The bill includes provision for the capacity to designate a municipal road as a specified freight road. We have to recognise that the freight and logistics industry is one of our most critical industries. It is critical to the economy and to the way we live. More than 334 000 people are employed in that industry and it contributes 15 per cent to our gross state product. It is critical to moving goods around this city. It is critical to our way of life. Moving freight efficiently is absolutely central to our prosperity. When you consider that road congestion problems alone cost us $2.6 billion a year, you realise that moving our freight efficiently is absolutely critical to our future.

It is fascinating to listen to the member for Polwarth on this issue, because he complains about road congestion and says that our roads are more congested than they were. When we bring into the Parliament measures that are designed to give priority to freight transport or buses or trams, he criticises them and complains about them. The member for Polwarth even goes to the point of grandstanding by mimicking the very amendments that the Minister for Roads and Ports had already put before this Parliament. He does so to be able to go out there and play to a crowd and say, 'I stood up and insisted that the minister consult with local government', when the minister had already circulated house amendments and indicated that they include a statutory requirement for the minister to consult with affected local government in relation to designation of municipal roads. The member for Polwarth wants to have it both ways. He criticises congestion on the roads but when we bring in measures to relieve that congestion, including designating priority roads, he criticises those proposals as well.

The member for Polwarth has also tried to make some really cheap political capital out of the provisions of this bill that relate to the Southern and Eastern Integrated Transport Authority. He tried to suggest that, because we are extending the operations of SEITA, that somehow involves some secret agenda on tolls. The fact of the matter is that SEITA has developed some very significant expertise on roads in the south-eastern corridor. It has done a fabulous job with EastLink. It has done a fantastic job in ensuring that road project is integrated with not only our major arterial roads but also our municipal road system. It is logical to take that expertise forward and use it on the biggest investment in road infrastructure in this state's history. We have just put out there a $38 billion transport plan. There will be significant development of roads in the south-east, including the Frankston bypass. It is logical to use the expertise of SEITA to develop that road project, and that is what we will be doing. There will be plenty of work for VicRoads and for SEITA. The fact of the matter is that we have developed a road infrastructure program that the member for Polwarth can only dream about.

Then we have had the member for Polwarth talking about the sleeper replacement program and tracks and points. This government has been upgrading rail at a rate that the member for Polwarth can only dream about. We had the regional fast rail project, in which all the rail lines to Geelong, Ballarat, Bendigo and Traralgon were upgraded. We reopened the regional lines to Ararat and Bairnsdale, which those opposite closed. We had to significantly upgrade those lines, in terms of the sleepers, the tracks, the points and the signals. We have had a 63 per cent surge in V/Line patronage in two years. That is because we are delivering faster and more efficient passenger services.

**Mr Mulder** — On a point of order, Speaker, I just wanted to bring the member back to debating the bill.

**The SPEAKER** — Order! I do not uphold the point of order. In his contribution the member for Polwarth spent some considerable time talking about sleepers.

**Mr HUDSON** — We have going the biggest sleeper upgrade program in Victoria's history. We have the north-east rail revitalisation project. We are spending $501 million on that. It involves the Wodonga rail bypass and replacing 200 kilometres of broad gauge with standard gauge. We have the $73 million upgrade of the Mildura–Geelong freight rail, and we are upgrading sleepers to the extent that the member for Polwarth can only dream about. Our program is the biggest ever in Victoria's history.

I refer to what the bill does about bus infrastructure. The government has rolled and is rolling out an enormous number of additional bus services; an extra 146 improved bus routes and 9630 extra weekly trips have been introduced in the last two years. We now have longer bus operating hours, new routes in the growth suburbs, extensions to bus routes and more frequent bus services. Absolutely central to this program is the Secretary to the Department of Transport ensuring that bus stops are safe, are in the correct locations and integrate right across the network.

We are working to build a critical role for buses in our transport network. We have turned buses into a mode of choice for so many people who had no options before. This important bill adds to that upgrading of the public transport system, and I commend it to the house.

**Mr CRISP** (Mildura) — I rise to speak on the Transport Legislation Miscellaneous Amendments Bill 2008. In coalition The Nationals are not opposing the bill, which amends existing legislation; the amendments will affect most transport modes.

The bill deals with sustainability issues, such as traffic congestion, investigations, marine transport, public transport, improving road networks, and transport management and safety. It is intended to bring all the modes of transport in line with each other, which will be done by amending the Marine Act, the Port Services Act, the Road Management Act, the Southern and Eastern Integrated Transport Authority Act and the Transport Act.

It amends the Transport Act 1983, which was last amended in 2006 to allow for alternative sentencing arrangements for child offenders on transport systems. Other changes include the renewal and authorisation of transport enforcement officers. It allows access to rail land for road maintenance, and the ability for penalties to reflect the new arrangements after the 2007 buyback of country rail networks. It also abolishes the Southern Cross Station Authority.

A number of areas need to be discussed. The first is to do with safety. The design and location of bus stops has already been well discussed. There are significant safety implications, especially for children and young persons, associated with the risks in boarding and alighting from a bus and in crossing nearby roads. Movements around buses at bus stops are the most hazardous part of a bus journey. Whether or not safety will be improved by the legislation is yet to be seen.

However, there is a question as to its value, which may have been overstated in previous speeches, in

preventing accidents. According to John William Knott in his work entitled 'Road traffic accidents in New South Wales, 1881–1991', which was published in the *Australian Economic History Review*, the introduction of various forms of safety equipment is not as important as managing driver behaviour. What I think is important here is how car drivers behave around bus stops. That is as important, if not more important, than where a bus shelter is located.

I am pleased the minister got the message about the involvement of local government. The initial legislation indicated the government was going to bypass local government, which certainly caused some stress in the local government community. The Municipal Association of Victoria was quite busy in that regard, and I will refer to some of its comments later. I think it is timely that the minister got the message that local government has something to contribute on these matters.

On congestion, expanding the use of mass passenger transport such as buses, trams and trains eases congestion by reducing car usage. The best way to facilitate this change from individual to mass forms of transport is to improve such modes of transport, making them more reliable and efficient, and much has been said about where Victoria is at the moment with that. One way of doing it is by giving some forms of transport priority over others. Systems of tram lines and roads that favour trams, buses and freight vehicles are one way of creating a priority system. Expanding public transport and lowering car usage contributes to lowering congestion; and less congestion improves road safety.

Congestion is not an issue in country areas; rather the issue is services and their frequency. Mode of service is also important. The links that come out of country areas are important as is when they leave, how long they take to arrive and whether it is a train or a bus. Country people prefer travelling on passenger train services, where possible.

The bill also refers to investigations. The safety investigator investigates public transport and marine vessels. The bill makes it possible for the chief investigator to require a person to attend an interview. However, answers to questions posed by the chief investigator are not admissible in evidence against a person in court except in a coronial inquest. The aim of an investigation conducted by the chief investigator is to establish the factors that caused an incident. It will be interesting to see how the courts deal with that.

What are other states doing within the legal framework? There are three main areas of legislation in the transport industry: land, marine and air transport. Each state or territory forms its own suite of transport legislation. This bill is part of a wider government program to legislate for reform in Victoria. Its provisions have been coordinated to match the Bus Safety Bill 2008, the Transport Legislation General Amendments Bill 2008 and a proposed transport integration bill.

The bill specifically deals with the Marine Act 1988 and the Southern and Eastern Integrated Transport Authority Act. The Northern Territory recently tabled the Public Transport (Passenger Safety) Bill 2008 to address security issues on buses. The remedy proposed is a transit officer who polices the activities of passengers on buses, including school buses. The Northern Territory bill proposes the use of infringement notices; it also suggests problems with youth as it articulates with the commonwealth Youth Justice Act. I note that neither this bill nor the Bus Safety Bill do anything to address the issue of passenger security beyond what already exists. I think that might be a convenient oversight of an important part of security while travelling.

The Municipal Association of Victoria has commented on the legislation. It too is concerned about the issues that the minister has taken into account, but not before there were continual problems. In a letter to everyone who could receive it, the MAV states:

> In its current form, the proposed legislation does not include the requirement for councils to be consulted …

The MAV is very direct, and at the 11th hour the minister appears to have heeded its concerns.

I also note that the minister has perhaps stretched the terms he has used for an open exchange of information and negotiation between the relevant parties. Local governments have local knowledge; they know their communities and they can influence behaviour, which is a vital factor in safer transport. Yet in these particular negotiations they were ignored until the 11th hour, thus causing harm and damaging the confidence and goodwill which needs to exist between these levels of government.

The Nationals are not opposing the bill but are concerned that its passage will damage the relationship with local government.

**Ms BEATTIE** (Yuroke) — I am very pleased to hear the member for Mildura say that The Nationals are not opposing the bill. Earlier when the member for

Polwarth made his contribution to the debate I thought the bill was going to be totally opposed, but that does not appear to be so. The parties are supporting the bill, but the member for Polwarth is opposing it.

I rise to speak on the Transport Legislation Miscellaneous Amendments Bill 2008. The bill's objectives are to provide support for key government transport policies, including giving priority to specific transport modes on part of the road network; affording public transport improved status in roads legislation; clarifying and strengthening rail safety requirements; providing the Department of Transport with greater input in relation to bus stop infrastructure; strengthening the enforcement regime for breaches of marine safety laws; and making minor miscellaneous and technical amendments to transport legislation.

I want to begin my contribution by focusing on the Road Management Act, because 80 per cent of all kilometres travelled on public transport journeys occurs on our roads. The road network is absolutely vital to Victoria. I know that just as well as anybody else in the house because my electorate covers the northern suburbs. People understand that a lot of freight goes along the Hume Highway and along the roads in my area.

We have seen what a good road project can do if it is done properly. We can also look back at some of the projects that are being carried out and say, 'That was an example of the way not to do things'. I refer to CityLink. Under the Kennett government the Tullamarine Freeway had one lane added and became a toll road. Adding that lane funnelled all the road traffic into an intersection around the Bulla-Calder interchange. Members will know what that did.

**Dr Napthine** interjected.

**The SPEAKER** — Order! The member for South-West Coast has just arrived in the chamber. I ask him not to interject across the chamber in that manner or he will not be here for very long.

**Ms BEATTIE** — Thank you, Speaker, but the member for South West-Coast has something to contribute to this debate, because I well remember him saying to me that he used to take Mickleham Road as a rat run rather than going through the Calder tunnel interchange, because it was such a bottleneck. The bottleneck at that interchange was actually created when CityLink came into being because all of the traffic was funnelled there.

People like the member for South West-Coast had to take rat runs. I do not criticise him at all for doing that. People missed catching their flights because they were stuck in traffic. The Skybus service was often delayed by that bottleneck, so something had to be done. A major project freed up that intersection; drivers can now travel on that road and swing right to the airport, as they are wont to do, and have a terrific run to the airport with no more bottlenecks. That is what you can do when you build up a bank of expertise about roads. The Southern and Eastern Integrated Transport Authority now has a bank of expertise that we are building on. We are amending legislation so we can use the expertise that SEITA has built up.

The freight industry is very important to us; 334 000 people are employed in it. We know that the road networks are used by private cars, motorcycles, public transport, including buses, taxis and hire cars, and freight vehicles, which I talked about earlier. Increasingly the road networks are being used by bicycle users and pedestrian traffic. It is vital that we amend the legislation so that some roads can be priority roads for trams, buses and the modes of transport I talked about.

The road network is to be managed to the extent that is reasonably practicable in accordance with the designated priorities. It encourages the efficient operation of the roads network. Those principles of priority that are now being inserted into the Road Management Act will have a flow-on effect right through the act and impact on the way roads are managed on a day-to-day basis.

I have highlighted some parts of roads which have been improved. It is fortuitous that I am speaking on this bill because just last Friday, I, along with Senator David Feeney, opened the Donnybrook Road interchange. The Donnybrook interchange is a part of another important suite in the upgrade of the Hume Highway. The Rudd federal Labor government is focused on improving the freeways between major capital cities — we have an ongoing commitment there.

The good senator is not as familiar with that interchange as I was; he was absolutely thrilled at the way the Donnybrook interchange had come along. The senator knew there were a number of fatalities at the old interchange, which had never been addressed and had been neglected for years. But the Rudd Labor government did a good thing and fixed that interchange.

On Tuesday I opened a road in my electorate, which is now a municipal road that will become a VicRoads road as it is upgraded and as some transport goes on to that road.

In many of the outer suburbs we have seen vast improvements to the bus networks. That all runs very well, because in the outer suburbs we have done some rail extensions — members will of course be aware of the Craigieburn rail extensions — and it is important to have those buses connecting with the rail extensions to transport passengers to and from the stations.

All in all, I think the Transport Legislation Miscellaneous Amendments Bill is a good bill, and I wish it a speedy passage. I am very pleased the opposition is supporting it.

**Dr NAPTHINE** (South-West Coast) — I rise to speak on the Transport Legislation Miscellaneous Amendments Bill. As with many miscellaneous amendments bills, this one covers a range of issues, which I will cover as best I can, clause by clause.

Clause 3 introduces a requirement that all recreational boats carry a builders plate. Questions were raised at the briefing about what that would mean and how it would be implemented, and I would appreciate it if the minister, when he gives his second-reading debate summing up, would explain whether it will apply to motorised and non-motorised vessels, when the requirement will become effective, who will meet the costs of putting on these builders plates, what will be the case with regard to people who are owner-builders of vessels and how existing vessels will be surveyed or plated. All of those are practical issues that need to be addressed with respect to clause 3.

Clause 4 imposes a whole new range of penalty and enforcement provisions for commercial marine operations, which are defined as follows in clause 5:

> … commercial marine operations means any activity in connection with the operation of a fishing vessel, government vessel or trading vessel …

I noticed some confusion out in the community when I met with port operators and people involved in the commercial shipping industry as to whether these provisions would apply to large container and other freight vessels that use our large commercial ports. Again I would appreciate the minister's response to that in his second-reading debate summing up.

Clause 4 is a very lengthy clause which covers such issues as a new regime of improvement notices and prohibition notices — and those prohibition notices can be quite significant. If you look at page 12 of the bill you see that a prohibition notice can prohibit people carrying out certain activities thereby preventing the vessel being operated. The clause also contains a whole range of other provisions that provide powers for inspectors which may have significant effects on the business and operation of people who use vessels, particularly commercial fishing and trading vessels. If we are going to have these very harsh provisions and provide these powers to inspectors, it is very important that they be applied judiciously and with common sense rather than in an inappropriate manner.

There is also a new provision with regard to marine operations: the commercial benefits penalty orders. Part of that provision is outlined in proposed section 85AQ, inserted by clause 4, which says:

> The court may make a commercial benefits penalty order requiring the person to pay, as a fine, an amount not exceeding 3 times the amount estimated by the court to be the gross commercial benefit that —
>
> … was obtained or obtainable … from the commission of the offence —

and it goes on with other definitions associated with that.

I understand that these commercial benefits penalty orders are largely used in the transport industry — that is, the land transport or trucking industry, where many offences are associated with overloading. In that industry it is very easy to determine what the commercial benefit is that the alleged offender has gained by putting an extra 5 or 7 tonnes on their truck and therefore to have a penalty of three times that amount. However, in the shipping industry it is much more difficult, and this is one of the issues raised by Shipping Australia Limited in a letter to the minister on 27 January from Llew Russell, its chief executive officer. He says at the end of his letter:

> We have sent a copy of this letter to Denis Napthine, shadow minister for ports, who was kind enough to draw our attention to the proposed legislation.

In other words, Shipping Australia Limited was not even advised of this by the minister or the government. The letter also says:

> Our members are concerned about the introduction of new sanctions and sentencing options in the bill, in particular to the proposed new division 7 of the Marine Act 1988, which proposes a new contemporary sentencing orders scheme for enforcement of marine safety laws. This would empower the courts to make a 'commercial benefits penalty order' for certain offences, which can be up to three times the amount calculated to be the commercial benefit that was or would have been derived from the offence.

Shipping Australia Limited also acknowledges that such a provision exists in other parts of the transport industry. The organisation says further:

> However, we question its relevance to marine safety laws.

It lists a range of offences, fundamentally questioning how they can be subject to the provision. The letter continues:

> We are of the opinion that it would be very difficult for a court to decide offences which can be clearly identified to have resulted in a commercial benefit to the shipowner, with regard to marine safety.
>
> Penalty provisions in the Marine Act 1988 are adequate and already provide a powerful deterrent and the introduction of new commercial provisions could result in increased litigation costs and lead to uncertainty. We would therefore urge the Victorian government to remove these provisions from the proposed amendments.

There was a lack of consultation with the fishing industry, and there is certainly real concern about these proposed commercial benefits penalty orders. The local commercial fishers in my area and the fishing industry are also very concerned about the excessive powers that inspectors will have which may affect their vessels and livelihoods. They say their vessels are regularly inspected, and because of the nature of the commercial fishing operation there are quite often broken lights or other minor matters and that they would be very concerned if this provision led to their not being given the opportunity to make appropriate repairs or replacements and simply being thumped with a penalty that would stop them operating as commercial fishers. They say this would have significant effects on them.

Clauses 6, 7 and 8 provide that the ports in Victoria carry out their functions having regard to the benefits of increased competition. I know this has to do with the Council of Australian Governments, but it seems like an apple pie statement. Of course our ports are trying to use competition to the best advantage to benefit themselves, their shareholders and stakeholders. I am pleased to see the socialist Labor government has introduced legislation with the benefits of neoliberal capitalism in clauses 6, 7 and 8, which require the ports to have regard to the benefits of increased competition. It is a very good thing for the socialists to come around to the neoliberal way of thinking.

Clause 9 goes back to the traditional socialist way of doing things. It requires our commercial ports in Melbourne, Hastings, Portland and Geelong to prepare a port development strategy every four years under ministerial guidelines and directions without any regard to whether it will be used, how it will be used, and what the benefit of it will be. As long as people are employed preparing plans, those plans will be put into cupboards to collect dust. Many of the port representatives are saying this is just bureaucratic nonsense.

I now wish to refer to an area where the members for Shepparton and Polwarth have done a fantastic job in persuading the government to make amendments to the legislation. I look at clause 15, and I have two pieces of paper in front of me. I have proposed amendments from the member for Polwarth, and lo and behold there is another piece of paper with exactly the same amendments to be moved by the minister. The minister is a Johnny-come-lately. If the minister thought those amendments were good they would have been in the legislation in the first place. But the minister has been dragged kicking and screaming to put in legislation that cannot ride roughshod over the local councils.

We needed to do this because *The Victorian Transport Plan* says on page 29 that a trial of the next generation of high-productivity vehicles will be undertaken in the green triangle. These vehicles will be carrying up to two 40-foot containers. These are big trucks, super-trucks, monster trucks, much bigger than the B-doubles on the road, and the government is trying to put them on the roads in south-west Victoria without any investment in local roads, without any additional passing lanes, without improvements to the highways, without funding for the local roads network and without consultation under this legislation with the local council. That is why I am pleased that the amendments circulated by the member for Polwarth have been adopted by the government. Now I am calling on the government to put the money where its mouth is and fund the road improvements before it puts the super monster trucks on our local roads.

**Mr SEITZ** (Keilor) — I rise to speak on the Transport Legislation Miscellaneous Amendments Bill. It is a broad bill and it covers many issues in regard to transport on land and on water. Clause 1 sets out the purposes of the bill, which are to make miscellaneous amendments to the Marine Act 1988, the Port Services Act 1995, certain parts of the Road Safety Act 1986, the Road Management Act 2004 and the Southern and Eastern Integrated Transport Authority Act 2003 to facilitate the operation of those acts; and to amend the Transport Act 1983 in relation to the powers of the chief investigator to obtain information in regard to his duties.

That is a rough outline of the bill. It has a broad scope, and I congratulate the minister on bringing it in and covering a number of the issues that need to be dealt with. It is part of the government's job in updating our transport regulations right through the whole system and getting an understanding of where we are. As we know, across Victoria we have 1800 ungraded railway crossings, which is an important issue that needs to be addressed. We need to know who has the say on the

control of those, whether it is V/Line or the train operators, which we know are franchised out, or VicRoads.

The government also has another 1300 private crossings, so the number of railway crossings in our state is large. Therefore the legislation needs to be looked at and somebody must have the power to investigate it and to call in people to inspect or investigate the system and get answers when mishaps happen occasionally, whether through human error or other causes. I support the bill because it is important. Whether we like it or not, more and more people are getting on the roads. There is no legislation like that in other countries that limits vehicle ownership to one car per family. We do not have those laws here. It is not unusual to find households with five or six cars when the siblings are still living at home and have not flown the coop, so it is an issue in inner urban Melbourne.

More people are using bikes after the change to the legislation years ago that allowed dwellings in the central business district and the development of apartments there. Bike transportation is used when the distances are not great. We have seen more of that change happening with local government involvement, and a road transport body is needed to have a say in it as well.

The Department of Transport needs to have a greater say about buses and bus stops. It is of concern to the bus drivers to have the bus stops at the right places so they can get in and out of stops and be able to maintain their timetable. The ordinary car driver seems to think the bus is off the side of the road in the bus stop and they will not let it out, yet we expect the bus to keep to a timetable to connect with the trains arriving and leaving, and all those things are synchronised.

There is also a need for an expanded transport authority because buses travel across different municipalities which have different policies in different years. Some have created indented bus stops on roadsides, albeit belatedly, because it does not happen when a new subdivision is developed; it is always an add-on cost. Then we have roadside stops without bus shelters. This means traffic is held up, and drivers sitting behind the stopped bus start tooting their horns at the bus driver. Worst of all are the cars that try to cut in front of the bus, risking an accident just so they can keep moving and, perhaps, not be late for work. But by doing so they cause an impediment.

The flow of traffic and deciding which vehicles have priority on the roads is an important starting point. This legislation will assist in that regard. In many countries, heavy transport vehicles have priority; we have dedicated truck routes on particularly our major highways, with passenger cars travelling along them.

In my electorate a lot of people use shopping jeeps. Some are disabled and have to travel in motorised vehicles to go shopping. I had an experience last week where I was waiting at an intersection for a person to cross the road in their motorised gopher shopping jeep, but the driver of the truck behind me was impatient, cut me off and nearly clipped the person who was slowly driving across the road. Perhaps the community needs to be better educated, because motorised vehicles are becoming a more common method of transport as more people continue to live in their own homes with carers, rather than be in nursing homes. Those battery-operated four-wheel shopping carts are a means of them getting around and being more mobile.

The council in my area has been very good about changing the blunt kerbs to rollover kerbs, so the drivers of motorised shopping carts can drive over the kerbs instead of having to use somebody's driveway, and zigzag around the place. The council has modified the construction of many intersections; where that has not been done, it has replaced the old kerb and channels with rollover kerbs. All the provisions in this legislation are important and forward-thinking.

I strongly believe people having to change buses to get from one destination to another shows it is necessary to take bus transport into consideration when planning road construction, particularly in the new estates but also in some older areas. Local government needs to remember that people will be travelling by public transport and that buses are one form of transport. In most cases buses bring people to railway stations or sometimes to shopping centres.

The transport authority will now have a greater say and be consulted when subdivisions are planned and developed, so buses will travel within 400 to 500 metres — that is, walking distance — from where people live. This has not happened in the past. In my area roads have been unilaterally cut off because a certain group of councillors have been elected and had a policy different to the previous policy. Roads have been cut off, and buses cannot travel through those areas. Sometimes passengers have to change two or three buses to get to their destinations.

I will finish with one example of people going to the Keilor cemetery. It takes these people nearly 2½ hours to get to the cemetery because they have to take three buses. Some people, mainly elderly European women who do not have drivers licences or are not confident

about driving themselves, want to visit deceased friends or relatives at a cemetery. I have organised one of the local bus companies to pick them up from the St Albans shopping centre and take them directly to the cemetery once a month. I commend the bus company for doing that, because the way the bus route is set out and the way the regulations are at present, you cannot get within cooee of the cemetery. A bus travels past the cemetery but you have to walk 1.5 kilometres to get there.

I look forward to the implementation of this legislation. It will bring in some common sense and give the Department of Transport more authority in planning, in cooperation with local government and future developers, particularly when they are planning new areas in the growth areas of my electorate, so that we do not have a repeat of the mistakes that were made in the past when those little courts and narrow streets were designed and buses were not taken into consideration. You cannot get a bus into those places, you have to have cars. That encourages people to buy cars rather than use public transport, but public transport is a great transport means for people.

**Mr MORRIS** (Mornington) — The Transport Legislation Miscellaneous Amendments Bill 2008, despite its innocuous title, has significant implications for the structure of road management arrangements in Victoria, road priorities and the allocation of traffic loads. It remodels the Southern and Eastern Integrated Transport Authority; changes the Marine Act, the Port Services Act, the Road Management Act and the SEITA act; and amends the Transport Act 1983 with regard to the office of the chief investigator. It is an omnibus bill in the truest sense. It is a grab bag of materials. It seems to me that the only common thread in the whole thing is that all the matters come under the jurisdiction of the Minister for Roads and Ports.

Obviously I need to limit my comments to a couple of specific areas. I want to talk particularly about the restructure of SEITA and some of the changes to the Road Management Act. With respect to the latter, there are two areas I want to touch on: the provision of bus stops, clause 23, and the register of specified roads, clause 15.

As far as clause 23 is concerned, for members with electorates in the established areas of Melbourne and with established public transport systems — trams, trains, whatever — the subject of bus stops might be somewhat arcane, but in an interface electorate we are entirely reliant on buses for our public transport, so bus stops, particularly where they do not exist or on new routes that are being developed, are a particularly high priority. I certainly support the concept that is implicit in the bill of consistency across the network.

There are many competing interests when it comes to locating bus stops. It is quite a complicated process. I presently have an issue with a bus stop on Mornington-Tyabb Road which requires the road's shoulders to be sealed. I think the cost is somewhere between $80 000 and $100 000 before they can start working on the bus stop itself. The Minister for Roads and Ports has advised me that he is currently considering the matter. I thank him for taking the issue on board, and I can see the benefit in streamlining the process.

However, it appears to me that the detail of control proposed by the amendments is somewhat excessive and a far more cooperative approach would be desirable. I was quite frankly amazed to see that it is deemed necessary to have sanctions to prevent the removal, demolition or relocation of a bus stop. I would not have thought it was all that easy to do any of those things.

If the stop were simply damaged, I would have thought criminal damage or vandalism provisions would have been enough, but obviously this is aimed at a different offence. Similarly, proposed sections 48O and 48P, which are inserted into the Road Management Act by clause 23, also seem excessive. Surely it would be better to have greater cooperation in these matters between the government and councils. Litter and cigarette butts remain a blight in many areas. It is better to have the people on the ground — that is, the local council — taking the lead in this matter. I notice we plan to trust the councils to exercise their judgement with regard to the location of the bus stops themselves, under proposed section 48N, so surely we can trust them to deal with issues surrounding rubbish bins and the disposal of cigarette butts.

The last 12 months has seen the installation of a number of bus stops in the Mornington Peninsula shire; many bus stops have been rolled out throughout the district. It has been a terrific project, and I congratulate the minister on it, but I suggest that a similar cooperative approach would be far more effective than the somewhat solid measures that are proposed.

I also wish to comment on clause 15. I note the amendments circulated by the member for Polwarth and mirrored by the minister, and I certainly welcome them. The amendments clarify that the government should consult not only with the Minister for Local Government — and I am sure the current minister will give some appropriate advice — but also with the

affected municipality. The municipality has the right not only to be consulted but also, under new section 42A(4) in clause 15, to have the final say on the matter. That is an important change, and I am pleased the minister has been prepared to take the issue on board and deal with it.

The final section of the bill I will comment on is part 5, which makes changes to the Southern and Eastern Integrated Transport Authority Act. SEITA was established for the construction of what was originally to be the Scoresby freeway. It became a tollway in one of the greatest government backflips of all time, involving the biggest porky ever perpetrated on the voters of this state. EastLink is a good road — I congratulate the builders on the terrific job they have done — but it is a pity it is only carrying about half the traffic it was intended to carry, and as a result the surrounding streets are still carrying considerably more traffic than their capacity should allow.

In more recent times SEITA, by virtue of the extensive powers it enjoys under the act and particularly the ability to extend its powers via ministerial direction, has undertaken the exploratory and design work for the Frankston bypass; it is currently supporting the work for its environment effects statement. One cannot overstate the importance of the Frankston bypass not only for Frankston, which is hopelessly congested, but also for access to the Mornington Peninsula. The volume of traffic going through the intersection of Cranbourne-Frankston and McMahons roads is already beyond its capacity, and other intersections are also packed well beyond reasonable capacity.

In 2006 the section of road that begins with the intersection of Cranbourne-Frankston and McMahons roads was carrying 45 900 vehicles a day, and it is forecast that in 2011 it will carry 55 900 vehicles. A bit further south, the section of Moorooduc Highway between the Frankston-Flinders and Sages roads was carrying 29 100 vehicles in 2006, and the forecast is that it will carry 35 100 vehicles in 2011. The intersections of Mornington-Tyabb and Bungower roads are similar. In 2006 that section of road carried 38 300 vehicles, and it is forecast that in 2011 it will carry 47 100 vehicles.

So far all we have seen is some fiddling around the edges. We have seen the proposal to ban right-hand turns in Frankston, and there was a nice picture of the member for Frankston together with Minister Pallas on the front page of the *Frankston Standard*. Unfortunately the following week it was followed up by a report of a revolt by Frankston City Council, which said the proposal was appalling and it would not work, and of course there was uproar from the affected traders. No matter how the government fiddles with roads in this area, it cannot solve the problem without building the Frankston bypass.

That is the concern with this legislation. While the Victorian transport plan commits to a commencement of the bypass this year, at this point it is totally unfunded. The minister has so far declined to rule out a toll on the road. I invite him to clear the air and use the opportunity afforded by summing up to rule out a toll on the Frankston bypass. That would be a good start.

Despite its name, SEITA does not have a track record on the construction of integrated transport solutions; its sole purpose to date has been the construction of a toll road. It seems that the purpose of these changes is to achieve a wholesale expansion of SEITA's role, which would be unnecessary unless the real agenda was to fund the road component of the Victorian transport plan via toll roads. Let me make the views of Mornington Peninsula residents very clear: we are already paying tolls for the privilege of using EastLink, and we are not prepared to cop tolls on the Frankston bypass — full stop.

I commend the member for Polwarth for the amendments, which will significantly improve the bill. Obviously, with the support of the government, they will pass. In closing I again invite the minister to rule out tolls on the Frankston bypass.

**Mr FOLEY** (Albert Park) — I rise to support the Transport Legislation Miscellaneous Amendments Bill 2008. It is a good bill. I am sure the government welcomes the support of those opposite, because it is a down payment on the vision, the funding and the framework for the Victorian transport plan, which was well received by the people of Victoria last year.

It is an important bill because it reveals a lot of things. It reveals that this government is committed to getting the framework to a long-term, efficient, sustainable, coordinated, reliable, safe and integrated transport system up and running. It is the necessary building block that Victorians would expect in a modern, 21st century Victoria. It shows that the government is serious about dealing with the challenges of congestion, like every other developed city in the globe, and that it is also serious about dealing with the challenge of our age — that is, climate change.

I will briefly consider some aspects of the bill, as others before me have more eloquently done, so as to be clear about what we are talking about. In general terms the bill seeks to establish a system of priority for different

transport modes on the road network. It seeks to clarify the status of public transportation in roads legislation. It seeks to ensure safety at road-rail interfaces around crossings and in a number of other areas where these two forms of transport come together.

As the member for Mornington so eloquently put it, the bill also seeks to deal with issues surrounding the important transport infrastructure of bus stops — indeed, I add in relation to my own electorate, it also deals with tram infrastructure — to make sure that this important infrastructure is dealt with consistently across the state. This will improve the outcomes in meeting the obligations under federal legislation such as disability discrimination legislation, ensure consistency of the built form and address a range of other safety and accessibility demands that the growing number of users of tram and bus stops consistently quite rightly demand.

The bill also clarifies and reforms a series of marine safety measures, some of which have resulted from a tragedy that happened in my electorate. I refer to a fatal refuelling accident which happened on the Yarra River in 2008, when, sadly, a boat exploded, the explosion taking a number of lives. The bill does this by introducing a series of measures dealing with both actual and anticipated safety breaches currently before the jurisdiction of Marine Safety Victoria.

The bill also deals with the Council of Australian Governments reform process on port regulation and competition, and with requirements that Victoria has signed up to in that regard. Unlike the ranting and incoherent raving of the member for South-West Coast, which we heard earlier in this debate, these reforms show that this government is serious about ensuring that the appropriate rigours of the market system are designed to deliver coherent and proper outcomes in port regulation, to enhance competition and efficiency.

This is also an important bill insofar as it deals with the regulation of ports. My electorate of Albert Park is next door to the active and thriving port of Melbourne. We live harmoniously next door to Port Melbourne, which is one of the fastest growing areas of Melbourne. My local community welcomes and looks forward to a continuing good working relationship with the Port of Melbourne Corporation in a whole range of areas as it goes about implementing its strategic plan and vision for the future. Other aspects of the bill clarify the powers of various regulators and inspectors. As the member for Mornington has said, the bill clarifies the roles of the Southern and Eastern Integrated Transport Authority and a whole range of other transport-related projects and other miscellaneous amendments.

Despite the myth that those opposite seek to perpetuate with regard to the origins of the amendments currently before the house — that is, that the amendments put forward by the member for Polwarth are identical to those moved by the Minister for Roads and Ports — I can only say that those myths are quite flattering.

The bill also makes a number of practical and sensible amendments that have arisen from a series of representations and discussions through the Municipal Association of Victoria. The rantings of the member for South-West Coast have been directed through the media, but these amendments have been the result of some quiet work done by a number of members on both sides of the house, including a number of government members.

They address such issues as how priority roads and areas of local roads should be dealt with in consultation with local government. These are important amendments, reflecting, as they do, assurances that the Minister for Roads and Ports gave to a recent Municipal Association of Victoria gathering and requiring, as they do, the consent — I stress, 'the consent' — of the relevant municipal council prior to a municipal road being declared a priority freight road, which is an important issue in my electorate.

Route M1 goes straight up the middle of my electorate and, together with the management of the port of Melbourne, these are very important issues to ensure an active thriving logistics industry and port which services both metropolitan and regional Victoria. My local community will welcome this sensible measure, reflecting as it does this government's predisposition to consultative mechanisms to arrive at agreement with communities insofar as our decisions on infrastructure are made.

I would like the record to be correct in regard to the myths being suggested by those opposite — that is, that somehow or other these amendments were first moved by Mr Mulder and then reflected in identical terms by the minister. They have claimed that somehow the amendments fell out of the sky due to the good work of those opposite. Nothing could be further from the truth. If the best form of flattery is copying, then we take all the flattery given to us by those opposite in the good-hearted manner in which I am sure it is meant, and we look forward to Mr Mulder perhaps admitting that these sensible amendments put forward by the minister reflect the minister's own good work. Perhaps he could withdraw his flattering — for him, embarrassing — amendments to this bill.

I conclude by referring to the fact that the work on this bill reflects this government's commitment to ensuring that the vision we have for Victoria — to make it a fairer, sustainable and safer place — has a role to play, in which transport is a major contributor. We have made a commitment that that will happen in a way in which the contributing elements of the state government's transport plan can start to be rolled out so as to ensure that not only people in communities can get around and that freight can move efficiently across the state but also that it does so in a manner that enhances economic growth, enhances sustainability and enhances livability to make sure that Victoria continues to be the best place in which we would all want to live, to work and to raise a family.

We will treat the scaremongering and myth creation from those opposite for what it is — that is, the highest form of flattery in their shadowing of the minister and his amendments. I look forward to the bill having a speedy passage through this house, and I wish it all good speed.

**The ACTING SPEAKER** (**Mr Ingram**) — Order! Before calling the member for Shepparton I remind the member for Albert Park that he must refer to members by their titles or their seats, not by their names.

**Mrs POWELL** (Shepparton) — I am pleased to speak on the Transport Legislation Miscellaneous Amendments Bill. At the outset I support the amendments circulated by the member for Polwarth, and I also congratulate him on the work he has done on this bill. He has brought the government kicking and screaming into circulating its amendments. I disagree with those on the other side who said their amendments have nothing to do with the opposition's amendments. I think they have everything to do with the opposition's work.

The amendments that were circulated by the member for Polwarth and by the government include a requirement that councils be consulted if municipal roads are included in specified routes. That was a huge omission from the bill and the second-reading speech — and from the original legislation — because councils have had, and will continue to have, a very strong vested interest in their road network management.

I would like to concentrate in my speech on the amendments to the Road Management Act 2004. The offending section of the bill that was amended is in clause 15, which inserts, among other provisions, new section 42A(3) into the act, which says:

> If a road or part of a road is a municipal road, there must also be consultation with the Minister for Local Government before the road or part of the road can be specified to be a specified road.

There was huge outrage in local government when they thought they had been omitted from that provision. In fact I wrote to the 79 councils to let them know that they had been overlooked in the bill, and I have had some comments and responses from them. They were absolutely furious, because they had not realised that they had been omitted. This will be taking away council powers and the opportunity for the community to have input into any plans in road management.

It increases the responsibility and input to the Secretary of the Department of Transport, and it still does that. That part has not been omitted. There will now be power to install, remove and relocate bus stops and bus stop infrastructure, and that includes bus seats and bus shelters. It empowers the secretary to prevent others from removing infrastructure that is to be installed by the department and stops people from moving the location of the bus stops without the secretary's consent. When the government realises what it has done here, it will come back with more amendments, saying that in that part of the bill it had probably been a bit overly exuberant in making the secretary of the department responsible for allowing that sort of infrastructure to go into those areas, but only with the prior consent of the Secretary of the Department of Transport.

The councils will be obliged to notify the Secretary of the Department of Transport when a shelter or a seat is installed, removed or relocated and must give the secretary 28 days notice. I wonder if this government really understands that there are 79 councils across Victoria. This is bureaucracy gone mad. This will include school bus stops, which will include bus shelters that councils install when they are needed. In rural and regional Victoria in particular councils have the capacity to move bus shelters from places where there are large numbers of people, including families in which the children who used the bus shelters have grown up and left, to other locations where there are new families with young children. Councils have the local knowledge and should be able to move bus shelters and bus seats from one area to another. It is absolutely ridiculous that the government is expecting councils to write to the department within 28 days when they want to remove, install or relocate a bus shelter or a bus seat. As I said earlier, I think amendments will be needed to address that part of the legislation.

The government says that monitoring bus stop infrastructure and obliging councils to notify the

secretary when a significant item — and remember, that is a bus shelter or a seat — is installed, removed or relocated will provide important information that will be used by Metlink. I wonder what good information about a rural bus shelter will be to Metlink, which provides travellers with the most up-to-date information on their local bus stop. I think the government perhaps had in mind metropolitan areas rather than rural and regional Victoria. Councils must also get consent from the director of public transport before attaching bins or cigarette disposal units to buses or to bus or tram stops. In country Victoria we do not have many tram stops, but we do have bus stops. I am sure councils will just love that extra layer of bureaucracy that will mean they have to write to the department to ask if they can put a cigarette disposal unit on a particular bus stop.

The government is using this legislation to try to fix congestion on metropolitan roads. It has to look as though it is doing something because congestion is getting to really bad levels at the moment. What it needs to do is fix up its rail transport and then perhaps people will have more confidence in public transport, stay off the roads and use the trains. But they are not fixing things up. People do not have confidence in using the trains because they are either not on time, not running, cancelled or too hot. Maybe what the government needs to do is fix up public transport.

This legislation will be a burden on local councils, if they are not consulted. As I said, I am really pleased to see that the government has been told it needs to consult. The government said that giving freight traffic priority on designated routes will draw freight vehicles away from commuter traffic routes, encouraging better traffic flows for commuter and freight vehicles. Local councils know that. They are doing it now. There are designated truck routes and there are bypass routes. I was a councillor at the former Shire of Shepparton when we developed the Shepparton alternative route. Councils are doing that sort of thing now. They do not need this legislation. They are doing those things now in the best interests of the travelling public and in the best interests of their communities.

The original bill did not include the requirement for local councils to be consulted. Even if municipal roads are included when priority uses for specific roads are declared, only the Minister for Local Government needs to be consulted. As I said, the government has been dragged kicking and screaming to this measure. I wrote to all 79 councils, the Municipal Association of Victoria (MAV) and the Victorian Local Governance Association to let them know about the glaring omission in this bill and that they would not be consulted, even if municipal roads were involved. I will just read a couple of the letters I received in response.

One letter is from Jack Wegman, the mayor of Boroondara. It is dated 19 January and states:

> We share your concerns that inadequate consultation has been undertaken between the state and local governments on this issue.
>
> Any road priority system will have significant implications on activity centres, shopping centres and local streets which abut arterial roads.
>
> My council will be seeking clarification from VicRoads on how they intend to undertake the consultation process so that informed outcomes are achieved.

I also have a letter from Paul Younis, the chief executive officer of the Corangamite Shire Council. The council agrees with the fact that the councils should be included in the consultation, but it goes on in part to say:

> The inclusion of the municipalities in the consultation process for the establishment of the specified roads will enable local communities to be represented in the discussions and will enable informed decisions to be made with the provision of local knowledge.

I also have a letter from the MAV which went to all councils. The association was concerned that local government was not consulted about designated council roads and the inclusion of freight in the proposed legislation, and it said that it was going to continue to make representations to the state on behalf of local government.

The government states that public transport has no separate recognition in the Road Management Act. It is classified as a utility alongside water, sewerage, drainage, gas, electricity, telephone and telecommunications services. The government could easily have amended the Road Management Act to include recognition of public transport and increase the membership of the Utilities Infrastructure Reference Panel, which is now to be called the Infrastructure Reference Panel, to allow it to receive more recognition. The government could have made different amendments to this legislation, but I think it is trying to pretend it is fixing up the issues of public transport, congestion and our road structure while all it is doing is putting more of the onus on local government bodies and not even consulting them.

It is about time this government consulted with local government when making decisions that affect local councils. It should do that before making decisions and not afterwards. The government's actions make a mockery of the intergovernmental agreement that was

signed between the MAV and the government last year saying that the government would consult and work in partnership with local government. I urge the government to honour that commitment. Instead of having to come back to this place to amend a bill after it has been introduced and saying, 'Oh, we forgot local government', I think it is important that the role of local government is also preserved in this bill.

**Debate adjourned on motion of Mr CARLI (Brunswick).**

**Debate adjourned until later this day.**

## ASSOCIATIONS INCORPORATION AMENDMENT BILL

*Second reading*

**Debate resumed from 4 December 2008; motion of Mr ROBINSON (Minister for Consumer Affairs).**

**Mr O'BRIEN** (Malvern) — On behalf of the Liberal and Nationals coalition, I am pleased to rise to speak on the Associations Incorporation Amendment Bill. I indicate at the outset that the opposition will not be opposing this bill. Having said that, there are some other matters to which I should turn my attention.

The purposes of this bill are, firstly, to amend the principal act to provide for the merger of the roles of secretary and public officer of an incorporated association. I will stop there to say that that is an eminently sensible move, and one which we support. Its second purpose is to establish the registrar as a body corporate. Again, this would appear to be a sensible move.

Its third purpose is to prohibit an incorporated association from acting in contravention of its rules or contrary to its statement of purposes. I will have a little more to say about that. While it does make sense at one level, there is some danger that some of the things which flow from that could potentially lead to an unnecessary increase in litigation.

The fourth purpose of the bill is to provide remedies where an incorporated association engages in oppressive conduct. Its fifth purpose is to allow for the appointment of a statutory manager to an incorporated association. The sixth purpose of the bill is to prohibit an incorporated association from distributing its assets to its members on winding up. Its seventh purpose is to permit voluntary cancellation of incorporation for certain incorporated associations, and its eighth purpose is to generally improve the operation of the act.

The act will commence on the day it receives royal assent, with the exception of parts 3 and 4 which deal with the changing from public office of the secretary. I am advised that the reason these parts of the legislation may come into operation later than the rest of the act is that this will allow time for incorporated associations to change. I hope the government will work with incorporated associations to ensure they are aware of any amendments which are made to the act and that they have the information and the opportunity to bring their practices and procedures into line with the new legal requirements.

Clause 5 of the bill deals with the rights of members under rules, particularly the enforceability of rules and purposes. The bill amends the principal act to provide that an incorporated association cannot exercise any power that is prohibited by the rules of the association or do any act that is outside the scope of the statement of purposes of the incorporated association. This, I think, gives the opportunity for members of an incorporated association to compel observance of the rule of an association, which is, on the face of it, very sensible.

If an incorporated association has a rule, members have an entitlement to think that that rule will be observed; further, if the rule is not observed, to be able to have a remedy for it. The last thing the opposition wants to see is our courts clogged up with basically petty disputes between members of incorporated associations being put up to the court system for judicial remedy. The most sensible way for incorporated associations to deal with internal disputes is via democracy. A good, healthy election can let people air their different views and opinions as to the best way the association should be operating, and then let the members decide. That is the best way to resolve these sorts of disputes, rather than resorting to lawyers at 20 paces. Litigation is not going to be good for the incorporated association, and it would not be good for the court system. Having said that, at the end of the day it is important that if members cannot organise themselves to resolve their disputes internally, there should be some level of external enforcement available.

Some concerns have been raised in an excellent submission by the Victorian Bar and the Law Institute of Victoria (LIV) provided to the minister on the draft bill. I think I am still a member of the Victorian Bar, and I am not sure if I need to declare that fact, so I will make that declaration just in case. It is a very sensible submission, dated 17 October 2008. At page 3, the LIV and the Victorian Bar note that:

> This amendment will enable the registrar to make application to the Magistrates' Court for enforcement of the rules of an incorporated association.

That is a very important point because previously it has been up to the members of an association to take a matter to court if they have not been able to have it satisfactorily dealt with internally. This provision in the bill gives the registrar the capacity to take those matters to court. I do not think you have to be too much of a seer to be able to anticipate that there might be a number of disgruntled members of incorporated associations who will see things happening in their association that do not meet with their approval, and rather than wanting to take the matter to court themselves they will be knocking on the door of the registrar, saying, 'Registrar, this thing has happened. It is contrary to a rule of the association' or, 'It is contrary to the statement of purposes of the association, and it is your job to take it to court'.

This will put the registrar in a very difficult position because, first of all, there presumably will have to be some level of investigation, even if it is at a very surface level, to see whether there is any validity to the complaint. Then the registrar will have to work out when it is appropriate for the resources of the registrar and the court system to be activated to take this matter through to court.

Returning to the submission made by the LIV and the bar, those institutions have said:

> We are concerned that, if this amendment is made, Consumer Affairs Victoria … will receive a large number of requests from disgruntled members for the registrar to intervene on their behalf. This will have obvious resource implications for CAV.

When you have lawyers expressing concern about a potential increase in litigation you know that something really must be wrong. This is a matter the government has not adequately addressed in the second-reading speech or the bill. It has not indicated how it will ensure that the registrar — who, as director, will be part of Consumer Affairs Victoria — will cope with what could be an influx of demands by disgruntled members seeking intervention. The government has not indicated that any resource uplift will be provided to CAV to take account of these provisions.

The law institute and the Victorian Bar have put it squarely before the minister that this change could lead to some real problems for CAV, including resource problems. A lot is asked of CAV by this Parliament and the government. It is essential that that organisation has the necessary resources to do its job properly. I am very concerned that through this bill the government has in effect given CAV a new mandate but has not done anything to provide the resources that may be necessary to accompany that new mandate.

A question that is also raised is: what does it mean if for an association to act in a way that is outside its statement of purposes is actionable? A lot of organisations have a statement of purposes that might be expressed in quite flowery language. Sometimes a statement of purposes may use rhetorical language and at other times it may express aspirations rather than reality. If a member of an organisation or the registrar is able to say to an organisation, 'You're not acting in accordance with your statement of purposes' and that can be legally enforced in a court, this has the potential to open a real can of worms. It made me wonder whether members of political parties, for example, could be affected by this. What would happen if members of political parties were required to comply strictly with their party's statement of purposes? Just suppose that at random I go to the *National Constitution of the ALP*.

*Honourable members interjecting.*

**Mr O'BRIEN** — I was looking at the document and saw under 'Objectives', which is the statement of purposes, objective 2. It states:

> The Australian Labor Party is a democratic socialist party and has the objective of the democratic socialisation of industry, production, distribution and exchange …

*Honourable members interjecting.*

**Mr O'BRIEN** — Its members would expect to have to adhere to its statement of purposes, so why are they not fulfilling the ALP's mandate of 'the democratic socialisation of industry, production, distribution and exchange'? I hear the interjections of the members for Narre Warren North and Burwood that I have the wrong document. Unless this document has changed since 11 February, which is when I downloaded it from the Labor Party website, then those members do not understand their own party's constitution. I am very pleased to note that, despite this statement of purposes, members of the party do not seem to be able to adhere to it. Given that another objective is the 'establishment and development of public enterprises', one may well wonder about the State Bank, the Commonwealth Bank and Trans-Australia Airlines and all the privatisation that occurred under previous state and federal Labor governments and wonder why those members were not adhering to their party's statement of objectives.

My question is: if it is good enough for incorporated associations to have their statements of objectives

legally enforceable, why is it not good enough for members of political parties? The minister in his summing up, or perhaps other members speaking in this debate, should answer that question. If we expect members of a chess club to adhere to its statement of objectives, why should we not expect the same of ourselves?

Clause 6 inserts new section 14C, which provides:

> A member or former member of an incorporated association may apply to the Magistrates' Court for an order … on the ground that the incorporated association has engaged, or proposes to engage, in oppressive conduct.

Again, this matter has raised some concern with the law institute and the Victorian Bar. In their submission they say:

> … we are strongly of the view that the structure and wording of this provision should follow as closely as possible the form of … the Corporations Act. The Corporations Act provisions are the subject of a considerable body of case law, and are relatively well understood by lawyers. The introduction of new concepts into the act, such as 'unreasonable' conduct is likely, in our view, to result in expensive and unnecessary litigation.

I know that the government has taken on board some of the reservations and concerns that have been expressed by the law institute and the bar in their submission. It has taken on aspects of this concern relating to the definition of 'oppressive conduct'. However, given the advice I have had from the briefing, the definition does not reflect purely the definition of 'oppressive conduct' in the Corporations Act but also incorporates aspects of the South Australian Associations Incorporation Act. It could well be that the government has diverged from what is a well-established body of case law. I just flag that I share the concerns of the law institute and the Victorian Bar that if that were the case there may be unnecessary legal disputes in attempting to resolve exactly what those definitions mean.

The definition of 'oppressive conduct' is contained in new section 14C(13), which provides that it:

> … includes conduct that is —
>
> (i) unfairly prejudicial to, or unfairly discriminatory against, a member of the incorporated association (including in the member's capacity as a member of the committee); or
>
> (ii) contrary to the interests of the members of the incorporated association as a whole …

Again, that is a very broad concept. To say that action is contrary to the interests of the members of the incorporated association as a whole would require the registrar, if the registrar were determining whether to bring a case, and the court, if a member or the registrar decides to bring a case, to try to work out what are the interests of the members of the association as a whole. I suspect that is one of those queries that is almost philosophical in nature and that you would have as many different views as to what the interests of the members of the association as a whole were as there were members of the association. To place the court in the position of having to make that determination on, firstly, what those interests are, and secondly, whether there has been any act which is contrary to those interests, is something I fear could take up a considerable amount of court time and therefore create a lot of expense for the participants.

New section 14C also provides a whole suite of remedies that the Magistrates Court may engage if it finds that there has been oppressive conduct. They include in new subsection (4) making:

> (a) an order for regulating the conduct of the … association's affairs in the future;
>
> (b) an order directing the … association to institute, prosecute, defend or discontinue specified proceedings …
>
> (c) an order restraining a person from engaging in specified conduct or from doing a specified act or thing …

So the court has a very broad range of powers. It is interesting that those powers include the ability to require an association to institute legal proceedings. One can only imagine that that would be subject to a lot of supervision by the court. Generally it is not regarded as good law to have a situation where a court has to continually supervise the execution of its orders. One can only imagine that if a court orders that an incorporated association has to institute proceedings to sue some body or some thing and the committee of the association is not keen on doing that, there may be a lot of dispute down the track as to exactly how that litigation is conducted.

Again, I raise this as a real concern that the breadth of these provisions may lead to some difficulties for associations and for the courts down the track.

New section 14C inserted by clause 6 also provides that only the Supreme Court may wind up an incorporated association, and I think that is appropriate. Incorporated associations can range from relatively small organisations with few members and few assets to very large undertakings, but whatever the nature of the association it is important that any decision to wind it up, which in a corporate sense is the death of an association, is made at the Supreme Court level.

Clause 7 refers to ultra vires transactions. It provides that no act of an incorporated association is invalid only by reason of the fact that it was done without the relevant power. It is important that those dealing with incorporated associations from outside the association have confidence that a change in committee membership will not suddenly result in contracts that they have entered into with the association being reneged upon. The provisions relating to ultra vires transactions in clause 7 are appropriate.

Clause 8 deals with the alteration of the rules of an association. I am pleased to see the minister has picked up one of the recommendations of the Law Institute of Victoria, which was to provide the registrar with the discretion to accept changes to the rules submitted by an association after the time specified in the act. Many incorporated associations are run on the smell of an oily rag by people who are not professional committee members, and as a result meeting deadlines — while always to be encouraged — in reality does not always occur. It makes sense that where an association has elected to change its rules at a duly constituted meeting the fact that the secretary has sat on the changes and not notified the registrar in strict time should not be a bar to the registrar having the discretion to accept those changes and to record them.

Clause 8 also provides for the severability of rule changes, so where an association makes changes to its rules and some of those changes are not permitted for any one of a number of reasons, it is possible for the registrar to accept those changes which are valid and to reject those which are not valid. Previously, the registrar would have to reject all the changes if even one of them was invalid. Again, this seems to be a sensible measure which the opposition supports.

Clause 9 deals with special resolutions which are needed to change a statement of purpose and often a rule of an association. It provides that not less than 21 days notice be given to all members of the incorporated association stating in full the proposed resolution and specifying the intention to propose it as a special resolution. This is to deal with the concern that notice could be given of resolutions that are very broad in character without actually indicating the specific resolution to be put at the meeting. It is important that all members of an association be fully informed as to what changes are being proposed. At the briefing I asked a question, and subsequently I asked the Minister for Consumer Affairs, about the capacity of members to amend a proposed special resolution from the floor. In my dealings with incorporated associations over a number of years it is often an issue which comes up. A resolution may be proposed and notice of it may be given, but then there will be people on the floor of the meeting wanting to move amendments. This could be in relation to, for example, proposed changes to membership subscriptions to various sporting organisations or to other things. I asked the question: what is the capacity of members to make amendments from the floor?

The minister responded in a letter stating:

> The answer depends upon the nature of the proposed amendment to the special resolution. Amendments that differ in substance from the original resolution would need to be the subject of another meeting and compliance with section 29(3). Minor or technical amendments to the text of a resolution, which do not change the substance of the resolution, can proceed and will not need to be the subject of a new meeting and a further notification procedure.

I thank the minister for his response, but it still leaves the question: what is a minor or technical amendment to the text of a resolution? That is a matter on which further clarification would benefit members of incorporated associations. A change to the proposed special resolution that one member may regard as minor another member may regard as significant. Again, the need to avoid these matters winding up in court and leading to the clogging up of courts and the wasting of time and money of members of incorporated associations would suggest that there should be some guidelines, be they legislatively enforced or otherwise, as to the circumstances in which proposed special resolutions can be amended on the floor of a meeting. I record that as a concern that I believe the government should turn its attention to.

Clause 11 inserts new section 30C and deals with the removal of auditors. Quite sensibly the government has decided that the ability of an incorporated association committee to remove an auditor should be revoked and that the removal of an auditor should be done by resolution at a general meeting of members. Obviously auditors have a very important role to play in terms of ensuring that the finances of an incorporated association are conducted openly and transparently, and any decision to remove an incorporated association's auditor in my view should be taken by the membership rather than just by the committee.

The clause also provides for an auditor's right of reply to be provided to members. Before a meeting is called to attempt to remove an auditor the auditor may have a statement provided to members. There seems to be an oversight in the act. It does not specify a date by which the auditor's statement needs to be provided. Proposed new section 30C (6) inserted by clause 11 simply says 'before the meeting'. Does that mean one day before the meeting, a week before the meeting, or a month

before the meeting? That is something that should be made clear.

Clause 12 inserts new parts VIIAB and VIIAC and deals with the new power to appoint a statutory manager. It provides that the registrar may apply to the Magistrates Court for the appointment of a statutory manager to conduct the affairs of an incorporated association. Only the registrar can make the application, not a member of an association. Proposed new section 31D(5) states that the court:

> … must not appoint a statutory manager unless the Registrar certifies that following an investigation pursuant to the provisions of this Act ….
>
> … the appointment is in the interests of its members, its creditors or the public.

Again, that is a fairly broad test, whether something is in the interests of the members of an association, its creditors or the public. I hope that provision is not meant to read that upon that certification essentially the court has to act. Certainly there should be an opportunity for contrary points of view to be put. I note that it appears the government has accepted some of the Law Institute of Victoria and the Victorian Bar's recommendations on an earlier draft of this provision which they said was 'draconian', to use the word of those organisations. However, there are still some concerns with this provision. There is no time limit on the appointment of a statutory manager, and there is no automatic referral to the Magistrates Court in terms of the actions of a statutory manager if that were to be challenged by a member. There is no ability for a review of the actions of a statutory manager, or for a member to attempt to revoke the appointment of a statutory manager.

In fact it appears that only the registrar can make the application to revoke the appointment of the statutory manager. The other thing I noticed is that proposed section 31G(5) says:

> The Registrar may provide a copy of the report —

that is, the report of the statutory manager —

> to the incorporated association.

I would have thought that that should be an obligation. There should not be a discretion for the registrar to provide a copy of the report to the association, it should absolutely be required. If a registrar is going to undertake a report which can lead to the appointment of a statutory manager, then surely the members of that incorporated association are entitled to know what is in that report. If they wish to present an alternative view to the Magistrates Court on the question of whether an appointment should be made or continued, then they should have the information basis to do so.

Clause 15 of the bill deals with the distribution of surplus assets in the event of a winding up of an incorporated association. It provides that the association must not distribute any surplus assets to any member, former member or any associated entity. I think that is a very sensible measure. It is important that incorporated associations be true to their foundation as being organisations for the attainment of certain goals and objectives. It should not be used in any way to try to personally benefit any of its members or former members. If an incorporated association is wound up, any members or former members should not financially benefit from that. That again seems to be a sensible measure. There are a number of other amendments in this bill, including the amendment of gender-specific references. They are very important, as the member for Swan Hill has noted.

Part 3 of the bill deals with the public officer. As I flagged at the outset, this is a sensible matter to essentially merge the roles of public officer and secretary. In most organisations the secretary will play the role of the public officer, but it makes sense that those two roles be formally merged. Finally I note that in part 4, which deals with the rules of an incorporated association, there must be provision in the rules for members to have access to minutes of general meetings and rules for a right of access, if any, by members to minutes of meetings of the committee. It is important that committees have the ability to not have their minutes automatically available to all members. Committee members have a fiduciary duty that members of an organisation do not. There might be instances, such as dealing with staff matters, when qualified privilege is invoked. There might be defamation matters.

I am pleased to see the government accept the views of the Law Institute of Victoria and the Victorian Bar Association on that. In addition to those remarks, I note that the opposition will not oppose the bill.

**Mr DONNELLAN** (Narre Warren North) — I welcome the fact that the opposition is not opposing the bill. I think it is a good bill. It is quietly moving along the rules and regulations in relation to incorporated associations. It looks towards some national harmonisation in the second round, which is necessary. It acts upon the review which started in 2004, following which there were further reviews by the State Services Authority, the results of which are being put into action today.

I guess the most important thing in the bill for members of incorporated associations is that it improves governance arrangements. It merges the role of public officer and secretary. I must admit I could never work out why they were separated many years ago. It just makes sense that the person who carries out the public officer's role is probably doing a lot of the work that a secretary would do anyway, so why would you not have both roles undertaken by the same person? It is a good idea. With separate roles both the secretary and public officer would need to be notified of changes and so on by the registrar, so it really makes sense to put the roles together.

This bill amends the schedule to the act to include additional mandatory rules. It puts mandatory rules into the rules and regulations of an incorporated association rather than in its statement of purposes. It improves the rights of members to access information about the operation of their association. I think that is important. If you were a member of the Liberal Party, you would wonder why you were not invited to the Platinum Gold fundraiser last night, with the clinking of glasses and toasting. I mean I would be devastated — —

**The ACTING SPEAKER** (**Mrs Fyffe**) — Order! the member will speak on the bill.

**Mr DONNELLAN** — I would be devastated if I was not invited to that. That is an improvement in the rights of members of various political parties.

**Mr O'Brien** interjected.

**Mr DONNELLAN** — What is that? A strip club? I do not think we will be talking about those things. It requires the accurate recording of meetings, which I think is appropriate so that members can have confidence in those meetings. There must be certain procedures in place to provide access to information. I guess members of the Liberal Party would want to know who are members of the Platinum Club that they are not members of. It is important that members of a club be able to access information through a proper method and that that information not be kept solely and wholly for certain members of the committee and that access not be restricted for members. As an additional mandatory rule I think that is a great improvement. It definitely makes it fairer for all members for them to have proper access to information provided for in the regulations.

Another provision confirms that members have to terminate the appointment of an auditor. That cannot be done just by the committee or by a couple of members of the committee. That is important. The bill clarifies the circumstances in which an office-holder, former office-holder or member of an incorporated association must return documents to the club. I think it is vital that committee members do not take off with documentation and that there is actually some consistency so that each time the annual return or whatever the case may be is being done, members can be certain they have the right information necessary for that annual return. The bill also provides for the membership to go to the Magistrates Court to require the person to return the documents, so it has some teeth in it to force people to do the right thing by the club.

As the member for Malvern mentioned, the bill also provides that when a proposed special resolution is put up, the full details of it must be put before the members. In the past I have been involved in clubs where notice has come of a special resolution but you do not know what the special resolution is and you have to guess what the committee is trying to get at. That is not an appropriate way to behave — to keep those things from members. Members are the club and have a right to know what a special resolution is about.

I turn to the statement of purposes. It is important that clubs act in accordance with the statements of purposes they have put forward. If a club is a charitable institution raising money for blind dogs it should raise money for blind dogs or whatever it may be.

**An honourable member** — Guide dogs!

**Mr DONNELLAN** — It cannot decide instead that it will raise money for the Liberals or The Nationals, because that would be a disgrace. At the end of the day if you are a club raising money for blind dogs, you stick to blind dogs and do not set off raising money for others — —

**Mr O'Brien** — Guide dogs!

**Mr DONNELLAN** — No, the blind dogs! This is a different group of people — they are the ones I know very well.

**Mr O'Brien** — So they are the dogs who have the white canes?

**Mr DONNELLAN** — They are the ones who vote Liberal and Nationals — the ones who do not know what they are doing and do not know which box to fill in. We help them fill in the right box and say, 'Tick the one beside the ALP'. They are always happy, these blind dogs. Hopefully this association will keep raising money for them!

If you have a statement of purposes, you stick to it, and that is enforceable in the Magistrates Court. That is a nice move forward; we can hold committee members to account under those provisions.

Certain members can also go to the Magistrates Court to seek a remedy in relation to oppressive conduct by an organisation — that is, conduct that is oppressive, unfairly prejudicial or unfairly discriminatory.

*Honourable members interjecting.*

**Mr DONNELLAN** — For example, if I went to join the Liberal Party or The Nationals and they refused me membership, that would not be considered harsh, oppressive conduct, because it would be considered a little strange that I would want to join one of those organisations. At the end of the day that would not meet the test of oppressive conduct. The court would probably say, 'Mr Donnellan, it is probably not a good idea for you to go and join the Liberal Party or The Nationals'. But that remedy is available to people who believe their organisation is being harsh or oppressive or discriminatory in its behaviour towards them, and I think that is an improvement.

The bill also beefs up the supervisory role of the registrar, which is great. It will establish the registrar as a statutory body, so that if someone is winding up an organisation and vesting property in the registrar they are vesting it in the body corporate, not in an individual. The difficulty when you are vesting it in an individual is in terms of transfer of the property at a later date — it may be unduly complicated. It is going to make it a lot easier to have the registrar incorporated as a statutory body corporate so it can have property and the like vested in it. That is also a move forward.

Additional powers will be provided to the registrar to clarify the validity of documents lodged before him or her. If we have World War III going in a dysfunctional association, at least we have an independent individual — or body corporate or registrar — to make judgements about which documents are valid and which are not. We sometimes need the wisdom of Solomon for that, but at least the registrar can make those judgements and try to cool the heat within some of these committees, whose members probably want to murder each other half the time.

**An honourable member** — Like the disputes committee.

**Mr DONNELLAN** — No, the disputes committee of the ALP is a very calm, cool and collected committee, well balanced and well thought of.

**An honourable member** interjected.

**Mr DONNELLAN** — Yes, the peak of justice in this country, they say.

The registrar can look at amended rules and decide whether people accept or reject them, meaning if there are amended rules that are harsh and oppressive of members, at least we have an independent individual who can make those judgements. That also is a substantial move forward.

The registrar can also apply to the Magistrates Court to seek to have a statutory manager appointed for an association, and I think that is appropriate, because a fair few organisations — well, probably only about 5 per cent each year — tend to get themselves into real trouble. They become dysfunctional and there needs to be a clearing house. The registrar can apply to the Magistrates Court to appoint a statutory manager to manage the affairs of the association.

This bill is evolutionary, not revolutionary, and, as I have said, it is a great movement forward. I commend it to the house.

**Mr CRISP** (Mildura) — I rise to make a contribution to debate on the Associations Incorporations Amendment Bill 2008. The Nationals in coalition are not opposing this bill, and I am going to support the comments of the member for Malvern.

The intention of the bill is to enhance members' rights and the supervisory role of the registrar, improve internal governance and provisions relating to winding up an association and to amend the Associations Incorporation Act 1981 in the following ways: to merge the roles of the secretary and public officer, to establish the registrar as a body corporate, allow for the appointment of a statutory manager, to permit voluntary cancellation of incorporation, to prohibit an incorporated association from acting in contravention of its rules or contrary to its statement of purposes, to provide remedies where an incorporated association engages in oppressive conduct and to disallow an incorporated association from distributing its assets to its members on winding up.

These provisions enable a member or a registrar, where it is in the public interest, to apply to the Magistrates Court to have the rules or the statement of purposes of any incorporated association enforced. Similarly a member or a former member may take legal action in the Magistrates Court against an incorporated association for oppressive conduct where the conduct is unfair, unfairly prejudicial to or discriminatory against

the member or contrary to the interests of the members of the incorporated association as a whole.

The court has a wide range of powers to deal with any breach of the rules or oppressive conduct, and a committee member of an incorporated association must not be knowingly concerned with the contravention of any rule of the incorporated association.

The incorporated association can be wound up by the Supreme Court, as can a corporation, and the bill imposes obligations on former office-holders to return the documents belonging to the incorporated association. The registrar of the incorporated association, who is the director of Consumer Affairs Victoria, is established as a body corporate. The registrar may, following an investigation, apply to the Magistrates Court for the appointment of a statutory manager to administer the affairs of an incorporated association where it is in the interests of members or of the public.

The first area I think worth talking about is what is an incorporated association. Clubs and special interest groups can become incorporated associations, which is particularly suitable for small, community-based groups. Incorporating establishes an association as a legal entity, which allows an association to accept gifts and bequests, buy and sell property, enter into contracts and apply for grants. They are non-profit organisations, meaning that any profits made must be used to further the activities of the association. Much of our community life is based on this sort of goodwill and the interests that merge into an incorporated association.

However, some interesting definitions hang here. There are words that are important when interpreting the legislation in practice. These words are what will be pertinent to case law in the future. These words include what is meant by ‘fair’ and ‘unfair’; these are by nature very arbitrary statements. It is up to the courts to decide what tack will be taken when defining these words.

The second word that is questionable in its meaning is ‘validity’. This word is mentioned in relation to documents handed to the registrar for confirmation. The registrar will be within his, her or their rights to define this based on their own volition. This will no doubt cause some difficulties particularly as these matters end up in courts as these definitions write their way into common law.

Regarding the contravention of rules, the amendments make it illegal to contravene the association’s statement of purposes. This is intended to prevent rogue elements from working outside the association’s purposes without incurring legal action. This may be an added concern for religious groups that do not have an explicit religious purpose in that it may prevent them from expressing their beliefs and/or ideas when asked. Could this be considered a breach of religious freedom?

I hope this is never tested in the courts. Rather it would be more likely that associations would be forced to include their religious context in their statement of purposes, and whether this is good or bad is personal opinion.

The improvement of members rights is proposed by requiring an association to create a statement of members rights, by making financial statements accessible, by keeping minutes and by making an auditor only able to be dismissed by consensus.

Statutory management is of concern. The Magistrates Court may appoint a person to be a statutory manager if it deems it is in the interests of its members. On the appointment of a statutory manager of an association the committee members of the incorporated association cease to hold office. This is an area of concern for country areas, and I will talk about this later.

The registrar may apply to the court for the appointment of a statutory manager; they can also appoint committee members. If an association is cancelled, the assets lie with the registrar, who is usually an individual. This may cause considerable tension, particularly if the assets are substantial in the eyes of the community or of an individual who was in the association that has been wound up. The amendments make the registrar a body corporate.

In the case of rival factions within an association, different and conflicting documents or resolutions, the amendments make it possible for the registrar to reject parts of what is lodged. This makes the personal opinion and integrity of the registrar very important.

Regarding the secretary, the bill intends to improve communication between the secretary and registrar by the secretary assuming the roles of the public officer. I think that is common sense in this day and age.

With oppressive conduct, we get into very grey areas. According to the bill ‘oppressive conduct’ includes behaviour that is prejudicial to a member or contrary to the interests of a member as a whole; this includes refusing or failing to take action. A member or former member of an incorporated association may apply to the Magistrates Court for an order on the ground that the incorporated association has engaged, or proposes to engage, in oppressive conduct. The Magistrates Court may make an order in this regard.

This is a complex legal framework. Other states and territories have legislation pertaining to these areas. However, what will be the effect on country people and country Victoria? What could and should be resolved at an election may well end up in the courts. The court system is overloaded, and there are long delays in court actions. That, I think, will inevitably lead to a lack of participation in incorporated associations, which I believe are the backbone of volunteerism in our community. Country Victoria needs people to participate and take up leadership roles. I have a concern that this bill will cause people to take flight from those organisations once there has been a nasty legal encounter.

What the minister needs to do is explain what is being done to overcome the risk of incorporated organisations which undertake charitable volunteer work in our community taking flight from their tasks. It is a task that the government cannot take up; it just simply does not have the resources or the motivation. Yet if people will not accept roles for fear of long litigation or the risk of having their organisations hijacked or sabotaged by this being available, that is something beyond comprehension for our country people. Too much of this legislation hangs on the terms 'fair' and 'unfair', with definitions to be provided by the courts.

'Oppressive conduct' will need a court definition, and with those overloaded courts we again are going to scare people off. The loss of confidence to participate is a possible side effect of this legislation. When and if this happens, what will the minister do to reinstate that confidence so that those community groups that are the backbone of country Victoria, and probably metropolitan Victoria, will continue to do the work that we need them to do and that they need to do?

**Mr STENSHOLT** (Burwood) — It is always a delight to follow the member for New South Wales, and I just assure him that the metropolitan incorporated associations — —

**The ACTING SPEAKER** (**Mrs Fyffe**) — Order! The member for Burwood knows better than to refer to the member for Mildura like that.

**Mr STENSHOLT** — It is a delight to remind him that the — —

**Mr Crisp** — On a point of order, Acting Speaker, I would like you to rule that the member for Burwood should withdraw his previous comment. It is not correct.

**The ACTING SPEAKER** (**Mrs Fyffe**) — Order! Was the member for Mildura offended by the member for Burwood's remarks?

**Mr Crisp** — I take offence at the member's comment.

**The ACTING SPEAKER** (**Mrs Fyffe**) — Order! Will the member for Burwood withdraw the remark?

**Mr STENSHOLT** — If the member is offended, I am delighted to withdraw.

I can assure the member for Mildura that metropolitan incorporated associations are vital to the work of the community there. This is another example of good legislation from the Brumby Labor government. The emphasis here is on community, on family and on jobs. This is what this legislation is about, and I am delighted to rise to support it.

As other speakers have mentioned, there is a history to this bill. A review of the Associations Incorporation Act began in 2004 and this bill follows some of the suggestions made by it as well as a number of reforms identified in the Victorian government action plan headed 'Strengthening community organisations'. Community organisations are very important. Many in my local area will benefit from this legislation, like the Alamein Community Committee, run by Jenny Fuge. She has a job down there, and this is, once again, legislation about jobs. Jobs are very important in our incorporated associations. They very much help with the community and the families here in Victoria, in Melbourne and, in respect of my electorate, in Burwood in particular.

The Alamein Neighbourhood and Learning Centre provides a range of activities, including a number of adult, community and further education programs which people can participate in. It started off in very humble circumstances in a room in one of the public housing flats in Alamein and has now grown into a thriving community house next to the Alamein railway station. There are many others. Not too far away in Box Hill there are a number of associations, including the Alkira Centre, which looks after disabled people. It does wonderful work.

There are many neighbourhood houses, but the Amaroo neighbourhood house is the one in Amaroo Street in Chadstone. The Waverley Adult Literacy people are there, and Waverley Adult Literacy is an incorporated association which helps people with their literacy. The association helps new Australians and people who did not manage to get a very good education initially. It is helping people at the grassroots of our community. I

must admit that the Amaroo neighbourhood house has a wonderful op shop.

**Mr Robinson** — Excellent!

**Mr STENSHOLT** — I invite the minister to go along and visit the op shop. It is excellent at raising funds for the local community and has also won a prize from the Monash council for its sustainable garden. The wall is decorated with a lovely mosaic which was put together by people from one of the work-for-the-dole programs. The people there are working in their community to help their community. It is a really good example of the people who will be helped by this legislation.

I notice there are a number of specific reforms introduced by this bill, such as merging the roles of the public officer and secretary of an incorporated association. I recently went to a meeting of one of the incorporated associations in my electorate, namely the Edge Community Fund. It is an incorporated association set up by some of the local residents and traders, particularly in Ashburton, Ashwood and Chadstone. It is a charity of last resort. I congratulate Lynda Slavinskis, the local lawyer there, on that and on recently having a baby. She is on the small business advisory board for Victoria and is showing great leadership in her local community as a small businessperson, but she made the legal arrangements in order to have a charity nestled within the incorporated association. Other members of Parliament might be interested in this as a good model to use in their local communities, perhaps in Mildura. It is quite a good model and I am sure Lynda would be more than happy to share that experience with people in other communities.

It is a charity of last resort that particularly helps kids in our local community. The Amaroo neighbourhood house, which I mentioned before, had a work-for-the-dole program which fixed up some bikes. The people doing the bikes gave 10 bikes to the community house to give to kids in the local community who needed them. Unfortunately you have to wear a helmet to ride a bike and they cost between $25 and $50 each. The community house did not have enough money for that. It took six months to raise the money for 10 helmets, because money does not grow on trees even though, as I mentioned before, it has a very good garden. We started this charity for things like that and we found there was a bit of a gap to make up in the costs for kids going to kindergarten. It costs $200 or $300 over and above the general subsidy which is provided, very generously I might add, by the Victorian government. This charity provides that sort of help for kids. In the last year or two it has helped 80 or 90 kids to play sport or join the scouts or go to kindergarten or go to school camps — a range of things like that. It is a charity of last resort and a very good example of an incorporated association. We had a meeting the other day and we appointed a public officer. It did not happen to be the secretary, so after this bill is passed and comes into law we will have to have another meeting and make sure the secretary becomes the public officer.

There are many other incorporated associations, and a number are in the sporting area. We have lots of those, whether it is football clubs like the Ashy Redbacks — it is hoping for a good year this year from one of its former champions, Luke Ball, who is playing for St Kilda — or the Camberwell Sharks. Those are a couple of junior clubs in the local area which are very active but which are also incorporated associations. At the other end you have the bowls clubs, such as the Bennettswood Bowls Club and the Burwood District Bowls Club, which is actually an amalgam of the old Burwood Bowls Club and the Camberwell District Ladies Bowls Club. This shows that incorporated associations are able to come together and form new clubs such as the Burwood District Bowls Club. The Ashburton Bowls Club is a very good bowls club which has given me honorary membership.

There are many other organisations such as traders associations like the Ashburton Shopping Centre Traders Association, the Burwood Village Traders Association and the Camberwell Business Club. They are examples of local incorporated associations that are doing good work in the community. I commend the local traders associations, which provide jobs as well. They provide jobs for coordinators and by making sure that those strip shopping centres thrive. I invite any member of Parliament to come down to the Ashburton shopping centre, which is a thriving centre. I am sure the member for Malvern has been there and has seen what a good shopping centre it is. We recently had a festival at the Ashburton shopping centre and many incorporated associations attended, including the footy clubs. People from St Mary's Salesians were there cooking sausages. Members of the local Lions club — the Lions Club of Boroondara-Gardiners Creek — were there cooking sausages.

**An honourable member** — The local MP?

**Mr STENSHOLT** — The local MP was cooking sausages at the Boroondara-Gardiners Creek Lions club stall. I also drew the raffle for the local Estrella Preschool association. There are many preschool associations in our local community. They are the lifeblood — —

**Mr Weller** — Who won the raffle?

**Mr STENSHOLT** — I can assure the member that I did not win it. The raffle was not rigged. One of the local worthies won it. There were three prizes and one of the people who won one of the prizes was present and they were absolutely delighted with the prize they got.

There are also some wonderful family centres like the Craig Family Centre and the Box Hill South Neighbourhood House, which also has occasional care in its programs. Watercolour artists come along and ply their craft. There is a wonderful exhibition one weekend in the year. It is all about these community activities, these family activities which are provided through these wonderful incorporated associations in our community.

As I mentioned, there are many others. There is the Friends of Back Creek Association. It is an environmental group which is fixing up one of our local creeks. It does a wonderful job. I go to its annual general meetings and provide it with whatever support I can, including planting vegetation a couple of times a year.

These organisations are the lifeblood of our community, and the changes made by the bill will assist them and make sure that they thrive, so that families in the community are helped and the community thrives. Many of these associations, particularly the larger ones, provide jobs in the community. This is good legislation provided by the Brumby Labor government for our community and our families, and it provides for jobs in our communities.

**Mr WALSH** (Swan Hill) — I rise to make a contribution on the Associations Incorporation Amendment Bill. It is interesting to follow the member for Burwood, who provided us with a very good geography lesson about his electorate and the incorporated associations in it. The member probably thinks I am being facetious, but we are all very proud of the organisations in our electorates and the voluntary work that goes on through those associations.

Going back to the time this legislation was first introduced, its genesis was the need to provide protection for small community groups that did not have a lot of money. The protection was similar to that provided by the corporations legislation so that individuals involved in organisations could not be sued or be liable for debts — that is, their personal assets would no longer be at risk. That is what the original legislation was all about, and shortly I will talk about some of the changes made by this bill.

Quite often legislation introduced in this place aims to regulate particular processes to protect against the 0.1 per cent of society which does not do things right. As the minister said in his second-reading speech, 34 383 incorporated associations were registered in Victoria as of 30 June 2008. Of those, the vast majority would be doing the right thing; but here we are amending the legislation because of that 0.1 per cent that does not always do the right thing — —

**Mr Robinson** — It is a bit more than 0.1.

**Mr WALSH** — The minister says it is a bit more than 0.1. Organisations may also become dysfunctional. In these organisations one of the great challenges is that personalities overrule common sense, and you end up with conflicts that are personality-based rather than factually based and do not deliver the best outcome for the community. When we make legislation for these sorts of community organisations we have to make sure that we do not make a good idea too hard, by making it too complicated for organisations to function effectively.

The change to merge the roles of secretary and public officer is a good one. With a lot of the organisations I have been involved in, the public officer was originally appointed, then the organisation moved on but the public officer was not changed, and in 10 years time when the secretary and the president of the organisation wanted to do something, they had to find out who the public officer was when the organisation was set up. They may have left town, passed on or whatever, so having that merged role of public officer and secretary is a good idea, because the secretary is a current role, which means there is a current public officer all the time.

I will briefly touch on some of the challenges that arise in organisations that do not necessarily function well as incorporated associations, whether it be 0.1 per cent, 1 per cent or 5 per cent of organisations. When I think about dysfunctional organisations, one that springs to mind is an organisation in northern Victoria called the Northern Victorian Irrigators (NVI), which we have heard a lot about in this place at various times — —

**Mr Robinson** — Does it have a weighbridge?

**Mr WALSH** — No, it does not have a weighbridge. We have some issues with the minister regarding weighbridges somewhere else. Northern Victorian Irrigators was set up by a group of irrigators in northern Victoria to protect the rights of irrigators in that area

and to make sure that the water stayed there. The thing that motivated its members to come together and form an organisation was what was called the 80-20 deal — and the member for Rodney would be well aware of that because he was president of the Victorian Farmers Federation (VFF) at the time — —

**Mr Robinson** — Was he a good president?

**Mr WALSH** — The member for Rodney was a very good president of the VFF; he did a very good job running that organisation.

**Mr Robinson** — What about the president before him?

**Mr WALSH** — The president before him was even better!

The Northern Victorian Irrigators organisation was set up to lobby and make sure that any deals made by government did not disadvantage the water users of northern Victoria. Unfortunately the organisation has lost its way over time and some would say — I think it has about 600 paid-up members — it sold its soul to the Brumby government for the food bowl modernisation project and was prepared, in that selling of its soul, to see water transferred out of the area to Melbourne for no real benefit for the area.

Last year I had the pleasure of speaking at a Plug the Pipe rally at Yea. The chairman of Northern Victorian Irrigators was talking with a member of Plug the Pipe. I am not sure if he knew he was being filmed and would be put on YouTube, but in the discussion he blatantly admitted that the savings he had been led to believe were there in the food bowl modernisation project were not there, but he was not prepared to back down on his support for the government's project.

The issue I want to talk about is that of due process in incorporated organisations. Northern Victorian Irrigators called an annual general meeting (AGM) 15 months ago and accepted new members on the night of the meeting. The chairman opened the AGM and declared all positions vacant. The AGM had started and all positions were declared vacant when he started the election process for office-bearers.

However, he sniffed the breeze and realised he did not have the numbers to win the election, so he adjourned the AGM and convened an executive meeting of the organisation. If you have started an annual meeting and declared all positions vacant, I would have thought you could not adjourn the annual general meeting and reconvene the executive as there would be no-one in a position to do that, but he did. An executive meeting was held for something like an hour to decide how the executive could resolve the issue and not lose control of the organisation to the members who believed members of the executive were no longer fulfilling the original purpose of the organisation.

Members of the executive decided to change the rules and not allow the new members they were signing up before the meeting to vote at the AGM. They restarted the AGM, and the chairman just crept over the line and maintained his position. At this year's annual general meeting the members were not happy with what happened at last year's meeting and would not confirm the minutes of the previous AGM.

You had this issue, where the members of an organisation that had been set up with a purpose no longer believed the executive was fulfilling that purpose, so they went and got some legal opinion — and this is where it comes back to what we are talking about with this particular piece of legislation.

Northern Victoria Irrigators got a legal opinion as to how it would resolve this and was told that if it had $20 000 or $30 000 to fight this, it might get somewhere. That is the challenge that you have with the likes of this legislation. We can stand here and talk very calmly and peacefully about the fact that these issues can be resolved in the Magistrates Court between the members if there is a dispute within the organisation, but it is very expensive to do those sorts of things.

What was said to the majority of the members in NVI who did not believe the executive was now fulfilling the original intent of organisation was, 'If you have a bucketful of money you can make a lawyer rich by fighting this out'. I do not think that when this legislation was set up way back in the 1980s the intent was that if you are putting in place a legal structure where volunteer organisations and small community groups can use this to get some protection that you would have to spend tens of thousands of dollars to go to court to resolve an issue between the two organisations.

The members of NVI have decided that they do not have that sort of money. Everyone knows about the drought in northern Victoria and the pressure that the industry is under. A lot of these members are dairy farmers. The member for Rodney would be well versed in the issues of the dairy industry at the moment — the lack of water, the downturn in prices and the cost of feed for cattle. These people have said, 'We do not have that sort of money, so we are just going to have to

let the organisation die'. It is sad that those issues could not be resolved in a more businesslike manner.

Some of the changes in the bill are sensible, but to stand here and say we should let the courts resolve these sorts of issues makes it a very expensive process. I urge the minister to consider how we might get a better dispute resolution mechanism in place in the future for the likes of these incorporated associations.

**Mr CARLI** (Brunswick) — I rise also to support the Associations Incorporation Amendment Bill, which I think is good legislation. All members would be familiar with the not-for-profit sector and incorporated association sector and would be very proud of the work of the sector in their electorates. It is a vital part of local communities.

Certainly most members would be very aware of the details of the Incorporations Act simply because they are aware of and involved with their local community. Many times community groups have come to me, asking me for information about incorporation, the act and the model rules. I have assisted organisations to update the model rules, and there is no doubt that, over time, the rules for incorporated associations have improved to assist in their governance and to assist the democratic mechanisms which operate within these associations.

Ultimately they are small community entities which form part of a local democracy. People elect representatives in these associations, hold annual general meetings and to some extent have democratic conflicts which have to be resolved within the rules and the legislation. There is no doubt that that process has improved over time, but it is particularly important to see that we are undertaking significant improvements to the act.

The improvements to the act have come from two reviews, one of which was initiated in 2004 and which was followed up by an internal departmental review in 2007. This process led a review of the Incorporations Act being part of the Victorian Government Action Plan — Strengthening Community Organisations. It called for an improvement to the act. As members of Parliament, we all know that often when the groups come to us it is because they have had internal tension or conflicts about certain things within the organisation and that these rules assist in resolving those conflicts.

These changes are part of what will be a two-stage process. Firstly, they will enhance the rights of members within an incorporated association, which is significant. The trend has been towards gradual improvement since the initial act. For example, the need for a mandatory dispute resolution system became obvious and was incorporated into the act. That demonstrates that there has been a gradual evolution of the act.

This legislation will implement significant improvements to the internal governance arrangements. It will improve the supervisory role of the registrar of incorporated associations. Various members have spoken about how that will work. The legislation will improve provisions for the winding up and external administration of incorporated associations, which is significant. It is fairly self-evident that these non-profit organisations have been set up for the benefit of their members. They have not been created so that their members can create profits, so there is prohibition on the distribution of surplus assets when organisations are wound up, except in certain circumstances and conditions, which are specific and defined in the legislation.

Those circumstances are very much in keeping with the idea that these associations are not for profit and exist for the benefit of communities, so we do not see them as organisations which people can join, wind up and profiteer from. That is certainly not allowed.

It is important to see this legislation as an update and simplification of the act. It provides for various mechanisms which will assist that to happen, but it is also part of a two-stage process. The second stage is about financial annual reporting requirements, including to ensure there is greater consultation, because ultimately we are dealing with community organisations. We want to work with them, and they have seen the importance of updating and improvement, so consultation around that process is occurring at the moment.

Another aspect is that this is part of a national harmonisation. As part of the commonwealth government's social inclusion agenda there is a desire to work and to ensure that the states have common legislation, particularly around the issues of annual reporting and finance across the states.

The changes in this legislation do a number of things to enhance the rights of members of incorporated associations. We have already mentioned the merging of the role of public officer and secretary of an incorporated association. I have been a public officer of a local organisation. The Hope Street Youth Refuge is an excellent organisation which works with young people in distress. I have been an active member of the committee for a number of years, but in many cases

public officers become detached from their organisations and exist on paper. The secretary is constantly updated every year and re-elected, so I think it is very important that those positions are incorporated and merged. It makes it easier to work with the registrar, because that ensures there is a person to contact. It is a small but important reform.

There are further changes to the act to ensure that there are additional mandatory rules. Over time the model rules have become dated. Many organisations are working with rules that were written many years ago, so many mandatory rules apply regardless of whether they are written in the rules themselves.

The bill provides that members of an incorporated association must confirm termination of appointment of an auditor; so that in the case of an auditor being changed, the membership will have to know about that. It is very much about the transparency and accountability of an organisation. There are improvements in ensuring that former members and office-holders return documents or any material they have in their possession to the incorporated organisation. Anyone who has been involved in community groups knows that as people leave their positions, they often disappear and fail to return those documents. The return of documents now becomes part of what is required.

The bill provides that members of incorporated associations can apply to the Magistrates Court to seek an order to remedy the effects of oppressive conduct. Other members have spoken about this. While we do not want to rely on the courts, there are circumstances when differences in organisations need to be resolved, and by the court system. I must say though that in most organisations, issues are largely dealt with fairly well, and I think the dispute resolution system within the model rules generally works very effectively.

As I was saying, the bill also enhances the supervisory role of the registrar, provides additional powers to the registrar to clarify the validity of lodged documents, clarifies what assessed, proposed or amended rules a registrar may accept — the registrar may or may not accept certain rules that are put forward by organisations — and also provides the power for the registrar to ask the Magistrates Court to appoint a temporary statutory manager if this is in the public interest. There are a small number of cases where things go off the rails, so this is necessary.

The thing about rules in a democratic organisation is that although organisations and rules generally work well, when there are major conflicts and major difficulties, you need to have effective remedies. I think that is what is being provided in the changes to this legislation. While we do not expect the registrar's powers to be used all that often, they are really important for the effective functioning of these organisations.

Like the member for Burwood, I am very proud of the various incorporated associations in my area, and I am a very active member of a number of them. They are very much the community; there is great social capital there in terms of participation and involvement of community members. We are very fortunate to have a rich tapestry of organisations encompassing different activities from sport to social to charity and from different ethnic communities and religious groups. They are very much the essence of the Brunswick electorate.

**Mr THOMPSON** (Sandringham) — The Associations Incorporation Act 1981, which I do not think came into operation until two or so years after its introduction, was landmark legislation for Victoria. It enabled organisations to own property in the name of an association. It limited liability to the assets of the association and provided for an entity which could sue or be sued in the name of the association.

It provided a framework through the model rules for the structure of the organisation, annual meetings, the discipline of members and a statement of purposes which reflected the broad objectives of the organisation. The legislation was long awaited and was used by multiple groups in Victoria from its inception. There are a number of multicultural organisations which were finding their feet at that time — I had the privilege of incorporating Chinese and Vietnamese associations while I was working at a law firm in the early 1980s. The method of dispute resolution was a strategic, important and effective one which was facilitated by the primary legislation.

The bill before the house today amends the Associations Incorporation Act 1981 for a number of purposes: to merge the roles of public officer and secretary of an incorporated association; to prohibit an incorporated association from acting contrary to its rules or statement of purposes; to provide remedies when an incorporated association engages in oppressive conduct against a member; to allow for the appointment of a statutory manager to an incorporated association; and for other purposes.

The opposition is of the view that the bill could lead to increased litigation amongst members of associations as internal disputes that were previously resolved via

elections may now be referred to an overburdened court system. The courts will be required to decide whether particular decisions by an incorporated association are consistent with the generally broad statement of purposes of the association. It is problematical if the activities of associated incorporations will be resolved through the court process rather than through constructive dialogue within the internal association processes. The opposition has sought consultation with a range of entities in its deliberations upon the bill.

In the Sandringham electorate there are a wide number of organisations that have been incorporated. Along with all members in this chamber, I have attended myriad meetings reflecting the wide tapestry of community life. In my area there are the Rotary clubs of Sandringham, Beaumaris and Cheltenham, which do excellent work and are among the stronger clubs in Victoria.

There is also the Beaumaris Bowls Club, Beaumaris Art Group, Beaumaris Children's Playhouse, Beaumaris community centre, Beaumaris Conservation Society, Beaumaris Life Saving Club, Beaumaris Lawn Tennis Club, Beaumaris Football Club, Beaumaris RSL sub-branch, Beaumaris senior citizens centre, Beaumaris Soccer Club, Beaumaris Table Tennis Club, Beaumaris theatre group, Beaumaris 3 Year Old Kindergarten, Beaumaris Tuesday Bridge Club, Beaumaris Cricket Club, Beaumaris Yacht Club, combined Probus club of Beaumaris Bay, East Beaumaris Pre School Association, Jack and Jill Beaumaris Kindergarten, and Beaumaris Lions Club.

These are among some of the entities that are incorporated within the Beaumaris district and which have their registration recorded on the incorporated associations register. That in itself is a helpful mechanism to work out which organisations are registered. In that list there may be one or two which have since been deregistered, but it still illustrates the wide aegis under which organisations are incorporated.

Within Sandringham itself there is also another distinct range of groups which include the Sandringham and District Historical Society, which recently launched a history of the first 13 mayors of the original city of Sandringham, and the Sandringham Aged Care Association.

Both of these organisations have been underpinned in recent decades by Lesley Falloon, a former mayor of Sandringham on two occasions and one of the first female mayors in Victoria. Lesley has had a strong guiding influence on these two organisations. In fact the Sandringham Aged Care Association was successful in the establishment of a not-for-profit home in Bluff Road, Sandringham alongside the Sandringham hospital.

There is also the Sandringham Anglers Club and the Sandringham Athletic Club, one of the great athletics clubs in Australia. Ray Boyd has continued to coach athletics there, having coached a number of famous Australian Commonwealth Games and Olympic Games representatives. He recently received an Order of Australia award for his outstanding contribution to a number of spheres of service, including working as a municipal engineer, working with the Ombudsman's office and as an athletics coach.

There is also the Sandringham Baseball Club, the Sandringham Children's Playhouse, and the Sandringham City Junior Soccer Club, which is a rapidly growing junior soccer club within the bayside area, reflective of the increasing Australian interest in an international football code.

There is the Sandringham Croquet Club and the Sandringham community playground, which is an entity that is not currently registered but reflects the great work of Tony Prowse and Bridie Murphy as they went about Victoria building community playgrounds which were generally constructed within the course of a weekend. One has been built in Thomas Street, Hampton, and is one of the first community playgrounds to be built in Victoria. There was another established at the Sandringham Primary School. The incorporated associations model represented an excellent vehicle through which community playgrounds could be established and developed.

There is the Sandringham early planning for retirement group and the Sandringham Football Club, a great club that has been very successful within the Victorian Football League in recent years. There is the Sandringham Golf Club Associates, the Sandringham Life Saving Club, the Sandringham Life Activities Club, and the Sandringham Small Bore and Air Rifle Club, which has recently had some artwork painted on the perimeter of its building. Beauty is in the eye of the beholder, and I understand that the club may regard its premises as being vandal resistant now. To other local observers there is a calibre of artwork reflective of the level of art on the backyard fences of houses along the Sandringham rail line.

There is also the Sandringham Village Craft Market, as well as the Sandringham Yacht Club. I will comment on the important work being undertaken by the Sandringham Yacht Club in its present rebuild — its 50-year-old clubhouse is being replaced — and one of

the great venues on Port Phillip Bay will be completed towards the middle of the year. The club had a breakwater wall that had been further developed at the time of the Melbourne Olympic Games. It has had some impact on the tidal movement of sand along the foreshore, but those matters have been rectified, and they included the 1997–98 rebuilding of Hampton beach which involved 180 000 cubic metres of sand being pumped onto the beach in a matter of days.

The Sandringham Yacht Club has also been the training ground for many junior Olympic sailors and of many Sydney to Hobart yachtsmen as well as a number of people who have competed in the Melbourne to Osaka yacht race.

There is also the Sandringham women's soccer club, and I should also make sure I mention the Sandringham Bowls Club, one of the best organised bowling clubs in the Sandringham area, which will shortly be launching its centenary history. It is a very fine publication, but that will be the subject of future comment within the parliamentary arena.

In the Highett area there is the Greek elderly citizens club of Highett, and again I emphasise that the incorporated associations legislation has been a great vehicle for community organisations to organise and structure themselves to own assets, so there is an effective vehicle for the passing on of assets rather than the appointment of trustees who would otherwise have held property owned by an incorporated association. Property is now able to be owned in the name of an incorporated association.

**Mr BURGESS** (Hastings) — The purpose of the Associations Incorporation Amendment Bill is to amend the Associations Incorporation Act 1981 to merge the roles of the public officer and secretary of an incorporated association, to prohibit such an association from acting contrary to its rules or statement of purposes, to provide remedies where an incorporated association engages in oppressive conduct against a member, and to allow for the appointment of a statutory manager to an incorporated association, and for other purposes.

The main provisions in this bill provide for the enforceability of the rules and the statement of purposes of an incorporated association by a member — or, where it is in the public interest, the registrar — through the Magistrates Court. Similarly, a member or former member may take legal action in the Magistrates Court against an incorporated association for oppressive conduct where the conduct is unfairly prejudicial to or discriminatory against the member, or contrary to the interests of the members of the incorporated association as a whole. The court has a wide range of powers to deal with any breach of a rule or with oppressive conduct. A committee member of an incorporated association must not be knowingly concerned with the contravention of any rule of the incorporated association.

An incorporated association may be wound up by the Supreme Court. The bill imposes obligations on former office-holders to return documents belonging to the incorporated association, sets out rules for the removal of auditors and clarifies requirements for the passing of a special resolution. The bill provides that the role of public officer is to be performed by the secretary of an incorporated association.

The registrar of incorporated associations is established as a body corporate. The registrar may, following an investigation, apply to the Magistrates Court for the appointment of a statutory manager to administer the affairs of an incorporated association where it is in the interests of members of the public.

Who are we talking about, and who does this bill apply to? In my electorate there are many incorporated associations which will be impacted by this bill. Just to mention a few, there is the Hastings Club, the Western Port Oberon Association, which may be better known to members of this house as the association that looks after the submarine that has been sitting in Western Port Bay for the last seven or eight years, waiting to be brought ashore — but something which, unfortunately, the state government has blocked at every step.

They include the Balnarring and District Artists Association, the Balnarring and District Historical Society, the Balnarring and District Senior Citizens, the Balnarring Beach Ratepayers Association, the Langwarrin Chamber of Commerce, the Langwarrin community centre, the Somerville and District Chamber of Commerce, the Rotary Club of Somerville, the Probus Club of Somerville, the Hastings-Western Port Historical Society, the Rotary Club of Western Port and various other organisations. There are also organisations such as Blue Wedges, and the state government is conversant with what it is and what its members do. Obviously the implications of any act that would impose provisions on such an organisation needs to be well and very clearly looked at.

The area of concern with this particular piece of legislation is that it could lead to increased litigation among the members of the incorporated associations, as internal disputes that previously were resolved via elections may now be referred to an overburdened court

system. Where members are having a problem with an organisation, now they will be able to ask the registrar to participate in litigation over the discord that has arisen between members and the organisation.

The courts will be required to decide whether particular decisions by an incorporated association are consistent with the generally broad statement of purposes of the association. There will be significant capacity for troublemakers within an organisation to threaten or take legal action. People may be discouraged from participating in the management of an organisation because of the legal obligations that the bill may put on those who currently are involved in organising the management of such an association.

The word of warning that I would give to members of associations, not only those I have mentioned but also the other myriad incorporated associations in my electorate and throughout the rest of Victoria, is that the provisions of this bill need to be looked at very carefully and people need to understand the changes that the bill is making. A basic statutory interpretation rule is that different words have different meanings. When legislation is changed, its meaning changes and the impact of that legislation on the entities it applies to changes.

This bill changes the obligations of a very large number of organisations. I suggest that the members of those organisations be aware of this legislation and acquaint themselves very well with its provisions and possible ramifications.

**Mr SEITZ** (Keilor) — I rise to support the Associations Incorporation Amendment Bill and congratulate the minister on merging the roles of public officer and secretary of associations. The principal act has always caused some confusion for people. The public officer had to have a home address, whereas the association would have a post office box. The change is that the secretary of an association will be like the secretary of a company. It makes it easy to understand the legislation, because having the two positions — public officer and secretary — was confusing. That was particularly so in my electorate, which is why I have risen to speak on the bill.

This legislation will be a big protector for all the pensioner groups in my electorate because it makes it much simpler for them to understand and administer the act. They never really understood what 'public officer' meant and the liability that the position carried. They are very familiar with the word 'secretary', which means the person who under the old rules does the work of running and controlling all the books, presents the minutes to the committee, prepares whatever letters have to be prepared and does any other paper work, including the paper work that has to be presented by the treasurer to the auditor. The auditor cannot be sacked by the president just willy-nilly or at the whim of the public officer or secretary. That creates further protection for the organisations.

I do not have a large number of big incorporated associations in my electorate. As I said, the main associations are those that use council buildings and whose members often have difficulty understanding the meaning of the dual roles. Sometimes people have argued that the same person could not hold the two positions, that one person could not be both the public officer and the secretary.

I commend the amendments that the minister has included in the bill. I only hope that people in my electorate never have to use those sections of the act that will allow them to go to a Magistrates Court or another court when they have disputes or internal arguments within the groups or clubs, but rather can resolve those matters peacefully among themselves, if necessary with mediation.

In most such cases it is left to the aged-care workers in the municipalities to act as mediators between people with different opinions and views. There is a myriad of those organisations in my electorate. I hope that before the act comes into effect — as the minister said, it has a long lead time — members of the community learn what it is about and get used to it. I hope that enough education and information leaflets will be provided to the incorporated associations to enable them to make the necessary adjustments as they go through their annual general meetings.

As it is amending legislation, it should have a grandfather clause which caters for the existing incorporated associations, so that the new rules apply to them automatically, without them having to apply to change their constitutions. They will have model rules by which they can change the process of the registration of their organisation. Having said that, I commend the bill to the house. I am quite confident that the powers of the registrar will be used to explain matters to members of incorporated associations when they do their annual returns.

**Mr DELAHUNTY** (Lowan) — In the last couple of minutes before debate on this bill is wound up, on behalf of the Lowan electorate and also in my role as shadow minister for sport and recreation, I would like to make a few comments on the Associations Incorporation Amendment Bill 2008. Along with my

coalition colleagues, I do not oppose this legislation and hope it achieves all its aims.

The main purpose of the bill is to amend the Associations Incorporation Act 1981. I will focus particularly on some of the other purposes. One is to provide for a merger of the roles of the secretary and the public officer of an incorporated association. Another purpose is to establish a registrar as a body corporate. The third is to prohibit an incorporated association from acting in contravention of its rules or contrary to its statement of purposes.

I will touch briefly on the sporting clubs not only in my electorate but right across the state. The minister tells me that there are more than 34 000 associations across Victoria, many of which are sporting associations. Clause 6 highlights some of the problems to be faced. I have been associated with many sporting clubs and have heard of many problems where members of clubs have not operated according to their rules. That has created problems not only for the community but also for the Minister for Consumer Affairs and his department.

Clause 6 inserts a new section 14C which deals with oppressive conduct. It provides that:

> A member or former member … may apply to the Magistrates' Court for an order … that the incorporated association has engaged, or proposes to engage, in oppressive conduct.

It provides further that:

> The Magistrates' Court must transfer a proceeding … to the Supreme Court if —
>
> (a) the Magistrates' Court has explored all possible avenues of achieving a negotiated settlement and a negotiated settlement has not occurred; and
>
> (b) it appears to the Magistrates' Court that an order that the incorporated association be wound up may be an appropriate order …

As members know, many sporting clubs run on a shoestring budget. We hope that common sense prevails in resolving a lot of these issues. I fear that some provisions in this legislation could force a lot of them to the Magistrates Court and in some cases even to the Supreme Court. Many of them cannot afford that. Like the minister, I have dealt with a lot of sporting clubs. As I said, we would like to see common sense prevail.

I hope there will not be an increase in litigation. I wish the bill well, but more importantly I hope the sporting clubs in the Lowan electorate and right across Victoria can get some solace and satisfaction from the legislation and that it will help them with the process of operating their associations. With those few words I say again that I am not opposing the bill.

**Mr ROBINSON** (Minister for Consumer Affairs) — I acknowledge the contributions of the members for Malvern, Narre Warren North, Mildura, Swan Hill, Brunswick, Sandringham, Hastings, Keilor, and last but certainly not least, the member for Lowan. I appreciate the support of the opposition in this very wide-ranging debate. Two quotes early on in the debate sum up the bill. The member for Malvern said it was 'eminently sensible' and the member for Narre Warren North characterised it as 'evolutionary'. Those are very apt descriptions.

As members have commented, in the middle of last year there were 34 385 incorporated associations in the state of Victoria; that number may well have grown since then. Those associations reflect the amazing diversity and all that is best about the Victorian community, but of course they come complete with both the strengths and the foibles of human nature. All members would be aware that occasionally things go awry in incorporated associations.

When I was much younger I had personal experience in helping incorporate a sporting club. I also had a separate and very different experience after I became a newly elected member. I am sure my experience is not unlike those of other members who from time to time are invited to speak at an annual general meeting of an organisation in their electorate. Such was the circumstance I found myself in. One Saturday night I went along and gave a short speech and then witnessed the election of office-bearers. It was an election unlike any other that I have witnessed. It seemed to be constituted under rules that were made up by the members in that organisation; it was a cultural organisation, not a political one. Nevertheless, at the end of the proceedings people thanked me for my assistance and contribution with my speech, and all was well in the world.

All was well until about 11 o'clock the next morning, when I received a call from a fellow with a very deep voice who informed me that my attendance at the proceedings the night before had helped to legitimise an illegal election, and that I should therefore expect a Supreme Court writ. The conversation descended from there. It turned out later that the meeting I had been invited to was, unbeknown to me, a meeting of a subgroup of a major group and in fact there had been a protracted dispute, not just in my electorate but right across Melbourne. A series of elections had been

conducted over a number of months, all of which had ended in rancour and discontent.

That is not typical of the very good incorporated associations we have in Victoria, but nevertheless it is a circumstance that some members of this place would be familiar with. The current laws do not provide adequately for the resolution of disputes when they arise. Too often we see the festering of disputes to the point where organisations are paralysed. As members have indicated throughout their contributions, the changes proposed by the bill will help to clarify the rights and procedures and give greater opportunities for redress where that is required.

A number of questions were posed during the debate. Certainly resources will be required by Consumer Affairs Victoria following, hopefully, the passage of the bill. In terms of the texts of resolutions, a question was posed as to what is a reasonable use of language. That will have to be judged on its merits in particular circumstances. It is not possible to prescribe in every case how every organisation will deal with those situations.

I can advise all members that work is in progress on reviewing the model rules, and that work on them will commence later this year. In response to a claim made about reports by the registrar to members and whether they would or would not be made available to members, in fact what is being proposed is in respect of reports to the registrar by managers and others. The registrar would have a discretion to make a report available to members of an organisation. It needs to be a discretionary power because there may well be reports that come to the registrar that reflect poorly on the behaviour of people in the organisation, and quite properly the registrar would need to have a discretionary power as to whether or not to make that advice available.

The member for Mildura indicated that he thought there was a risk of flight from the not-for-profit sector. With respect, I think he has it wrong. In fact there is a greater detraction from volunteerism caused by the paralysis that can affect organisations today. The proposals in the bill deal with problems that have been evident over a period of years. We are trying to sort out those problems. I do not believe the changes we are proposing will make organisations, particularly those that may have a history of disputation, any less attractive to those community-minded members who might seek to join them and participate. In fact it will help to make those organisations more functional and more attractive to members. Nevertheless, as much as I think the reforms will make life harder for those individuals who seek to join an organisation and become obstructionist, we will continue to monitor the situation.

The final point I want to touch on is something I was invited to contemplate by the member for Malvern in his contribution, and that was whether the provisions of the bill will apply to political parties and to members of political parties insofar as the statement of purposes is concerned. It is an interesting point, and I have been giving it some thought through the course of the debate. I guess in theory he is right. Branch members of political parties, or even parliamentary members of a political party, could seek to use the legislation to seek a form of redress. In some respects that is an opportunity which has been available to Victorians up to this time, but we have not seen recourse by members of political parties. Nevertheless, it is possible in theory. For example, in theory, if a member of the Liberal Party in Victoria, the party that champions the primacy of individual rights, took offence at a requirement that they be conscripted to attend a future boot camp because it does not pass the hair dryer test, they might seek redress under this provision. I do not think they would, but the member for Malvern suggested they might.

Following the last election when a lot of money was spent on advertisements claiming that its Liberal colleagues had a born-to-rule mentality and following the election when the Leader of The Nationals said there was no way the party would be in coalition, members of The Nationals might think they had a right under the act to seek that the coalition be set aside because it is inconsistent with the statement of purposes. They might do that, but I do not think they would. I do not think it is likely, but in theory it is possible.

As a final example, it might be that members of the Kooyong federal electorate assembly, following a recent wild night in Kooyong where — I think it was Richard Alston — grabbed control of the council, might decide that the great party of Menzies should not tolerate such behaviour. It might be the case that someone decides, ‘I will chance my arm and seek redress under the incorporated associations legislation’ but I do not think they will. Anyone who attempted such a course of action would find that any court that was asked to adjudicate on that, or any internal process or any request of Consumer Affairs Victoria, would be advised that over a long period parliaments have given political parties certain prerogatives, and that the behaviour I have talked about was perfectly in keeping with the practices of political parties and the roles they play in modern Victorian society. I think I can put the

member for Malvern's mind at ease on that and suggest that although I have been invited to contemplate those points I do not believe there is a great likelihood of political party members or activists seeking redress under these provisions.

As I said at the start, this is very sensible and evolutionary legislation. I congratulate those officials within Consumer Affairs Victoria who have been involved over a long period in bringing together these reforms. They will make life a lot easier for people who do the right thing and participate in our community through incorporated associations. I thank the opposition for its support, and I look forward to this bill progressing.

**Motion agreed to.**

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

*Third reading*

**Motion agreed to.**

**Read third time.**

## WORKPLACE RIGHTS ADVOCATE (REPEAL) BILL

*Second reading*

**Debate resumed from 4 December 2008; motion of Mr HULLS (then Minister for Industrial Relations).**

**Opposition amendments circulated by Mr CLARK (Box Hill) pursuant to standing orders.**

**Mr CLARK** (Box Hill) — The Workplace Rights Advocate (Repeal) Bill is a bill to abolish the workplace rights advocate and repeal the Workplace Rights Advocate Act 2005. As presently drafted, the bill repeals the Workplace Rights Advocate Act 2005 on the day after the bill receives royal assent. That has the consequence of the workplace rights advocate being abolished. The bill also removes reference to the rights of the workplace rights advocate to become involved in proceedings before the Victorian Civil and Administrative Tribunal and removes reference to the role of the workplace rights advocate in applying the fairness test to public sector agreements. However, by virtue of clause 5 of the bill, the reference to past assessments of fairness by the workplace rights advocate is preserved.

The workplace rights advocate has all along been little more than a giant taxpayer-funded political campaign against the former Howard federal government. It is a campaign that has cost Victorian taxpayers millions of dollars. From the time of its establishment in March 2006 to June 2007 the advocate's office has cost taxpayers $2 245 000. In 2007–08 it cost taxpayers a further $1.96 million, which brought the total cost to $4 205 000. So far we have had no disclosure of what additional amount the workplace rights advocate has cost taxpayers in the period from 1 July 2008.

The workplace rights advocate was simply an excuse to run advertising campaigns against the Howard government at the expense of Victorian taxpayers. It was a complete abuse of the government's power and access to public funds. The workplace rights advocate did next to nothing to protect Victorian workers. Most breaches of the law that were drawn to the attention of the workplace rights advocate were simply referred to the attention of the commonwealth authorities. Even in those few instances where the workplace rights advocate himself was able to do anything, the case could have been handled much more effectively by the commonwealth authorities. The threat of reference to the commonwealth authorities was about the only sanction that the workplace rights advocate had to achieve anything in the first place. It would have been far better had the Victorian government simply encouraged Victorian workers and Victorian employers who were victims of the abuse of the law to make direct contact with the commonwealth authorities.

We may well ask: what has happened now to all of the grand promises of the protection of Victorian workers rights? What has happened to the workplace rights website? It has simply disappeared. It has been diverted to a page on the Business Victoria website that says:

> The Office of the Workplace Rights Advocate was set up in March 2006 to:
>
> > protect the employment rights of workers who were struggling to cope with changes introduced under the now obsolete WorkChoices system, and
> >
> > promote fair and cooperative workplace practices …
>
> … the Victorian government has announced that the OWRA will cease to operate from 31 December 2008, including the workplace rights information line.
>
> If you have a specific query or complaint about a workplace issue the following agencies may be able to help you.

Then a very comprehensive list of agencies follows, the most important of which are the workplace authority and the workplace ombudsman. Both bodies were established by the commonwealth government during

the term of the Howard government. Both bodies are well resourced to provide real protection to both employees and employers against unfair industrial relations practices. They did so under the Howard government, and as far as I know they are continuing to do so under the Rudd government.

The first annual report of the workplace authority discloses that it viewed and handled over 1 million inquiries in its first year of operation. The government cannot pretend that workplace issues have disappeared off the radar screen and that under a Rudd government there are not employees being ripped off or that there are not employers who are being victimised by illegal and oppressive conduct.

One can simply refer to an article by Ben Schneiders published in the *Age* of 19 January, which recounts:

> Young workers are being exploited in large numbers in the retail and hospitality sectors, a blitz by the workplace watchdog has revealed.

I pause to say that the watchdog being spoken of there is not the workplace rights advocate, because by virtue of ministerial direction the workplace rights advocate had ceased to carry on any function from 31 December last year. Instead the reference was to the commonwealth workplace ombudsman. The article goes on to say:

> The workplace ombudsman recently audited 400 employers nationwide and found 41 per cent, or 165 employers, had underpaid a total of about 1500 staff aged between 15 and 24.
>
> Ombudsman Nicholas Wilson said the blitz by inspectors focused on industries that typically employed young people, with nearly 9 out of every 10 of the breaches in either retail or accommodation and food services.

The article goes on to give further details of some of the abuses detected. That is the real work of a real body that exists to protect workers in the workplace and that is doing its job properly under the current federal government, as it did under the previous federal government. It is in stark contrast to the sort of mickey mouse attitude of the Victorian workplace rights advocate that at best piggybacked on commonwealth powers and acted as a conduit to refer workers to commonwealth bodies, as indeed the various case studies published in its annual report show it did on many occasions. It was totally incapable of providing any redress itself except by drawing directly or indirectly on commonwealth powers.

At the same time we saw nothing done by the workplace rights advocate to combat union militancy and union abuse of power within Victoria, which is probably the greatest industrial relations threat that exists to Victorian jobs and prosperity. The Workplace Rights Advocate Act certainly gave the advocate the power to do that. Section 5(1)(d) provides that the workplace rights advocate has power 'to investigate illegal, unfair or otherwise inappropriate industrial relations practices in Victoria'. However, there is no evidence it ever did anything effective on that score. Indeed if one looks through the various case studies published in the two annual reports of the workplace rights advocate, one sees that out of 18 case studies published, only one case study is of an employer complaint. What is striking about that case study is that it is the only complaint featured in any case study published by the workplace rights advocate that was found to be entirely unsubstantiated.

Why on earth did the workplace rights advocate, who was supposed to be choosing these case studies to show what a good job he was doing, single out this particular instance that featured a complaint he found to be completely unsubstantiated? Members who want to read the detail can look at case study 4 on page 19 of the annual report for 2007–08 of the workplace rights advocate. The only conclusion one can reach on that score is that this particular case study was only included in the annual report in order to try to provide some pretence that the workplace rights advocate was even-handed so as, in turn, to provide some disguise of the true purpose for the creation of the office, which was to run a taxpayer-funded campaign against the Howard government.

One also has to ask: is the Minister for Industrial Relations, in now winding up this body, saying he is satisfied there are no further issues that the workplace rights advocate could and should be addressing? On the side of employees, rogue employers continue to cause grief to workers, as a minority of employers have for years, yet somehow the workplace rights advocate, which was vital to protecting workers a few years ago, is no longer needed. Certainly there is no intention on the part of the Brumby government for the workplace rights advocate to do anything to deal with the problem of growing union militancy, which is probably the dominant industrial relations problem that Victoria faces at the moment.

The latest figures from the Australian Bureau of Statistics strikingly confirm that. The figures on work days lost to industrial disputes show that industrial disputes fell steadily in Victoria under the reforms of the Howard government — from a peak of 296 700 working days lost in the year to September 1998 to just 33 700 in the year to December 2007. Of course the quarter ending December 2007 was the quarter in which the Howard government left office.

Since that quarter the annual number of working days lost in Victoria has risen every quarter. The figure has more than doubled since the election of the Rudd government.

On the latest available figures 74 700 working days were lost in the period to September last year. Up to that point of the Rudd government's time in office — in just that short period — there has been a doubling of the number of working days lost due to industrial disputes in Victoria. You can look at more than the statistics. You can look at the accounts that appear regularly in our media. Many Victorians need only recall their own experience of disruption and inconvenience or worse that has resulted from industrial disruption related to union militancy.

I have spoken in the house previously of the absurd situation of trains stuck at railway stations because of disputes between competing factions within the relevant union, the Rail, Tram and Bus Union. As the headline in the *Sunday Herald Sun* of 1 March said, 'Five drivers in 9 hours equals a nightmare' because the unionists at the Metrol control centre refused to accept a report of a fault in a train as it did not come from the driver, who they said had to make the report. They left the train stranded at Richmond station, blocking the Sandringham rail line for all of that day.

We have seen the ongoing disruption of the Royal Children's Hospital site where there have been very serious allegations of assaults taking place, of people knocked out and police called and people restrained, then released with no charge laid. I will not say anything further about that, because I believe the possibility of laying charges is still being considered by the authorities. But when we see a return to the contemplation of potential criminal charges for alleged assault on a building site in Victoria, it brings us back to memories of the bad old days with a vengeance.

Most recently we have seen even the erection of suicide-prevention barriers on the West Gate Bridge disrupted because of a dispute between two unions, harking back to a pay scale that was originally established following the collapse of the West Gate Bridge many decades ago.

There are certainly serious and growing industrial relations issues that need addressing in Victoria, but it is also clear that the Brumby government has no intention of having the workplace rights advocate have any role in relation to that. The workplace rights advocate has done its job of running a taxpayer-funded political advertising campaign against the Howard government, and it is now to be disposed of.

In the course of its existence, however, it caused a considerable amount of grief and disruption with its interferences in various enterprise bargaining agreement negotiations between employers and employees, which simply caused delay, uncertainty and cost while achieving nothing constructive for workers or for the promotion of employment in this state.

The demise of the workplace rights advocate will be entirely unlamented. The course of the creation of dissent, disputation and hostility, the return to the days of the phoney engendering of class warfare that was characterised by the former Minister for Industrial Relations here in Victoria is not something that we should be seeking to emulate or admire.

Clearly what has served Australia extremely well over the last two decades or so under federal governments of both political persuasions is an industrial relations system that provides flexibility coupled with fairness and protection. That is certainly what we need — a uniform national system of industrial relations that continues and promotes the flexibility that has provided such enormous benefits to Australia in recent decades. We need a safety net for employees against rogue employers, we need protection for the legitimate role of unions when they are the freely chosen associations and representatives of workers, and we need protection against abuse of power by unions, particularly in coercing employers or employees through violence, threats or other illegal conduct.

In Victoria we need a state government which will be a fair and decent employer, which will not try to use its statutory powers to overturn the rights of its employees and will keep its word in negotiations with the public sector workforce, and which will stand up for the public interest against union militancy and bloody-mindedness. None of this is being provided by the workplace rights advocate. None of that was being provided by the Brumby government.

We on this side of the house have no regrets about the demise of the workplace rights advocate. But even in the way in which this body is being dispatched the Brumby government is again showing its contempt for Parliament, its contempt for the democratic process and the hypocrisy with which it established the workplace rights advocate in the first place.

When this body was established it was trumpeted by the government as being an independent body. We can go back to the speech of the then industrial relations minister on 27 October 2005. In introducing the Workplace Rights Advocate Bill, he said:

> The bill establishes an independent office-holder, appointed by the Governor in Council to promote the fair treatment of Victorian working families in the face of changes by the commonwealth government. These changes have the potential to undermine basic fairness.

He was talking about an independent office-holder. But what happened to this independent office-holder when the government decided it had reached its use-by date? The government simply issued a fiat: the body would cease operations on 31 December, with no regard to the wishes of the independent office-holder as to how he or she should best conduct the office. It was not a decision by the independent office-holder that it would scale down its operations and recommend to the government that it be wound up. It was a government decision. The media release of 25 November 2008 opens with the sentence:

> The Brumby government today announced the Office of the Workplace Rights Advocate would cease operation from 31 December after acting effectively to protect the rights of working families for almost three years.

The Brumby government announced that it would cease to operate. It is a disgrace to establish a body that purports to be independent and then, by administrative direction, to tell it to cease carrying on operations. It shows the total sham of the alleged independence of this office. It was lacking from day one. This office was a puppet of government from day one through to the very day it ceased operations.

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

**Mr CLARK** — Before the dinner break I was talking about the manner in which the government terminated the functions of the workplace rights advocate. This did not happen because the workplace rights advocate decided to change the scale of his activities; it did not happen because Parliament passed legislation to bring about the end of this so-called independent office-holder, but because the government by administrative decree instructed the workplace rights advocate to cease carrying on his activities.

*Honourable members interjecting.*

**The ACTING SPEAKER** (**Mr Kotsiras**) — Order! I ask members who wish to discuss things to go outside the chamber.

**Mr CLARK** — It is curious. The media release is entitled 'Victoria salutes the workplace rights advocate'. There are a lot of euphemisms for when you terminate someone's employment. I think 'outplacing' is one of the latest in the human resources industry, but there are also the expressions 'being given the sack', 'having one's services dispensed with', 'being given the flick' et cetera. They are all common euphemisms, but to announce someone's termination by saying you salute them is a novel use of the word 'salute', yet that is the word the then Minister for Industrial Relations chose when giving the workplace rights advocate the message that his services were no longer required. As I said earlier, this shows a contempt for the independence of the workplace rights advocate and a contempt for the fact that that office was established by act of Parliament.

The second deplorable aspect of the way the government has introduced this legislation and is proposing to dispense with the workplace rights advocate is that the bill contains no provision requiring the workplace rights advocate to account to the Parliament or the people of Victoria for what he did between tabling his last report in Parliament, which was for the period up to the end of June 2008, and when he ceased to hold office. This shows a complete contempt for the principles of transparency and accountability to which the government purports to adhere, because if this bill is passed in the form in which it was introduced by the government, the people of Victoria will have no way of receiving an account of what the workplace rights advocate did with the money appropriated for his use from 1 July 2008 onwards. We want to know what was done with that money. Did the advocate sit around and twiddle his thumbs and just keep the seat warm for six months, or did he actually do something of value to the public of Victoria?

The last report of the Office of the Workplace Rights Advocate (OWRA) tabled in this Parliament talked about a number of projects that were not completed at the time of that report. It described a workplace essentials guide for small business and a schools project and pregnancy and workplace rights booklets. The public of Victoria is entitled to have an account from the workplace rights advocate through a report to the Parliament on what has happened with each of these projects that were still under way. This also applies to the various research projects the workplace rights advocate described at page 5 of his most recent annual report, and, as I say, a general account of what he was doing with what was presumably several hundred thousand dollars of taxpayers money over the final period of his office.

The public is also entitled to some explanation of what happened to the contract with Job Watch, which the workplace rights advocate appears to have had to run the workplace rights information line. Page 35 of the annual report for 2007–08, under table 7.1, has an asterisk and the statement:

The OWRA has a funding agreement with Job Watch Inc. to operate the workplace rights information line.

Despite references in other parts of the report that suggest the staff of that information line were staff of the workplace rights advocate, it appears that this function was outsourced. We as a community and a Parliament are entitled to know what the outcome was of that outsourcing arrangement, what happened at the time of the termination of the arrangement with Job Watch and what cost was incurred by the taxpayer in relation to that termination.

For reasons of ensuring at least some accountability from the workplace rights advocate for what has occurred since the last annual report, the opposition proposes to move amendments to require the workplace rights advocate to prepare and submit to the minister a final report covering the period until the functions of the workplace rights advocate are repealed, thereby accounting to the Parliament and the people of Victoria for what has been done over that period. Under the amendments we are proposing the final abolition of the workplace rights advocate will not occur until that final report has been submitted to the minister and the minister has caused that report to be laid before each house of Parliament.

In conclusion, we on this side of the house feel no sorrow at the passing of the Office of the Workplace Rights Advocate. As I said at the outset, it has been a taxpayer-funded political advertising campaign from the start. It has done nothing substantial of benefit for Victorian workers or Victorian employers. It has ignored some of the crucial issues confronting Victoria in terms of industrial relations today, and has relied on references and the threat of references to the authorities established by the former Howard federal government to achieve any of the functions it has carried out. In short, it has been an abuse and a waste of taxpayers money. The least the government can do is provide an account to the people of Victoria as to what has happened with their money in the hands of the workplace rights advocate from 1 July until the time when the workplace rights advocate's functions are repealed.

**Ms THOMSON** (Footscray) — It is with great delight that I get up to support the Workplace Rights Advocate (Repeal) Bill 2008. I always like to see redundant legislation being taken off the statute books, but it is particularly pleasurable in this case because it is a piece of legislation which I believe was much needed at the time it was brought into the Parliament. It is now not required because we have a government that actually understands what the balance is between employer and employee, and has a fair sense of industrial relations.

I will talk a little bit more about that later, but first I will address the amendments before the house and indicate that the government will not support them. The reason is that the Office of the Workplace Rights Advocate is no longer a functioning office and has not been since December 2008; nor has there been an advocate since December 2008. Therefore there is no need for a report to be made to Parliament. A report was presented in 2007–08, and that means the reporting process is complete.

I will talk now about the bill. It is a very simple bill. It is not long, with only six clauses in total. It repeals the act that established the Office of the Workplace Rights Advocate. Since March 2006, when the office was established, there have been 125 investigations of industrial relations issues, some of them quite serious.

I will give the house some examples of some of the cases the workplace rights advocate had to investigate. A woman alleged that she had been dismissed because she questioned her employer about her applicable wage rate, and she had been underpaid. The workplace rights advocate was able to get the correct payment made to the employee.

A complaint was made by a former employee alleging various matters including non-payment in lieu of notice and unlawful deduction of moneys from his termination pay. The workplace rights advocate was able to have that situation redressed. There were a number of such cases. There were also a number of other cases which the office brought to other agencies, to help support the cause of employees. The office also gave advice to employers.

I go back to the 2005 introduction of the federal WorkChoices legislation —

**An honourable member** — Draconian.

**Ms THOMSON** — It was worse than draconian, as suggested by my colleague — it was the greatest unfairness that has been put into the workplace. As we were founding ourselves as a nation we treated each other fairly; there was a notion of what was supposed to be fair. That is why the former arbitration commission was originally established — that is, to ensure that workers were treated fairly.

I take members back to 2005, when the federal WorkChoices bill was introduced into Parliament. The *Age* of that day talked about the demonstrations that had hit the streets of Melbourne, and the number of

people involved. For the first time somewhere between 150 000 and 210 000 people hit the streets of Melbourne to protest the abominable WorkChoices legislation. It was so bad that the Prime Minister himself had to acknowledge that the government had stuffed up the legislation. It took two years, but he did something to try to redress this abominable piece of legislation — the travesty of justice that was WorkChoices.

Not only was WorkChoices unfair on workers but it was also unfair on employers. Instead of making their lives simpler, it made them more complex. I know this because I was Minister for Small Business at the time. I talked to small businesses around the state, and one of the things they said about the introduction of WorkChoices was that under the old system, they knew what they were competing against. They knew, if they wanted to treat their employees fairly, what they were competing against.

They knew what the rights and entitlements of employees would be, and they knew if they wanted to go above those entitlements, they could, but they could understand what it meant for their businesses. But under WorkChoices they had to hire lawyers; they had to hire human relations (HR) experts if they were going to use Australian workplace agreements (AWAs). They did not know how to use an AWA or what a fair and balanced offer for valued employees would be, and they did not know where that put them against other employers, who were their competitors.

WorkChoices made things more complex and confusing for small businesses and put them in a very difficult position against much larger businesses that were able to have in-house people conduct their HR for them. Small businesses had to pay consultants — and we all know consultants do not come cheap.

**Mr R. Smith** interjected.

**The ACTING SPEAKER** (**Mr Kotsiras**) — Order! The member for Warrandyte will get his turn.

**Ms THOMSON** — It was not only unfair for employees — and it certainly was — but it was also unfair for employers. In 2008 the *Age* reported that the retailer Darrell Lee claimed that WorkChoices was the worst piece of industrial legislation it had ever had to deal with. In fact, Darrell Lea had to pay a fine of $120 000 because it had not met the new requirements under the 2007 legislation. I would not have thought this company was a small one — everyone knows Darrell Lea — but it said WorkChoices was the worst piece of legislation. It was confusing and hard to understand, and it was hard for employers to work out the fair thing to do in looking after their employees. But Darrell Lea paid a price for that.

If you look at the circumstances of the establishment of the Office of the Workplace Rights Advocate, you will see why it was there. WorkChoices did not work. The people of Victoria — the people of Australia — all knew that. The only people who did not know it were the members opposite, who championed it in this house, in the other house and wherever they went. Half the members of the Liberal Party room in Canberra know it did not work. They are pleased to see the end of it. They are having the fight now about what they are going to do with the legislation that is currently before the federal Parliament. I cannot speak highly enough of the Rudd government for meeting its election commitment to do away with WorkChoices and to put back in a fair industrial relations system that looks at the needs of employers and gives flexibility to employers but also understands the fundamental rights of their employees.

It is with great pleasure that I support the repeal of the legislation that is before the house, because it means that there is a federal government that will look after the rights of employees around the nation and take in the concerns of employers so that the economy can grow and so that employees have the right to benefit from that economic growth. I recommend this bill to the house.

**Mr WELLER** (Rodney) — It gives me great pleasure to rise to speak on the Workplace Rights Advocate (Repeal) Bill. We have heard it all. The member for Footscray has proclaimed the virtues of the Brumby government, the defender of workers' rights. Might I say that on 19 February a letter was sent to all the licence-holders in the Barmah and Gunbower state forests explaining to them that 55 jobs will be gone at 30 June. Where is the Brumby government supporting the workers in the red gum timber industry? Those licence-holders have been sent a letter even before the legislation has gone through Parliament. The government has not even allowed the Parliament the decency of having a debate to ask whether or not it should happen. The government has sacked the timber workers and said, 'As of 30 June you will no longer have a job'.

The government has also made decisions about Department of Primary Industries research. Last year government members said to workers at Walpeup, Stawell and Rainbow — —

**Mr Walsh** — Seventy people.

**Mr WELLER** — The member for Swan Hill, the shadow Minister for Agriculture, is correct. Last year the Brumby government said to research workers at Walpeup, Stawell, Rainbow and Kyabram, 'Your services are no longer needed'. Here we are! The government is saying it is protecting jobs, but it is cutting jobs in rural and regional areas.

The dairy industry is well acknowledged as one of the greatest employers in rural Victoria. Right across Victoria more than 50 000 people are employed in that industry if you count the jobs that flow on through other industries and the industries that support the dairy industry. The dairy industry is in crisis at the moment, and what response has there been from this government?

**Ms Beattie** — Crisis?

**Mr WELLER** — The dairy industry is in a crisis — a price crisis. For the information of the member for Yuroke, the price for dairy products has dropped by 40 per cent in Victoria, which is a crisis for the dairy farmers who have been drought stricken and can no longer afford to pay drought prices for hay and grain. They cannot afford to sustain that, and it will cost jobs, as we have seen. Unfortunately the Murray Goulburn Cooperative has had to announce that it will close down its Litchfield plant in my electorate for 20 weeks. Fortunately in this case Murray Goulburn is managing that closure. Jobs will be offered at Rochester and the cooperative will encourage people to take such measures as taking long service leave and those sorts of things. Murray Goulburn is doing its best to keep its employees and is looking after them, which is unlike what the Brumby government is doing.

**An honourable member** interjected.

**Mr WELLER** — I am on the bill. This government bill is all about an expensive campaign against the Howard government. As the member for Box Hill has pointed out, already $4 million has been expended on this and we do not know how much has been expended in the last eight months. It is in excess of $4 million. For the employees of Victoria it would have been far better for the government to invest this money in police stations, hospitals and schools across Victoria, rather than wasting it on an expensive campaign.

What did this campaign achieve? There was a change of federal government. The people on the other side of the house may believe that was an achievement, but it was not. What have we seen? We have seen disruption of workplaces. There has been more than double the disruption of workplaces since the Rudd government came to power.

What else have we seen? We have seen international manufacturers move offshore. We have lost jobs.

*Honourable members interjecting.*

**Mr WELLER** — They say it is not true. Is it not true that Pacific Brands has gone? Is it not true that Ford has taken jobs overseas? What we must remember is that it is costing jobs here in Victoria. The great defenders of employees in Victoria are actually costing jobs. People would rather be employed than unemployed, and the government of the day must remember this.

We have also seen disruption of the transport industry. Since this has happened we have seen unions competing over who should drive the trains and the trams. How ridiculous is this? People want to be able to get home on time rather than be disrupted by unions competing over who has the right to drive the train.

This bill will take us back to the bad old days, as we have seen over the last 12 months. Do we really want to go back to the bad old days where the unions rule? Unfortunately this legislation will probably take us back 30 years in history. In 1979 members of the Transport Workers Union were striking. The Premier of the day, Dick Hamer, had to declare the dairy industry an essential service so that milk would be picked up, and we did not have an environmental disaster due to dairy farmers having to pour their milk down the drain. The Premier of the day declared the dairy industry an essential service, and the milk was picked up.

Now that we do not have WorkChoices and there is union disruption again, I recall that in September last year I received a fax from Murray Goulburn, a reputable cooperative in this state which does a wonderful job of employing people. The fax stated that due to an industrial dispute our milk may be tipped down the drain. The Murray Goulburn people were asking for all the contract electricians — because they were in dispute with the electricians at that time — to put forward their names so that the factories could run. Under the Rudd government we are back to the old days of 1979. We have gone back 30 years, and it is quite distressing.

Another time the essential services provisions were used was when the Cain government used them against the dairy industry in 1984–85 when dairy farmers were blockading the factories for fair pay. You could well have that situation again, because milk prices have dropped by 40 per cent and if dairy farmers form a

blockage I am quite sure the Premier of the day may well come out and use those provisions.

**Mr Andrews** — And that is actually all right?

**Mr WELLER** — No, it is not all right, but let us remember that these are the bad old days that this government wants to take us back to, and it wants to take jobs offshore.

The member for Box Hill has circulated quite sensible amendments. It is quite right for the Parliament of the day to be asking how much this scheme has cost. It was indeed a political stunt when it was brought in, so it needs to be clarified how much it has cost so that the whole of Victoria knows what this government was willing to waste on a political stunt. Rather than investing the money in schools, hospitals and police stations and water and roads infrastructure, the government chose to invest it in a political stunt. We have now seen this government paying for political stunts. We have seen public transport in a complete mess. We have seen cancelled trains. We have seen waiting lists at our hospitals.

**The ACTING SPEAKER** (**Mr Kotsiras**) — Order! I ask the member to get back to the bill.

**Mr WELLER** — I thought I was on the bill. The purpose of the amendments circulated by the opposition is to find out whether or not this government has been fiscally responsible. I believe in this case it has not been fiscally responsible, and the amendments should be supported.

I have listed a number of the things the Brumby government has done. It has cut jobs. It has not defended workers. It is as bad as any employer, and it is willing to cut jobs, particularly in regional areas and particularly in my electorate. The member for Footscray said that it was good money well spent, but people in my electorate would have preferred to have the money spent on a hospital or a police station or roads.

We must remember that if it were not for the Howard government, the Port of Melbourne Corporation could well be uncompetitive and there would not have been freight through the port of Melbourne. The Howard government reduced the number of employees by half and doubled the output of the port of Melbourne. That is four times the previous productivity per hour, and that is what makes Victoria a competitive place. We need to remember that.

**Ms BEATTIE** (Yuroke) — It gives me great pleasure to stand up and support the Workplace Rights Advocate (Repeal) Bill 2008. It is nothing personal, but I would like to thank Mr Tony Lawrence for the work he has done as the workplace rights advocate.

I never thought I would see such an exhibition as I have seen here tonight. It is like a snake refusing to die until the sun goes down at night. We have seen this in the federal Parliament and in the federal opposition's caucus room, where I believe there was blood on the carpet over WorkChoices. The opposition just does not get it. Australians do not like WorkChoices. Australians like the notion of a fair day's work for a fair day's pay and a fair go for all employees.

It is with great pleasure that I speak on this bill, and I want to tell the house about some of the work that the workplace rights advocate has done. Before I talk about that, though, I want to say that I did not think I would ever see the day when somebody would stand up and talk about Pacific Brands as though it were some sort of shield of honour. Members opposite should have been condemning Sue Morphet and her actions instead of championing the cause of Pacific Brands. How absurd of them to try to justify what Pacific Brands has done when just about everybody else in the state of Victoria has condemned it. So scared is Pacific Brands of what Victorians think of what it has done that it has pulled out of fashion parades. It has gone to ground and nobody has seen it for days. For members opposite to defend it is really just beyond the pale, and they should hang their heads in shame.

I would like to talk about some of the work that the workplace rights advocate has done — indeed there was plenty of work for him to do. From 1 March 2006 on he took around 10 000 inquiries from Victorian employers and employees. Getting back to the point that the member for Footscray raised, most employers did not like WorkChoices. Small employers did not want to have to hire an industrial relations lawyer to negotiate with two or three people. They wanted fair pay and conditions underpinning agreements.

**Mr R. Smith** — Who told you that?

**Ms BEATTIE** — A lot of people told us that in November 2007. A lot of people told the Liberal Party that in November, but they still ain't listening. As I said, the advocate had a lot of work to do — about 10 000 inquiries from Victorian employers and employees. He formally investigated 123 complaints from workers and employers. He conducted assessments of 58 proposed public sector agreements to ensure they passed the no-disadvantage test. He conducted hundreds of information sessions, including 53 since July 2008. He produced material for

employers and workers, including a fair employment guide for small business and a pregnancy discrimination and rights pack for women — I thought that would have been a basic right — and prepared research reports into the impact of WorkChoices on employees in the hospitality and retail industries.

We know the Liberal Party had form in this area. It wasted nearly $100 million on the Cole royal commission. Nearly $100 million wasted! That $100 million would have gone a long way towards achieving some of the projects that the member for Rodney talked about. I thought he would have been telling John Howard and his mates in Canberra to scrap the role of the Cole royal commission and give that money to the member for Rodney for those pet projects that he had, but no, he did not stand up to his friends in Canberra then.

I want to get to the nature of some of the complaints. In one of them a union complainant alleged that the relevant company was offering Australian workplace agreements that reduced base wages by up to 10 per cent — if those opposite think that is a good thing I would urge them all to take a pay cut of 10 per cent — reduced penalty rates and loadings, introduced a performance bonus scheme that was in breach of the antidiscrimination laws, and failed to bargain with the union. The complaint was also referred to the workplace ombudsman as part of an investigation report.

Another case was made by a former employee of a large car rental franchise alleging incorrect classification, underpayment of wages and superannuation, and a lack of payment of penalty rates for weekend work or overtime. What was the outcome? As part of his investigation, the workplace rights advocate (WRA) wrote to the relevant franchisee and franchisor. The franchisee ultimately agreed to resolve the complaint on terms that were acceptable to the complainant. This involved making good the relative underpayments.

The workplace rights advocate referred the matter to the Job Watch legal service to finalise the deed of settlement on behalf of the complainant. Again the umpire had to be called in. There is case after case of this sort of behaviour that the workplace rights advocate has had to address.

There was a complaint from a former employee alleging that he was engaged and paid as an apprentice but was not subject to a registered apprenticeship agreement. He alleged that when he complained to his employer, he was dismissed; he was not only dismissed but assaulted. In his investigation report the WRA concluded that the complainant had been paid as an apprentice, even though he was not a party to a formal apprenticeship agreement, and therefore had been underpaid. The WRA referred the matter of the underpayment of wages to the former federal Office of Workplace Services. The OWS subsequently advised that as all outstanding underpayments were voluntarily made good by the relevant employer — after being dragged along by the fingernails — it would not take further action.

I could read out case after case and page after page of examples of where the workplace rights advocate had to step in. But he does not have to step in any more because last November the people of Australia spoke. The people of Australia said they did not want WorkChoices any more. It was hardly disguised as an election issue; the people of Australia said, 'We do not want WorkChoices, we do not like WorkChoices, and we are not going to vote for the party that gave us WorkChoices. We are going to kick them out the door'. That is what happened, yet we see that half of the Liberal Party caucus in Canberra cannot accept that fact.

Then we see the members for Rodney, Warrandyte and Ferntree Gully come in here with their great shields, defending WorkChoices, although it is dead. Members might know the expression 'As dead as a dodo', and that is what WorkChoices is; it is as dead as a dodo. Those members should face the fact that WorkChoices is dead and will never rise again, because if it does rise again, the people of Australia will tell the government again and again what they stand for: Australians stand for a fair go, a fair day's work for a fair day's pay and fairness in the workplace.

**Mr R. SMITH** (Warrandyte) — I rise to speak on the Workplace Rights Advocate (Repeal) Bill, and I note from the outset the supreme arrogance of the government in general and of the former Minister for Industrial Relations in particular as we debate this bill. Before the bill has moved through both houses of Parliament and before it has received royal assent — even before this house began the debate — the Office of the Workplace Rights Advocate (OWRA), which was opened by the will of this Parliament, has been closed by the executive action of this government. It is a testament to the contempt in which the former industrial relations minister holds this Parliament that he cannot even wait for the proper processes in this place to be completed. All members in this place know that the workplace rights advocate was never about proper process; it was about political point-scoring and saying, 'Who cares how much it cost the taxpayer?'.

It is fair to ask how much Victorians had to spend so that the former industrial relations minister could make his point. We could have a quick look at the two annual reports prepared by the Office of Workplace Rights Advocate, which show that the former industrial relations minister's politically motivated exercise cost Victorians just over $6.2 million. It would also be fair to ask exactly what Victorians got for their $6.2 million. At a time when the government is failing to deliver in terms of reducing our hospital waiting lists, failing to deliver in terms of adequately resourcing our police force and failing to deliver in terms of maintaining our crumbling school buildings and on a host of other issues, it would be fair to ask why $6.2 million of taxpayer funds were diverted to the workplace rights advocate instead of being used to help Victorians in the areas of health, education and community safety.

If anyone looked at the annual reports of the Office of the Workplace Rights Advocate they would expect to find a detailed breakdown of how this $6.2 million was spent. Prior to entering this place I had an 18-year career in the financial markets. I worked for a number of corporate and bank treasuries, and I looked at dozens of financial reports and published financial statements. I have never seen a published financial statement that rivals that of the Office of the Workplace Rights Advocate in its brevity and complete lack of information.

Table 7.1 on page 33 of the WRA's 2006–07 annual report and table 7.1 on page 35 of the 2007–08 annual report represent the sum total of available information on how the public's $6.2 million was spent, and it is frankly appalling how little information is actually there for us to see.

There are those in this house who would perhaps argue that it is unfair to judge the workplace rights advocate on how much was spent and that we should judge instead on what was produced. We should ask, 'What benefit did the workplace rights advocate bring to Victorians?'. If we find, on looking at what the workplace rights advocate delivered, a myriad of successes, then perhaps it does not matter how much we spent.

The annual reports of the Office of the Workplace Rights Advocate tell us that it dealt with 12 140 complaints — not 'inquiries', as the annual report clearly specifies 'complaints' — during the period 1 March 2006 to 30 June 2008. From those 12 140 complaints, 116 investigations were initiated. That is less than 1 per cent of the total complaints made.

I ask: of the 116 investigations initiated, in how many cases were the employers found to be exploiting the rights of their workers? It is a question that cannot be answered. With all my research efforts and those of my staff and with all the research ability of staff of the parliamentary library I was unable to find any information at all about what was found by those 116 investigations. In fact during the departmental briefing I was told that a finding was not necessarily the sought outcome of these investigations.

The annual reports of the Office of the Workplace Rights Advocate furnish us with some case studies of its actions, detailing 10 cases in its 2006–07 annual report and 8 cases in its 2007–08 annual report. You would expect that the Office of the Workplace Rights Advocate would pick out for inclusion in those reports the best and most dynamic of those 116 investigations. Let us see what sort of action the office took as a result of its investigations.

The report of case study 2 in the 2006–07 annual report tells us that as a result of investigations the workplace rights advocate had concerns and referred the matter to another body. Investigation of case study 4 resulted in the workplace rights advocate being highly critical of the WorkChoices legislation — surprise, surprise! Case study 8 resulted in the workplace rights advocate sending some letters to the employer.

The 2007–08 report shows that in case study 4 the workplace rights advocate worked to ensure the relevant union was not penalised. In case study 5 the workplace rights advocate identified some concerns. In case study 6 the workplace rights advocate referred a range of matters to other bodies.

In short, for $6.2 million Victorians funded a letter writing and referral body, which acted on less than 1 per cent of complaints made to it and had no accountability or expectations about any of its outcomes — and members of this government have the audacity to tell us that its establishment was not in any way political. The reality is that the Office of the Workplace Rights Advocate had no power to act in any legal capacity, dealing as it was with commonwealth legislation, and its advisory service could just as easily have been handled by the Workplace Ombudsman or the Office of Workplace Services, where many of the queries were referred to anyway.

Victorians have a right to be absolutely appalled at this highly inappropriate and politically motivated use of their tax dollars. Victorians should be told exactly how much this farce cost them. With that, I support the amendment put forward by the member for Box Hill —

that is, that the Office of the Workplace Rights Advocate produce a final report detailing what it has actually been doing since 1 July 2008 and how much was spent by it.

It is about time that this government realised that the taxpayer funds it has at its disposal are not available to be used as a political slush fund and that they should not be used to promote the government or Labor Party ideologies or to score political points. The fact is that if you are charged with the dispersal of taxpayer funds, there really needs to be some accountability attached to that dispersal.

**Mr NOONAN** (Williamstown) — I rise to speak in support of the Workplace Rights Advocate (Repeal) Bill. The fundamental purpose of this bill is to repeal the Workplace Rights Advocate Act and by association remove the Office of the Workplace Rights Advocate in Victoria.

The Office of the Workplace Rights Advocate was established under Tony Lawrence's leadership, fundamentally to assist both employers and employees to understand their rights and protections under the federal workplace laws which were known as WorkChoices, a most misleading title. I have to say that the hypocrisy of those opposite in talking about the cost of the office of the advocate when hundreds of millions of dollars were spent in promoting WorkChoices was an absolute farce.

History now confirms what we always knew, and that was that WorkChoices absolutely and fundamentally shifted the balance of power firmly in favour of employers and left workers vulnerable to exploitation, as we saw over and over again. The fact that they were federal laws constrained the Victorian government's capacity to protect workers from WorkChoices. The one area where the Victorian government was able to play a role was in providing information to workers and employers. That function was where the Office of the Workplace Rights Advocate was so critical.

Not only information was provided by the workplace rights advocate. Powers were extended to the advocate also to educate Victorian employers, workers and their representatives about their work-related rights and responsibilities; to facilitate and encourage the fair treatment of workers in Victoria; to promote informed decision making by Victorian workers and employers; to investigate illegal, unfair or otherwise inappropriate industrial relations in Victoria; and to make appropriate representations to appropriate persons or bodies in relation to work-related matters.

Over the nearly three years that the office of the advocate was operating, it highlighted many unfair industrial relations practices that marked WorkChoices. Through a contracted arrangement with Job Watch, the Workplace Rights Information Line took around 10 000 telephone calls between March 2006 and December 2008. During this period the advocate was responsible also for preparing 60 publications. As the member for Yuroke touched on, those very worthy publications included information about pregnancy discrimination and a workplace rights pack for women. It provided also online learning packs for schools and a guide for business.

It has been mentioned a number of times that the office of the advocate also conducted research into the effects of WorkChoices on Victorian workers and highlighted a range of cases of exploitation in industries such as retail and hospitality, which feature high numbers of casual workers, women and workers from non-English-speaking backgrounds. On top of that research, the office also conducted 123 formal investigations involving unfair or potentially illegal work practices. The results of most of those investigations involved a referral to a prosecuting authority.

Investigations carried out by the Office of the Workplace Rights Advocate typically covered such matters as the reduction in terms and conditions of employment through the use or offering of Australian workplace agreements (AWAs) or non-union collective agreements; lack of information which was required for employees about their existing entitlements in circumstances where they had been offered an AWA or a non-union agreement with reduced entitlements; situations of coercion, duress, unfair pressure and bullying, both in agreement making and more generally in an employment context; discrimination; unfairness on the basis of family responsibilities and, in particular, in the context of the taking of family, maternity or paternity leave; failure or refusal to negotiate in relation to wages and other conditions of employment; the employment conditions of section 457 visa-holders; unfair dismissal; unlawful termination; and occupational health and safety. The list goes on and on.

In late 2006 the Victorian government's Office of the Workplace Rights Advocate announced an inquiry into youth employment in the retail and hospitality sectors. This led to an audit of the industry by the federal Workplace Ombudsman of approximately 3500 businesses employing young workers throughout Australia, with a number then selected for direct compliance audit. In Victoria those two industries alone employ around 350 000 workers under the age of

19 years. Following the introduction of WorkChoices there was a large shift by businesses in those industries away from awards to employ their staff under AWAs.

In the upheaval and uncertain climate which we faced, the advocate's office complaints hotline was inundated with calls from both teenagers and their parents concerned about pay cuts and mistreatment from employers. Stories emerged one after the other. One such incident that gained public attention was that of retail worker Saima Tobin, which is a case I know well. Under her contract, Saima was paid $15 an hour to work on a Sunday and $21 an hour to work on a public holiday. Under the AWA which she was offered on a take-it-or-leave-it basis, she was forced to accept a flat rate of $9.54 an hour, regardless of the day of the week that she worked, including whether it was a Sunday or public holiday. Saima was courageous. She refused to sign the AWA, despite being pressured by her employer. She was pressured on the basis of having her hours cut. She made an official complaint to the workplace rights advocate regarding her treatment and was assisted.

In another incident a truck driver employed in the horticultural industry complained that he had not been paid his accrued entitlements on notice when his employment was terminated. He also alleged that his former employer had deducted an amount of money from his termination payment for the cost of obtaining a truck licence. Following an investigation by the workplace rights advocate the former employer agreed to pay the truck driver for the period of notice he should have received, reimburse the money deducted for the truck licence and pay all accrued entitlements. These are some of the tangible results of the dressed-up, taxpayer-funded advertising campaign that was referred to by the member for Box Hill, and there are hundreds of stories like these.

It is absolutely fair and reasonable to acknowledge the work of the Victorian unions throughout this process. While the Liberals might sneer at the unions, the fact is that they play a vital role in our Australian democracy. They give voice to workers who cannot speak for themselves or who are afraid to do so. They safeguard the wages and working conditions that have been fought for for over 100 years. Unions in this country have fought for and won key rights such as universal superannuation — and who would take superannuation away from people now? They have also won such rights as long service leave, sick leave, annual leave, maternity leave, a right to part-time work after a period of maternity leave, paternity leave, occupational health and safety laws, a 38-hour week, regular rest periods and an opportunity to bargain collectively. Who would begrudge union representation to James Hardie workers? I think some of those opposite would.

I expect that , although there are some exceptions, some of those opposite would see no role for unions in our modern society. I am proud of the work that unions have done through this period. They have restored the balance in this country. They have restored fairness to workers. They have done everything that has been expected of them. They have encouraged people to turn out onto the street to demonstrate, and importantly they have changed the political landscape in this country. I take some heart from the fact that those sitting opposite do not seem to have abandoned WorkChoices but are sticking to it — because while they stick to WorkChoices they will remain out of government.

The election of the Rudd Labor government in 2007 changed the industrial relations landscape in this country. That government has an agenda about fairness. It is an agenda that will restore the balance in industrial relations across this country. It is an agenda that will restore workers rights on unfair dismissal. It is an agenda that will strengthen the safety net for vulnerable workers. It is an agenda that will strengthen workers' rights to bargain collectively with their employer. It is because of those reforms that the Deputy Premier announced that the Office of the Workplace Rights Advocate would cease to operate from 31 December 2008. It is therefore appropriate to repeal the Workplace Rights Advocate Act.

In conclusion, I simply want to reinforce the role that a fair and just industrial relations system plays in a modern democracy like Australia. Australia has been built on the back of a fair go. What we now have at a federal level is an agenda that will restore balance in our Victorian workplaces and ensure a fair go for employers and employees. I commend the bill to the house.

**Mr WAKELING** (Ferntree Gully) — I cannot believe what I have heard from those opposite. The bill before the house has nothing to do with WorkChoices or the trade union movement, but it has everything to do with the operation of the Office of the Workplace Rights Advocate, which is a body established to provide advice on and to investigate matters that fall under federal legislation. From when this legislation was initiated back in 2005 employers made it very clear that this proposal was purely an attack on Australian businesses and on businesses operating in Victoria. It was a blatant waste of taxpayer funds on a politically motivated campaign against the former Howard government. It cost upwards of $6 million, and at the

end of the day the government established an agency which did not have the power to do anything.

I am trying to understand the arguments from those opposite about why we are killing off the workplace rights advocate now. We are told that, given the fact that WorkChoices is now to be removed, we need to kill off the workplace rights advocate. However, if that is the case, are we to be believe there will not be one problem facing an Australian employee under the new system to be put in place by the Rudd government? If that is the case, we would not need a federal workplace ombudsman or a workplace relations system at the federal level. Of course the federal government will not get rid of those systems. It knows that issues will still arise where employees will believe they have been unfairly treated by an employer. As the system has operated in this country for over 100 years employees have the right to challenge their employment status at a tribunal. This is a purely politically motivated act. The legislation has no support within the business community. It interferes in several enterprise bargaining agreement negotiations between employers and employees, and it will cause delay, uncertainty and unnecessary cost.

I will refer to a matter that is before me at the moment relating to Global Telesales, which the workplace rights advocate was dealing with back in August 2006. At that time the lawyers acting for Global Telesales pointed out to the advocate that no employee had sought to appoint the Australian Services Union as a bargaining agent in the establishment of an industrial instrument at its site. No employee had lodged a complaint, but nevertheless the ASU took it upon itself to deal with the matter with the workplace rights advocate. In the report prepared by the advocate the lawyers indicated they had found no illegality in what was being proposed by the employer as an industrial instrument to be provided to its employees. What it pointed out was that, for example, if an employee were to be engaged under the terms of an Australian workplace agreement they would lose their award coverage. Of course they would lose award coverage. That is what happens when you enter into a form of industrial agreement. As members opposite would rightly understand, the same thing occurs when you have a certified agreement. Whether it is a collective non-union agreement or a collective union agreement, employees are bound by the terms of an industrial instrument and cease to be engaged under the terms of the relevant award.

The act is a complete and utter farce. It does nothing to protect Victorian workers. I refer to a 17-page report prepared by the workplace rights advocate about an organisation known as Excelsior Pty Ltd. I am sure many lawyers were engaged in its preparation, because copious amounts of information were provided about the operation of the federal act. The report quoted numbers of sections of the act and gave us a history lesson on the operations of the federal government's legislation.

But when you look at what the workplace rights advocate said about the claims that had been made against the employer, you see the findings were as follows. Tony Lawrence, who is the Victorian workplace rights advocate, said:

> I am not in a position to make any finding in relation to it. However, given that the allegation raises a question of possible illegality I intend to refer this aspect of the complaint to the workplace ombudsman for further investigation.

Why did he refer it to the workplace ombudsman? Because under the federal legislation that is the body charged with investigating matters pertaining to federal law. As I indicated, the act is an absolute farce.

I recall listening to a senior member of the Office of the Workplace Rights Advocate presenting at a law firm breakfast briefing on its operation. He was crowing about the success of the organisation, and he demonstrated its greatest success on a slide on an overhead projector. Its greatest success at that point was the number it put up — the number of matters pertaining to federal law that had been referred to the federal government to investigate. You do not need a government department to do that, nor do you need to spend $6 million to do that.

All you needed to do was simply to put an advertisement on television. You could have put up a website or put out a brochure telling people that if they had a problem they should call the federal government department that deals with the federal government law. That is what happens under our system of government — the federal government has laws, and it sets up departments to deal with federal laws. The state government enacts laws, and we set up state government departments. Local governments enact by-laws, and they deal with those matters at a local level.

Why stop at industrial relations? Why not set up a Victorian department of foreign affairs? Or better still, why not set up a Victorian department of defence? Why do we not go back to the good old days when we had gun batteries along the peninsulas to protect us from the marauding enemy that might approach Port Phillip Heads?

It is all lunacy stuff, because we all know the federal government looks after the army and after foreign affairs. Why? Because it has the legislation in place to deal with those matters. Why in any good sense would a state introduce a law to create an office to advise on federal law? It is absolute lunacy!

The government arrogantly instructed the Office of the Workplace Rights Advocate to cease functioning on 31 December last year, although there was no statutory authority for the body to do so. The fact that the workplace rights advocate has complied with that instruction is only further evidence that this office was purely a political puppet of an ideologically driven government. Let us be under no illusion: the Office of the Workplace Rights Advocate is still in existence and has an obligation to fulfil its statutory requirements under the act because the act of this Parliament is still in operation.

The Office of the Workplace Rights Advocate was created in 2005 by Parliament. The Office of the Workplace Rights Advocate can conclude its operations only if this Parliament chooses to pass legislation to enact the repeal of its establishing act. It could not cease to operate in 2008 purely at the behest of an ideologically driven minister.

This bill has no provision requiring the Office of the Workplace Rights Advocate or the government to account to Parliament for its activities for the period since its last annual report. That is why I and other members on this side of the house will be supporting the reasoned amendment of the member for Box Hill. Whilst we never supported the operation of the workplace rights advocate, parliamentary process tells us that if Parliament creates a government office then it is up to Parliament to determine the demise of that office. Only at that point in time can that office cease to operate.

This government is duty bound to ensure that the Office of the Workplace Rights Advocate produces a report for its operations in this financial year. The cessation period for that financial report can be set only when this bill is enacted by both houses of Parliament. I support the amendment proposed by the member for Box Hill.

**Ms DUNCAN** (Macedon) — It gives me enormous pleasure to support the repeal of this legislation. It is not often that the government gets to repeal legislation as we are doing in this case. I listened to the contributions of a number of members, including the member for Ferntree Gully. I could not quite follow his analogy, but I remind him that the Victorian Parliament has responsibility for employment. He need look no further than at the fact that we have a Minister for Industrial Relations, but we do not have a minister for defence. Perhaps the member for Ferntree Gully may like to look at the constitution again.

When listening to the member for Warrandyte, it was informative to hear some of his arguments. I think the arguments that he put highlight the difference between the sides of this chamber. He seemed to suggest that helping more than 10 000 workers was a complete waste of money. His entire emphasis seemed to be on the financial reporting of the workplace advocate. That highlights that for him, industrial relations is all about money.

I listened very carefully to the member for Warrandyte. His entire point was that the setting up of the Office of the Workplace Rights Advocate was a waste of $6 million, because it had helped only 10 000 people. I happen to know about 4 of those 10 000 people: they are constituents of mine whom I was able to refer to the Office of the Workplace Rights Advocate. In fact, in two cases I had a report from those people. While the advocate did not play a role in their negotiations, I cannot begin to tell the house the difference it made for these young people in this instance.

I notice the member for Warrandyte is leaving the chamber. Let us face it: he, along with most members opposite, would love to see the reintroduction of WorkChoices. We know that a leopard cannot change its spots.

I was talking about the two young workers. They were able to be helped because the advocacy of the office of the Workplace Advocate was exceptional. They both got the jobs that they initially applied for. They were being offered much lower rates of pay than they had been offered previously. They were able to go there and, with that support and advice, get themselves a much better outcome. I know that one of them is still in that job.

The member for Warrandyte talked about how much money the workplace advocate cost the state government. I ask this question: how much did it cost the federal government for the whole failed WorkChoices experiment? I am told the figure was more than $100 million, but the member for Warrandyte thinks that $6 million spent setting up an advocate to support and protect Victorian workers was a waste of time. We know exactly where he sits, and where I assume many members on the other side of the chamber sit, in regard to this debate. It is instructive to see the arguments they are putting forward. Because of the absence of any safety net which was the product of

WorkChoices, this government took action to do all it could to offer some protection, given the federal nature of WorkChoices.

With those few words, I commend the bill to the house. I am very pleased we are now able to repeal the act, the only reason being that WorkChoices was killed off by one thing, and one thing only: the election of the Rudd federal government.

**Mr WALSH** (Swan Hill) — It is a pleasure to rise to make a contribution on the Workplace Rights Advocate (Repeal) Bill 2008. It is always fascinating, when these pieces of industrial relations legislation come into this place, to see the mock class warfare discussions that go on. On the other side of the house now we actually have phantom class warriors: they are not real warriors of the workers. In general they are latte-sipping — —

**Mr Noonan** — I don't drink coffee.

**Mr WALSH** — You're a tea man, are you? That's very good.

They are latte-sipping, false class warriors. A lot of government members have not really come from the shopfloor. They have enjoyed very good lives. What I find really fascinating is that a lot of them do not even live in their own electorates. They represent what in the old days you would have called working class electorates, but they do not choose to live there.

**Mr Noonan** — That's two strikes.

**Mr WALSH** — I notice the Premier does not live in Broadmeadows, and the Deputy Premier does not live in his electorate. They purport to represent the workers of Victoria and the workers of the electorates they represent, but they do not see fit to live in their own electorates. The Premier and the Deputy Premier will not even live in their respective electorates.

It is interesting how, as those on the government benches make contributions on this sort of legislation, they purport to be representing workers' rights. The greatest thing you can do for workers is to make sure they have a job. I think we are all in heated agreement about that. How do you make sure they have a job? You make sure there are employers who want to employ them.

You do not denigrate employers all the time. All I ever hear from the other side of the house, when these pieces of legislation come in, is denigration of employers. Employers are essential to make sure there are jobs for employees, and those on the other side of the house seem to lose sight of that. It is a very sad state for our democracy in Victoria that the other side is constantly running down employers.

**Mr Noonan** — What about the workplace advocate?

**Mr WALSH** — The workplace advocate was a political stunt on the part of this government that cost the taxpayers of Victoria $6.5 million. It involved a few press releases and a workplace advocate who could do a bit of television or a bit of gladhanding just to make sure there was some positive press about supposedly protecting workers' rights, when if the government were to focus on making sure this state was business ready so that employers would employ people, we would all be far better off.

Look at the litany of stories from the other side of politics about what government members and their union mates have supposedly done to create jobs in this state. You will see a long list of instances of failed support for workers and jobs, because government members have driven employers out of business and offshore. The Pacific Brands situation is a classic example of that. You have a lot of press at the moment criticising the chief executive officer for her wages and so on, but the issue is: unless Pacific Brands can actually make money manufacturing here in Australia, it will go offshore.

That is one classic example. We heard the member for Rodney talk about the dairy industry. I come out of the horticulture industry, having been a director of SPC, the fruit cannery, for eight years. When I was a director there it cost us $180 000 extra to run a Sunday shift. That $180 000 to run a Sunday shift was in addition to the normal wages. That company had EBIT (earnings before interest and tax) of somewhere between $8 million and $10 million per year, and it was costing it nearly $200 000 every Sunday. Over five Sundays we were effectively burning $1 million of EBIT. Is it any wonder that now SPC has less workers and is importing more product?

These are the sorts of things we need to think about when we talk about how to create sustainable jobs in Victoria. The member for Williamstown spoke about the issues of penalty rates on weekends and that sort of thing. That is fine; we can have higher penalty rates, but we may not have any jobs. That is the sobering thought everyone in Victoria needs to think about. Yes, we can put up the wages; we can push up the penalties and all the add-ons people may have with their salaries, but at some stage there comes a tipping point, and all of a sudden there will be no jobs for people.

We need to have employers who have the capability to employ and pay people. We hear the phantom class warriors on that side of the house sticking up for the workers' rights, but in a lot of ways they are being counterproductive in terms of worker rights by being anti-employer; they are constantly slagging off employers, who then do not want to do business in this state.

This piece of legislation repeals what was effectively a political stunt by the former industrial relations minister, the Deputy Premier. I support the amendment of the member for Box Hill that proposes the workplace rights advocate be compelled by this Parliament to produce a report on its activities from 1 July to whenever it ceases existence. The workplace advocate is spending Victorian taxpayer's money, supposedly doing work — but in reality doing a political stunt for the government — between 1 July 2008 and whenever it is repealed by this legislation, although as I understand it from the member for Box Hill, the advocate stopped work on 30 December, because the government said, 'We do not need you now for a political stunt; we will move on to something else'.

I support the amendment of the member for Box Hill proposing that this government instrumentality should report to this Parliament on how it has spent its time and how it has expended taxpayers money over that period. I urge members on the other side of the house to vote for this amendment. If they were serious about democracy and accountability with respect to how Victorian taxpayers money is spent, they would support the amendment of the member for Box Hill to make sure that the workplace rights advocate actually reports to this place on how it has spent Victorian taxpayers money.

The passing of this legislation will be the closing of a sad chapter where the Brumby government, and the Bracks government before it, used this Parliament as a political tool and as a stunt to shore up their supposed support for the workers of Victoria. I would like all members opposite to remember that when they talk about sticking up for the workers' rights, they should think about the employers who actually create the jobs and pay those people — because if they take it past the tipping point, there will be no jobs in Victoria.

**Debate adjourned on motion of Mr LIM (Clayton).**

**Debate adjourned until later this day.**

## MELBOURNE CRICKET GROUND BILL

*Second reading*

**Debate resumed from 4 December 2008; motion of Mr MERLINO (Minister for Sport, Recreation and Youth Affairs).**

**Government amendments circulated by Mr CAMERON (Minister for Police and Emergency Services) pursuant to standing orders.**

**Mr DELAHUNTY** (Lowan) — It gives me a great deal of pride to speak on the Melbourne Cricket Ground Amendment Bill 2008. As we know, the bill re-enacts and further provides for the law relating to the Melbourne Cricket Ground in order to create a simpler legislative framework for the MCG and repeals the seven existing acts relating to the MCG.

The opposition will not be opposing this legislation, but we are pleased to see the amendments brought in at this late stage. I was given that advice a few weeks ago by the minister's staff. The amendments deal with the occupancy of the Melbourne Cricket Club (MCC). One of the abnormalities in bringing the seven pieces of legislation together was that the Melbourne Cricket Club was not given any certainty. These amendments give greater certainty to the Melbourne Cricket Club, which after all is the major tenant and which has been there the longest.

The amendments proposed by the minister will ensure that the constitution of the Melbourne Cricket Club cannot be altered without the consent of the trust. As we know, the trust runs the stadium. The amendments also provide that the Melbourne Cricket Club commits no wilful and persistent breach of any regulations made from time to time by the trust in respect of the ground, and that any money borrowed, whether before or after the commencement of this act, and applied by the Melbourne Cricket Club for the purpose of improving the ground is owing by the Melbourne Cricket Club to the lenders of the money or to persons lawfully deriving title from the lenders. So there is a lot in the amendments that will be put into the bill. From the opposition's point of view, we are glad to see that happening.

The main provisions of the bill deal with the repealing of seven existing acts. The bill contains very similar legislation to the current seven acts, and I will go through them in a bit of detail later. However, there are three areas of change to the existing provisions. They are: the provision of an additional function for the trust to provide the minister, on request, with advice about

matters relating to the construction and management of major facilities, such as stadiums, and management of major events.

We would love the minister to explain what he has got in mind, because at this stage we do not know what he means — whether it is a further development of the rectangular stadium or other stadiums. There is a lot of work to be done on the Bob Jane Stadium for athletics and those type of things. We would love to see what the Minister for Sport, Recreation and Youth Affairs has in mind for the additional functions of the trust. The other changes relate to the unauthorised commercial exploitation of the MCG name. I will come back to that later.

The bill also updates a provision that will authorise the trust to replace, remove, refurbish or upgrade the floodlight towers. This is subject to approval by the ministers administering the Crown Land (Reserves) Act 1978 and the Planning and Environment Act 1987. It also updates the protection from legal action in relation to the floodlights that is provided by section 4 of the current Melbourne Cricket Ground Act 1984. As I said, amendments have been circulated tonight. I highlight the fact that the opposition does not oppose the bill.

There is a preamble that summarises the background to the bill, including key orders in council, Crown grants, reservations and legislation made and enacted in relation to the MCG since 1861. The bill contains a lot and would make good reading for some people. But there are some major changes to be made, and the enactment of this bill will remove some of the existing provisions.

I looked back to some of the existing acts to see why they were introduced. The Melbourne Cricket Ground Act 1933 was brought in to this Parliament by Mr Dunstan, who was then the Minister of Lands — a good National Party man. I read with interest his comments in *Hansard* made back in 1933:

> Prior to 1853 the Melbourne Cricket Club occupied a site to the south of the Yarra on the west side of what is now Queen's Bridge-road. As that land was required for railway purposes, the club on the 15th of August, 1853, wrote to the Lands Department seeking permission to select another site in the government paddock now known as Yarra Park.

Mr Dunstan went on to explain the background of the bill, but he also said that valuable improvements were planned to happen to the ground. A Mr Barry yelled out in this place:

> And you will give it more.

I am not sure if you, Acting Speaker, were in the Parliament back then, but Mr Dunstan said:

> No. This is being done for the benefit not of the club but of the public.

As we all know, this ground is the people's ground. This was highlighted by Mr Dunstan in 1933. It is one of the great grounds of the world. It is commonly known as the people's ground and it is widely supported not only here in Melbourne and Victoria but worldwide as one of the major sporting venues in the world.

It is important that we make sure there is no unauthorised commercial exploitation of the MCG. Clause 26 of the bill states that a person, in the course of a trade or business, must not use the name 'Melbourne Cricket Ground' or 'MCG' as the name or part of the name of any place unless authorised by the trust. These provisions differ from section 8A of the Melbourne Cricket Ground Act 1933, which I spoke about, in that a penalty is now provided for a breach of the provision. I think that is important, because you need a sting in the tail to make sure that does not happen.

Other acts are being amalgamated in this bill. The 1984 bill was entitled the Melbourne Cricket Ground Bill (No. 2). It was brought in to allow for the construction of the floodlights. Mr Cathie, who was the Minister for Housing at that stage, moved the second reading of the bill. He said of the bill:

> Its purpose is to authorise the construction and operation of floodlights at the Melbourne Cricket Ground.

Further he said:

> The floodlighting will enable the ground to be used for day or night cricket matches, which have become an integral part of the cricket scene.

This was back in 1984, and we have seen a big transition since then. Not only are the lights important for cricket but they are obviously very important for the great game of Aussie Rules and a lot of community events that are held at the ground. As we know, the lights played a very important part in the use of that great facility during the 2006 Commonwealth Games. Mr Cathie went on to say:

> No more than six towers are permitted to be built at the ground, the height of the towers is limited to 78.5 metres above ground level, and the design and location of the towers must be approved by … the Minister for Planning and Environment.
>
> The bill provides for the operation of the floodlights on no more than 10 days for the playing of cricket at the ground

> during the period from November each year until 31 March the following year.

As we can see, that has been changed through regulation and the like to allow for much greater use of those lights.

It is interesting to look back through the history of the MCG. I can remember when I was a young fellow that there was a lot of controversy about the building of those lights. The *Herald* of December 1983 stated:

> The state government today approved floodlights for the MCG.

It was a big, big announcement:

> The announcement by the Premier, Mr Cain, sparked an angry response by the Lord Mayor —

can anyone tell me who that was? —

> Cr Kevin Chamberlain.
>
> He said he was 'horrified' by the government's approval for the construction of the six towers.

That started a great deal of controversy back in 1983 and 1984. I looked back through the newspapers. Another article that appeared in the *Herald* is headed 'Union row hitch on MCG lights'. It is a pity this was not raised in the debate on the last bill. The article states:

> A big metal union wants to build the controversial MCG light towers.
>
> But the Federated Ironworkers Association, which wants to go ahead with the towers, is likely to face a serious demarcation dispute which is virtually certain to delay the $3.5 million project.

You, Acting Speaker, know a lot of the history of this development. I would love to know how much those lights cost. They were initially going to cost $3.5 million but they would have cost a lot more because of the delays. It is interesting to read an article from the *Sun*, which states:

> The state government proposal to side-step normal planning procedures to allow floodlighting at the MCG is certain to pass through Parliament with National Party support.
>
> The National Party's planning spokesman, Mr Wright, said yesterday the construction of the lights should not be delayed by a technicality.

That was good news.

It is interesting to read an article of 31 December 1983 under the headline 'Cain bypasses the usual rules to get MCG lights'. It states:

> The state government yesterday bypassed usual planning procedures to allow floodlights to be built at the MCG.
>
> But the Builders Labourers Federation immediately declared that its members would not work on the lights.

Thankfully those problems were overcome and the lights were constructed.

We are combining a number of acts into one piece of legislation, and I think it is important that we consolidate legislation in this way. It will save a lot of red tape and will allow for further development to take place at the people's ground with a great deal of confidence. More importantly, it will allow for further activities to happen there.

The other issue I want to talk about quickly is the redevelopment of the Great Southern Stand. That was facilitated by the Melbourne Cricket Ground Trust Bill, which was introduced in this house in October 1989 by the then Minister for Conservation, Forests and Lands, who said:

> This bill is required to facilitate the construction of a new southern stand at the Melbourne Cricket Ground …

The Melbourne Cricket Club is one of the bodies that was dropped out of this bill. Thankfully the Minister for Sport, Recreation and Youth Affairs has seen the light and will move to put the Melbourne Cricket Club back into the bill and give it greater certainty. In 1989 the Minister for Conservation, Forests and Lands went on to say:

> The Melbourne Cricket Club initiated the proposal to replace the southern stand which is nearing the end of its structural and economic life.

I want to say, and I have to bring it up here, that in my days of playing football with Essendon — —

**Mr Merlino** — It had to come up.

**Mr DELAHUNTY** — It had to come up — I lasted 12 minutes. In the days when I was playing at the MCG it was a fantastic stadium, but it is a much greater stadium today. Bay 13 in the southern stand is well known in relation to the cricket, but it was also where a lot of football supporters stood because there was limited seating. There were big crowds in those days and a lot of vocal supporters. I vividly remember playing in front of some of those great crowds. I had the fortune to play against Richmond in front of a crowd of 73 000, and I was fortunate enough to play against Kevin Sheedy. He was a very competitive footballer, and I admire him greatly for what he has achieved. He said to me one day, 'After all, I'm only a plumber'. I think he has come a long way from his plumbing days.

He turned out to be one of the greatest coaches of Aussie Rules. When I played against him at the MCG in front of 73 000 people it was just fantastic to hear the noise, particularly the noise coming from the southern stand.

In introducing that bill into the Parliament in 1989 the minister said that building the new southern stand would support Melbourne's bid for the 1996 Olympic Games. Unfortunately we were not good enough to win those games, but we did win the 2006 Commonwealth Games, and a lot of us went to games events at the MCG. It is interesting to note that when the minister brought that bill in she said the proposed new stand would:

> … increase the capacity of the MCG to 109 000 and will accommodate 47 000 persons comprising 41 000 seated and 6000 standing. Approximately 2000 additional persons are to be accommodated in corporate boxes.

I think that was the first time we saw the corporate boxes at the MCG.

As we know, there have been other developments at the MCG facilitated by the seven acts we are combining into one piece of legislation. The replacement of the northern stand was also a great development. That happened between 2002 and 2006, and I believe it transformed the stadium and reaffirmed its standing as one of the world's greatest sporting icons. About 55 per cent of the ground, embracing the old Ponsford and Olympic stands and importantly the MCC members pavilion, was rebuilt. I think most of us have been there. I know you, Acting Speaker, led a group of us on a tour of the northern stand. That really highlighted to me what a fantastic facility we have there, and I refer to not only the look of the structure but also what is inside the building.

The new stand is an awesome structure, as we all know. The transparent walls are engaging to approaching patrons who come in through the three entry points, but the facilities and finishes are superior throughout the building — they are fantastic. The seating provides you with an uninterrupted view of all parts of the ground, and the structure means spectators feel much closer to the arena than they did in the old stands it replaced. They feel they are part of the action. That is what the MCG gives us — a great feeling and a great opportunity to be there.

It is interesting to note that the redevelopment of the northern stand has nearly doubled the capacity of the dining rooms. The big new change rooms service the needs of both football and cricket, and the Australian Football League coaches box is now situated on level 2 in the wing position.

Importantly, we have seen in the redevelopment of the northern stand something that was not done with the southern stand — that is, the great increase in the amount of underground parking. That has taken weekday pressure off Yarra Park and, more importantly, it has given a great deal of security to the sporting champions who use the ground. We have seen what happened in Pakistan. Unfortunately sport has been brought into the world of terrorism. There was a terrorist attack a long time ago at the Olympic Games, but thankfully it has been out of sport for a long time. Our key sporting people from whatever sports will be able to come to the MCG in greater security by using the underground car parking facility in the northern stand.

The other major feature of the redevelopment has been the relocation and expansion of the Australian Gallery of Sport as part of the National Sports Museum. This is a seven-day feature for visitors to the MCG. There are many attractions around Melbourne and Victoria, but it is important for every one of us to go to the MCG not only to see the great sporting events, cultural events or whatever else is held on the oval but also to visit some of the galleries, historical museums and so on that are at the MCG. One of the key features of the MCG is the library. I think you would have to pay to work there, there is such a fantastic view — —

**Ms Asher** — You could say that about the library here.

**Mr DELAHUNTY** — Yes, but you would have to pay to work in the MCG library, because the view over the city is superb.

There have been some great developments at the MCG, but I think I should get back to the bill. I think the bill has been pulled apart, but I will cover some of the changes that are made by it. As I said, the bill makes three major changes to the legislation. The key changes are providing for the additional function of the trust to provide to the minister on request advice on matters relating to the construction and management of major sporting facilities, whether that be the construction of stadiums or the management of major events. There is no doubt that the trust has some skills, but it will be interesting to hear from the minister what he envisages regarding this aspect. We have some major events happening not only in Melbourne but, importantly, also in country Victoria. We would like to have great facilities like the MCG in country Victoria. I wonder if the minister has any idea about any facilities that might

be built in Geelong, Bendigo or Mildura, whether they would cater to soccer or to other sports that are played in Victoria and whether the skills of the trust will be used for this. There is no doubt that the MCG is a major facility for Melbourne and for Victorians in general, but we need to cater for sports from the grassroots through to the premier sporting events that are conducted at the MCG. I would be interested to hear what the minister has to say about the additional roles the trust might play.

Another issue is the unauthorised use of the MCG name. We have seen ambush marketing happen at a lot of events — I have seen hot-air balloons and the like go over the ground — so we welcome that decision. It costs a lot of money to use the MCG; a lot of money needs to be raised to run activities on the ground. If sponsors are going to support the game and the facility, we need to give them the security that they will not be ambushed in the marketing game. We welcome that move.

The bill updates a provision to authorise the trust to replace, remove, refurbish or upgrade the floodlight towers. I am not sure if there will be any changes there. We have not been made aware of any changes to the floodlights. I have not been made aware by any of the letters I have received from the various users of the MCG of any concerns about the lights. I ask the minister whether there is anything envisaged along the lines of replacing, moving or raising the height of the towers. At the end of the day, I think they are working pretty well, but the change might simply be taking a common-sense approach to give protection to the trust.

A clause in the bill updates the protection from legal action in relation to the floodlights that is currently provided under section 4 of the Melbourne Cricket Ground Act 1984. We welcome that, because we need to make sure that protection is provided. In 1984 there were legal problems in relation to the construction of those towers. There is no doubt that we have seen the price, which was $3.5 million, rise to a much greater sum.

We have consulted widely on the bill. As I said in my earlier contribution, we have consulted with the Melbourne Cricket Ground Trust, the Melbourne City Council, the Australian Football League (AFL), the Melbourne Cricket Club, the Collingwood Football Club, the Essendon Football Club and the Melbourne Football Club. They are the major users of the MCG — —

**Mr Merlino** — What about the Hawks?

**Mr DELAHUNTY** — The Hawks still train at the old Waverley ground.

**Ms Asher** — Which Labor said it would save.

**Mr DELAHUNTY** — The member for Brighton has reminded me that the Labor government got into power in 1999 with a promise that it would save the Waverley Park ground. I played with Essendon on the first finals match on the Waverley Park ground.

**Ms Asher** — Don't talk about it!

**Mr DELAHUNTY** — I know. We got beaten by St Kilda, unfortunately. We played there again in 1973. We got to the final again, and guess which team beat us? It was St Kilda again.

I contacted these organisations. I have a letter from Dr Kathy Alexander, the chief executive officer of the City of Melbourne.

It states, very briefly:

> The council appreciates your initiative in referring the matter to us for comment. I wish to advise that the council does not have any concerns regarding the content of the bill.

Peter Schwab, the CEO (chief executive officer) of AFL Victoria, said he did not have any problems. More importantly, I have an email from Stephen Gough, the CEO of the Melbourne Cricket Club. He writes that the MCC supports the amendments. I am sure its members are very grateful they have been put in. He goes on to say:

> The amendments to the MCG Act are part of a consolidation of all the various MCG acts and do not involve any material change to the existing legislation.

They are some of the comments I got back from the users of the ground.

To finish my contribution, the Melbourne Cricket Club is a fantastic facility, and we want to make sure that it stays that way. We trust that this bill will continue the great tradition of the Melbourne Cricket Ground. It is the spiritual home of sport in Victoria and in Australia, and, as I said before, it is known as the people's ground.

The MCG has a great history in football and cricket, it held the 1956 Olympic Games, the 2006 Commonwealth Games and many other sporting events. It has been a venue not only for football and cricket but also Rugby and soccer, and even concerts and church services. As members probably know, it was the home of thousands of Australian and United States servicemen during World War II. If those soldiers were to come back today, they would see that

an enormous transformation has been seen at that ground.

It is important that the MCG continues this great work and that we enhance its ability to provide sporting events or other cultural events. It is a highly ranked sportsground and is up against such grounds as Lord's Cricket Ground, Wembley Stadium and Old Trafford in England; Eden Gardens in the West Indies; or Yankee Stadium in New York. I think it is hard to go past the history, the drama and, more importantly, the pure emotion that happens at the MCG.

That pure emotion captures anyone who goes there. Whether they be supporters or spectators who go to watch a game or, as importantly, visitors from overseas, they are spellbound by what happens at the MCG. Its history spans 150 years, and more than 100 000 people have attended individual events at the ground. More than 100 Victorian Football League and AFL grand finals have been held there, and more than 100 cricket test matches have been played at the MCG, and the ground is always highlighted by the Boxing Day cricket test each year.

The MCG has been the site of many firsts for cricket and AFL football. Thankfully in the days when I was playing it was only used once every weekend. Now it is used many times over the weekend but also during the week. Nearly 50 home and away games are played there throughout the season; in fact, between 2 million and 3 million people go there to watch AFL football over the course of a year.

There is one area about which I have concerns, and I raised those concerns when a similar bill was before the house. The MCG has a membership of approximately 100 000 members, which is made up of 60 000 full-time members and nearly 40 000 restricted members. I know that there are about 175 000 people on the waiting list, and I am informed that between 10 000 and 15 000 people nominate for membership every year, so it is a great place to be a member.

Again I highlight that there have been games, including the Anzac Day AFL match, the Boxing Day cricket match or some of those super games at which we see the MCG members stand to be not full. I appreciate that it is a difficult issue to resolve, but we have to find a system so that we do not lock people out from seeing those great sporting events. Whether it is the Essendon versus Collingwood game on Anzac Day — and I am sure Essendon will win it this year! — or a match like the one last year, when Carlton got beaten by Essendon in June, we need to make sure we cater for as many people as we can at what is known as the people's ground. I raised this matter six months ago, and I raise it again. We must find a better way to cater for those big crowds.

The trust that runs the ground comprises eight trustees. At the moment it is chaired by John Wylie and two former members of Parliament as trustees.

**Mr Kotsiras** interjected.

**Mr DELAHUNTY** — I am sure the member for Bulleen would know who they are. One is a former Leader of the National Party, the Honourable Pat McNamara, and the other is a former Premier, the Honourable John Cain, but there are also six other trustees who I know play a very important role.

There have been many activities on the MCG. As well as Australian Rules football there has been some soccer — even a Billy Connolly concert. We must remember that there have been some enormous crowds at the MCG, but I am not sure if any member could tell me when the MCG held the biggest crowd? It was 130 000 people, and they were not attending a sporting event or a concert: they attended a Billy Graham crusade event in 1959. The number was only an estimate, because no tickets were issued for that event.

Another big crowd attended the VFL grand final between Carlton and Collingwood. I was fortunate enough to be there.

**Mr O'Brien** interjected.

**Mr DELAHUNTY** — It was a great grand final. I was there watching the game. I was a footballer with aspirations to play on the ground, and fortunately I did the next year. However, we all remember the 1970 grand final and the great mark by Alex Jesaulenko over Graeme 'Jerker' Jenkin, who played not only for Collingwood but went on to play for Essendon.

There have been some super events at the ground, and we want to ensure that they continue to happen. I have raised a few concerns with the minister, but overall the coalition of The Nationals and the Liberal Party does not oppose this bill. We hope the ground continues its great tradition in facilitating major events, whether they be sporting or cultural activities. I know that many members want to speak on this bill, particularly some members of my policy committee. I am sure they will have a lot to say about this bill, because the MCG is one of the great sporting facilities in Australia and in the world. We hope it continues to play a very important role.

**Ms D'AMBROSIO** (Mill Park) — It was very pleasing to hear a repeat of a contribution made not all that long ago in this chamber, but I must say it was well said. It is a great pleasure for me to speak in support of a bill regarding what is an iconic feature on the landscape of Melbourne.

The bill reins into one consolidated set of provisions key features across seven acts that have existed from various points, from 1933 and onwards. Essentially the bill does away with a lot of the redundant provisions that have evolved in those seven acts and clarifies remaining provisions so that it maintains essentially the key features of the existing legislation, though it does have some changes that need to be noted. Those three key changes, other than the house amendments, can be described as the following.

The bill extends the functions of the Melbourne Cricket Ground (MCG) Trust so that it is able, in its capacity as an expert body, to give expert advice to the minister, on request, to deal with matters that go to issues of construction or management of major sporting events, and amenities or management of major events.

The bill also provides a new provision to give potency to the prohibition on the commercial misuse or exploitation of the name 'Melbourne Cricket Ground', or the 'MCG' as it is more often known, to describe a place other than the MCG without the trust's approval. The way the bill would operate is that if there were a breach of this provision, a penalty of 100 units would apply in the case of a person and 600 penalty units for a body corporate. This essentially gives a disincentive against commercial exploitation, and the provision in the bill gives weight to the importance of preserving the commercial integrity of the activities of the trust and other users of the facility.

With respect to the floodlights and towers there are some significant changes concerning maintenance, repair, replacement and refurbishment matters to do with those features. Changes in this regard will no longer require legislative approval in its current form. The trust will be given the authority to make various changes, subject to ministerial approval provided for under existing provisions, regarding constant construction. The bill also modernises the protection of the trust against certain legal action that may arise pertaining to the replacement, removal, refurbishment of or upgrades to the floodlights or towers, provided that those activities are carried out within the limits of the act.

There are other minor technical amendments, but what is important to note is the house amendment that has come before us tonight since the introduction of this bill. It is important to note that a very useful amendment has been suggested to the government. It has been gladly taken up and presented before us and it provides a level of certainty that is required by the Melbourne Cricket Club — namely, the MCC has sought that the bill quite clearly includes an entitlement of occupancy to secure its long-term security of tenure at the MCG. There was a previously existing provision dating back to 1933, which was incorporated in the then Melbourne Cricket Ground Act. The MCC has argued that this pre-existing provision has been an important foundation for its ability to secure loans which it has used periodically to undertake upgrades to the MCG.

The government has sought the opinion of the Victorian Government Solicitor's Office, and its advice has confirmed the MCC's own legal advice on the matter that there would potentially be a risk to the entitlement of occupancy for the MCC if that entitlement were not clearly included in the bill before us. That sits well with the intention of the bill. The bill is not about removing existing rights or entitlements: it is about trying to modernise and clarify the operations of various provisions across seven acts over a number of years. The house amendment is a welcome one and it sits very neatly in the scope and intent of what the bill is attempting to achieve. It maintains the status quo. It does not add or remove any entitlement.

The bill is about the consolidation of active provisions which exist across seven acts, as I have already mentioned, but it also expunges redundant provisions. I remind the house of the safeguards that would continue to apply to the MCC's entitlement to the security of occupancy which this house amendment will deliver. There is a requirement for money that the MCC borrows to improve the ground to be owing by the MCC — that is, it is a liability and responsibility that is limited to the MCC. Further, the MCC's constitution cannot be amended without the approval of the trust and the MCC must maintain behaviour with good intent within the limits of the regulations that are created or agreements that may be reached between itself and the MCG Trust.

This bill continues the reform work of this government to clean up Victoria's statute books. It reduces the number of statutes through an appropriate consolidation of active provisions which it is important to maintain, but it also removes unclear or redundant provisions. It also continues the reform work of this government to secure Melbourne's rightful place as the nation's foremost sporting and events capital. I am very pleased that in the time I have been a member of the Parliament there has been consistent and steady progress made by

the Minister for Sport, Recreation and Youth Affairs, who has sponsored this bill, in modernising and enabling the growth and creativity of a lot of experts within the sporting field — the MCG Trust is no different — so that we are able to maintain the MCG as an icon for Australia. I wish to thank the minister for the due diligence that he has applied to the sporting portfolio. This bill is another example of that great work and I look forward to further improvements in this way.

I remind the house that, like the member for Lowan, I can, in the short time that I have left, make numerous comments on my involvement with and exposure to the MCG from when I was a child and also from family experiences. It would be remiss of me not to mention how important the MCG has been not just to people who have followed sport in Victoria and Australia but also to people participating in many other social and cultural events that have ensured that Melbourne remains not just the sporting and events hub but also the cultural hub of Australia. I commend the bill to the house and wish to hear more wonderful stories of adventures at the Melbourne Cricket Ground.

**Business interrupted pursuant to standing orders.**

## ADJOURNMENT

**The ACTING SPEAKER** (Mr Nardella) — Order! The question is:

That the house do now adjourn.

### Arthurs Seat chairlift: future

**Mr DIXON** (Nepean) — I wish to raise an issue with the Minister for Environment and Climate Change regarding the Arthurs Seat chairlift. I am asking the minister to instruct Parks Victoria to retain the current chairlift structure pending the outcome of an expression of interest process that is currently under way.

Parks Victoria has lost patience with the current operator of the chairlift and ordered him to remove it within the next three months. This is the result of a long, drawn-out process. In the end WorkSafe, due to its intransigence and dragging out of the process, has got what it wanted. WorkSafe has always wanted the chairlift to be closed down and the current operator to go. It has done that by dragging out the process, shifting goalposts and making unrealistic demands.

In the end the operator was unable to meet those demands and has run out of time. Parks Victoria, according to its contract with the operator, has demanded that the chairlift be dismantled so that a new expression of interest process can take place.

Given the current financial situation, I and tourism operators in the area doubt that there is anybody with the ready cash to bring in, set up, build and construct a brand-new purpose-built state-of-the-art modern chairlift, but it is very important that we have a chairlift at Arthurs Seat. If the current infrastructure remained on the site and was upgraded to the standard that WorkSafe demands, it would be a far more attractive proposition to a new operator, because it could use that infrastructure and not have to go to the expense of building a new structure to operate as a chairlift. In fact one interested party has already approached me and said that they would be interested in running the chairlift, providing they were able to use the current infrastructure.

The Mornington Peninsula needs the chairlift, and Mornington Peninsula tourism needs the chairlift. We need it on a macro and micro level. The local tourism businesses at the bottom and at the top of Arthurs Seat — two have closed — certainly rely on the tourism the chairlift develops and the visitors it attracts to the area. Mornington Peninsula tourism in general relies on the chairlift. It has been one of those signature iconic attractions for decades, and we have missed out over the last few years when it has not been operating. I would hope the three months the operator has available to remove the chairlift could be extended so that a potential new operator could perhaps use the current infrastructure.

### Barwon Health: funding

**Mr TREZISE** (Geelong) — I raise an issue with the Minister for Health. It relates to the ongoing upgrade and provision of medical equipment and facilities specifically at Barwon Health, which is in my electorate of Geelong. In raising this issue and speaking about Barwon Health, I refer not only to Geelong Hospital but also to other facilities, including the Grace McKellar Centre in North Geelong. The action I seek is for the minister to ensure adequate funding to ensure the ongoing provision of high-quality medical equipment and facilities to Barwon Health.

In seeking this action I point out that since its election in 1999 this government has more than doubled the funding available to the Victorian health system; every Victorian hospital has received increased funding every year since we were elected. In my electorate Barwon Health now receives 116 per cent more funding than it did in the last year of the Kennett government. That government implemented policies that saw the sell-off

of the then Baxter House, the sacking of hundreds of nurses at Geelong Hospital and the earmarking of the Grace McKellar Centre for sale to the highest bidder.

In stark contrast, as the Acting Speaker well knows, this government has invested more than $4 billion across the state in the largest capital works program in Victoria's history. The Brumby government has committed more than $225 million over four years to replace medical equipment throughout Victoria's hospitals and to upgrade hospital facilities. As a result, Victoria's hospitals will now have the best medical equipment and facilities for patient treatment.

As I said earlier, the action I seek tonight is focused on ensuring that Barwon Health in Geelong gets its fair share of funding. This is an important issue. I look forward to the minister taking action, and I know that he understands from a Geelong perspective the importance of this issue to Barwon Health. The minister is a regular visitor to the Geelong electorate, he is a regular visitor to Barwon Health, and he is a regular visitor to facilities such as the Grace McKellar Centre. I know that he is welcomed by the board of Barwon Health, and he is welcomed by executive management and staff alike.

I look forward to the minister taking action because, as I said, this is an important issue. I would also welcome any visit at any time by the Minister for Health at Barwon Health.

## Gas: Rodney electorate supply

**Mr WELLER** (Rodney) — I wish to raise a matter for the attention of the Minister for Energy and Resources regarding the extension of natural gas to towns in the Rodney electorate. Last month the state government announced that natural gas would be connected to Leongatha, Korumburra and Lang Lang in South Gippsland. The action I seek from the minister is to make Nathalia, Rushworth, Heathcote, Cohuna, Leitchville, Lockington and Elmore the government's next priority for connection to the natural gas grid.

Prior to the 2002 election, Labor candidates promised that if they were elected, natural gas would be extended to practically every town in the Rodney electorate. Unfortunately, the Labor government broke its election promise to those towns in favour of towns in marginal seats on Melbourne's fringe. At the 2002 election it committed just $70 million for the rollout of natural gas and then added 12 outer metropolitan municipalities.

Labor has now been in power in Victoria for 10 years and not one town in the Rodney electorate has been connected to the natural gas grid. Bottled gas is extremely expensive for those on pensions or low incomes and often the only alternative they are left with is wood heating, which ironically the government is trying to make obsolete by banning timber harvesting in the river red gum forests.

Natural gas provides a cheaper and more efficient energy source, which is particularly important for towns in my electorate already struggling under the weight of drought, water shortages, failed crops and poor milk prices, which are putting enormous pressure on farm, family and small business budgets. We should be building the infrastructure now to allow the economic and environmental benefits of natural gas to flow to more towns in the Rodney electorate in the future.

Given that Leongatha, Korumburra and Lang Lang are among the final towns to be connected under the $70 million natural gas extension program, I call on the Brumby government to commit additional funding to extend the program and to make good on its broken election promise in 2002 to connect towns in the Rodney electorate to the natural gas network, so that the senior citizens of the towns of the likes of Heathcote, Nathalia, Picola and Lockington can all have the benefits of natural gas. In the seat of Rodney we focus on the likes of Leitchville and Cohuna.

The timber harvesting and the firewood out of the Gunbower forest will be limited under the government's responses to the Victorian Environmental Assessment Council's recommendations. It is high time that the ministers lived up to their promises in 2002 and delivered natural gas to the towns of the Rodney electorate.

## Shire of Nillumbik: sporting facilities

**Mr HERBERT** (Eltham) — My request is to the Minister for Sport, Recreation and Youth Affairs. The action I request is for him to support Nillumbik council in drought proofing local sports grounds.

I was interested to read a media release from the opposition spokesperson for sport and recreation, the member for Lowan, where he claims the state government has failed to drought proof Victoria's sports grounds. Clearly the member for Lowan was struggling to find a pot to stir that particular week, because he could not be more wrong about local and state government efforts to keep Nillumbik sports grounds open and safe. He only had to come out to Nillumbik to witness firsthand some of the many

projects undertaken to help sports clubs continue their vital public service.

**Mr Delahunty** interjected.

**Mr HERBERT** — The member for Lowan asks whether junior games of football will be played there this year. I will come to that in a minute because in fact Nillumbik has some of the best surfaces anywhere to be seen. In delivering those surfaces, the state government has worked in partnership with Nillumbik council on not just this but many occasions, in particular to implement a $2.6 million program that has led to significant upgrades of a whole range of grounds around Nillumbik.

It may be raining tonight but the member for Lowan was right in saying that many grounds around Nillumbik have suffered terribly as a result of the 12 years of drought that we have had. I am sure the member would know that in January in Nillumbik we had less than 2 millimetres of rainfall. However, while some local grounds are closed because of the drought, others are playing superbly because of financial support from the state government.

I am only too happy to take the member for Lowan on a tour of Nillumbik so I could show him firsthand Eltham Central Park, where the Eltham Panthers play, which has received $700 000 to fix up that ground. I could also show him Susan Street Reserve, the Eltham Rugby ground, Montmorency park, Eltham Lower Park and the Eltham tennis courts, which have also received surface upgrades. I could take him for a walk around Eltham North Reserve, where the Minister for Sport, Recreation and Youth Affairs recently announced $300 000 for a fully synthetic and drought-proof surface, which will soon be installed.

This is right across Nillumbik. We have had 12 years of drought. The state government is working really hard with Nillumbik council, but more needs to be done. I repeat my request to the Minister for Sport, Recreation and Youth Affairs to continue to support local councils and sporting clubs.

## Specialist schools: review

**Mr WAKELING** (Ferntree Gully) — I wish to raise a matter for the attention of the Minister for Children and Early Childhood Development and call upon the minister to take action by improving education services for children with additional needs in the eastern metropolitan region. I am most disappointed that due to the inaction of the Brumby government I must again raise this important issue in Parliament.

On 28 April 2008 Saratoga Professional Services issued its review into specialist school services in Melbourne's eastern metropolitan region. This report highlighted 11 key recommendations for the Brumby government to consider in an effort to improve education services for children with additional needs. It is nearly 12 months later and my community is yet to hear a formal response from the Brumby Labor government on how it intends to respond to the options outlined in this report. I am yet to receive a response from the Brumby government to a series of questions submitted to this house on 9 September last year, more than six months ago, seeking answers regarding the government's intentions about the recommendations. The government has had a generous amount of time to answer these questions and to formulate a response to the Saratoga report's recommendations. It has instead stayed silent, ignoring the needs of our community and the urgent need for additional specialist school facilities in the area.

I have been approached by many parents who are desperate to know about any new opportunities for their children. Currently some of these children are travelling up to 2 hours each way to go to school. Instead of helping those parents and keeping them informed, this arrogant government is placing further stress on what are already high-pressure lives by forcing parents to constantly seek answers as to the future of specialist education in Melbourne's eastern metropolitan region.

Recommendations 1 and 2 of the report highlight the need for an increase in provisions for both students with autism spectrum disorder and those with mild intellectual disability. Recommendation 1 advocates the relocation of the Wantirna Heights facility to a larger site with the capacity to cater for all ages. This recommendation calls for increased provision without delay, yet nearly 12 months after the recommendation was issued the minister has not even bothered to respond.

The report also highlights the need for an extension of the facilities currently provided by Heatherwood School, which is struggling with lack of space and capacity. The report notes, as I have previously done in this house, that the school is situated on the northern border, making travel for students in my electorate laborious at best and untenable at worst. The report recommends the creation of a twin campus or an additional facility in the south and east of the region.

These recommendations, if implemented, could be of huge benefit to students, parents and families in my electorate who face the daily struggle of ensuring that students with special needs get a quality education.

Despite this, the minister has not even bothered to respond to these recommendations, leaving families struggling in the dark, with no information as to whether the situation might improve.

There are no more excuses for this abandonment. I urge the Minister for Children and Early Childhood Development to take action immediately and improve the provision of services for children with additional needs in Melbourne's eastern region.

## Greens: donations

**Ms RICHARDSON** (Northcote) — I draw the attention of the Attorney-General to comments made by the Tasmanian Deputy Premier and to yesterday's *Herald Sun* article which reported that tens of thousands of dollars in political donations to the Greens appear to have come directly out of the wilderness. I ask that the Attorney-General act immediately and investigate urgently the donations to the Greens to ensure that these donations comply with all the relevant laws.

Here we have a company, Gladneys Pty Ltd, registered at 611/530 Little Collins Street in Victoria. The only sign of any activity or person occupying this address is a wall directory that states the occupant is FSCA Business Services Pty Ltd. There is no sign whatsoever of Gladneys. Australian Securities and Investments Commission records reveal that the company's principal place of business is actually 330 Glenwarrin Road, Elands, New South Wales. A Google map search shows that 330 Glenwarrin Road is a bush block with no sign of any activity.

The company, via its trust called ITF Gladneys Trust, has made donations totalling $45 000 to the Greens in Tasmania. This constitutes the second-largest donation to the Tasmanian Greens. So here we have a company registered in Victoria, conducting business in New South Wales and donating to the Greens in Tasmania. But there is more to be concerned about than that. The directors of Gladneys are Greg Hall and Susan Russell, who also happen to be the secretary and vice-president of the North Coast Environment Council. Susan Russell also has strong connections to the Greens political party, having stood at the Lyne by-election and been a former staffer for a federal Greens MP. Clearly this raises some important questions for the directors of Gladneys, the North Coast Environment Council and the Greens political party. In their capacity as directors of Gladneys, the secretary and vice-president of the North Coast Environment Council have made donations totalling $45 000 to the Tasmanian Greens. Susan Russell has claimed that the money she has generously donated to the Tasmanian Greens has come from a recent inheritance, but currently we have no way of verifying this.

Unlike political parties, trusts are not required to provide the details of their income. Likewise, non-government organisations (NGOs) are not subject to the same scrutiny as unions, companies and political parties. Therefore NGOs may be vulnerable to becoming siphons for political party donations. Moreover there are disclosure limits for political parties.

However, no such limits apply to organisations like the North Coast Environment Council and all donations are fully tax deductible. Given the number of environmental groups, some of which receive public funds directly from state and federal governments, the question is: are the Greens receiving donations in ways other political parties are simply unable to? Often in this Parliament and elsewhere the Greens have championed the need for greater transparency of political donations, a concern I share, but they are strangely silent on this kind of transaction.

An inquiry by the Legislative Council is currently taking place and the circumstances of these donations are relevant to that inquiry. Similarly, the federal government is investigating reform of the disclosure of political party donations. In the meantime, I call on the Attorney-General to investigate urgently the circumstances surrounding these donations.

## Alcohol: responsible service certificates

**Mr DELAHUNTY** (Lowan) — I raise a matter for the attention of the Minister for Consumer Affairs. I spoke to the minister about the matter yesterday. The action I request is that he review the issuing of responsible serving of alcohol certificates which are currently in an A4 size and develop a card of practical size which could be carried in a person's wallet or purse. I also wrote to the minister on the matter in November last year, but at this stage I have still not received a response. I wrote on behalf of a constituent who was concerned about his requirement to carry a certificate. I am holding an A4-size certificate issued by Consumer Affairs Victoria.

**Mr Foley** — Is it yours?

**Mr DELAHUNTY** — No. It is a responsible serving of alcohol certificate. These certificates are awarded to people for gaining a knowledge of subjects such as alcohol and the law, improved atmosphere, facts about alcohol and dealing with difficult customers.

My constituent has to carry this certificate every time he goes to work at a venue or an event where alcohol is being served. As we know, alcohol-fuelled violence is happening here in Melbourne but it also happens across Victoria. There is no doubt that there has been a great push by the police and also by the liquor licensing authorities who are clamping down on venues and events to make sure that the people who serve alcohol have these certificates.

There are many types of liquor licences in Victoria and there are 25 796 facilities with a licence. There are 8902 on-premises licences, 2409 packaged liquor licences, 4514 general licences, 1047 full club licences, and it goes on. There are pre-retail licenses and vignerons licences and 1269 BYO permits. Importantly there is also a restricted club licence, of which there are 1208. All venues must have staff who hold responsible serving of alcohol certificates. Most people have their certificates laminated and cannot carry them in their back pockets. Why can we not come up with a business card or credit card size certificate that can be carried in a wallet or purse? Then people can comply with the requirements of the director of liquor licensing to carry a certificate. It is important to make this change happen.

## Consumer affairs: Wizard Home Loans

**Mr LIM** (Clayton) — The matter I raise is also for the attention of the Minister for Consumer Affairs and is in regard to Wizard Home Loans customers. The action I seek from the minister is that Consumer Affairs Victoria investigate the plight of Wizard Home Loans customers to ensure they have not been unfairly treated as consumers as a result of the exit of GE Money from the Australian home loan market and the sale of Wizard Home Loans by GE Money.

As background, some of my constituents have brought this matter to my attention because they feel traumatised by what has happened to them. Wizard Home Loans was one of the biggest non-bank lenders in Australia. GE Money is the former owner of Wizard Home Loans. The Wizard brand was sold by GE Money to Aussie Home Loans but the loans themselves were not sold. GE Money has left the Australian home loan market completely, but it failed to pass on the latest interest rate cut from the Reserve Bank of Australia (RBA). It did not want to have anything to do with passing on the rate cut. A minority of the Wizard home loans were on-sold to the Commonwealth Bank, but the management of the rest of the Wizard loans was transferred across to AMS Mortgage Services.

As GE Money and AMS Mortgage Services do not issue new home loans to the Australian market there is no pressure on AMS Mortgage Services to pass on the RBA rate cuts. Borrowers with a GE Money-owned Wizard home loan will have a 12-month deferred administration fee waiver period from 1 March if they choose to refinance through Aussie Home Loans. This is a condition in the sale agreement by which Aussie acquired the GE Money Wizard brand and franchise network on 27 February. I urge the minister to investigate this serious matter and ensure consumers are protected.

## Bushfires: small business support

**Mr BLACKWOOD** (Narracan) — I wish to raise a matter for the Minister for Small Business. The action I seek is for the minister to provide urgent assistance to businesses in bushfire-affected areas of my electorate that are suffering enormously because of the downturn in activity following the fires. These are business that were not directly impacted by the fires. They were not burnt out and did not suffer any loss of tools or infrastructure. These are not the farmers who lost kilometres of fencing and shedding, fodder, pasture and equipment, who also must be given help. I am talking about businesses that rely on the farming sector and tourism, particularly hospitality and accommodation, and that provide goods and services to small communities. They are the general stores, the hotels, the bed-and-breakfast establishments, the restaurants, the butchers, the bakers and the petrol stations. This is the small business sector that relies on the spending of local families in their communities and also on the passing trade of tourists and visitors to their area.

Business activity in this sector has suffered an enormous downturn. Tourism-related enterprises have come to a standstill. A survey of 84 businesses in Baw Baw shire completed last week indicated that spending had dropped off by $1.9 million over the last month. That represents a downturn of 75 per cent for each of those businesses. I certainly welcome the joint federal-state government initiative providing a $51 million assistance package for those businesses directly impacted by the fires. However, there are many small businesses that will not meet the criteria to qualify for assistance under that program. They are currently having their applications for assistance declined. Many of these hardworking businesspeople suffered the same problem after the 2006 fires. Measures were put in place then to assist tourism in areas like Erica, Rawson and Walhalla to encourage visitors back to the region.

On this occasion the problem is much worse and far more widespread. It is affecting businesspeople in Jindivick, Neerim South, Noojee, Warragul, Drouin,

Erica, Rawson, Walhalla, Bona Vista, Nilma, Yarragon, Darnum and Trafalgar, to name just a few. This time assistance in the form of tourism advertising will not be enough to save many of these small businesses. We are finding that bookings for accommodation are being cancelled. At Rawson bookings worth $200 000 over the next three to four months have been cancelled. Facilities that accommodate regular school camps and group bookings have been extremely hard hit. All of these cancellations have an impact right across the small business sector in these areas. These businesses need government assistance to cover their costs at least over the next few months and to help cover the cost of overheads such as repayments on bank loans.

I call on the Minister for Small Business to take immediate action to broaden the eligibility criteria for small business assistance under the federal-state government's $51 million assistance package so that these businesses can receive the urgent help they desperately need.

## Rooming houses: maintenance

**Mr FOLEY** (Albert Park) — The matter I wish to raise is for attention of the Minister for Housing, who I note is fortuitously in the house. The specific matter I wish to raise for his attention is that he ensure that the money made available to his department for the record investment in maintenance of social housing, at both a public housing and community housing level, is invested in particular in rooming house upgrades in my electorate and indeed across areas of need in Victoria. I do so because it is well understood that this government, in partnership now with a decent federal government, is committed to ensuring every citizen's right to housing and a home in a community that supports their life aspirations. This is a government and a minister that are committed to dealing with the problems of homelessness and to recognising how important rooming houses are as a part of the solution to those suffering from or at risk of homelessness.

In a community as rich as ours and in an electorate as diverse as my own it is a blight on us all that some of our most vulnerable citizens continue to face homelessness as their daily lot. It is vital to providing a sense of decency for citizens who are sleeping rough and struggling to secure permanent accommodation and for them to have a sense of engagement with the broader community into which they seek to come from the margins of that community that we increase the range of choices and the standard of accommodation options available to them.

There are a number of rooming houses and crisis accommodation facilities in my electorate that are in desperate need of maintenance repairs to bring them up to the physical standard a modern community would expect. There are many fine facilities that are doing a wonderful job, but there are many that require significant attention. It is these facilities and their residents that we need to send a message to through this investment. There are a number of older-style rooming house properties in my electorate — nowhere near as many as there once was, I might add — which are at the end of their tenantable life and are exhibiting signs of physical and all-too-regular social dysfunction. These can be saved and can continue to be used as important instruments of social and community housing options.

It is particularly important to improve these rooming house and crisis accommodation facilities, because so many of them are able to offer networks of support, assistance and community that make them the most intangible of things to our marginalised community members — a home. These necessary works will allow the retention of this housing stock in an increasingly expensive area which values diversity and which welcomes those to whom life has dealt a harsh deal. It is an area that is well located in relation to many services. This is particularly important when it comes to those who are suffering from mental illness, those who are recovering from alcohol and substance abuse and increasingly that group of single, low-income males who find themselves on the fringe of society for a range of reasons. I look forward to the minister's considered support of this suggestion.

## Responses

**Mr WYNNE** (Minister for Housing) — I rise to acknowledge the importance of rooming house accommodation which is predominantly within the inner city area of metropolitan Melbourne. The vast bulk of rooming houses are in the member for Albert Park's electorate, but they are also in my electorate and in the electorates of the members for Footscray, Williamstown and Northcote. Traditionally rooming house accommodation has played a very important role as accommodation for single people. Often that accommodation, as members would be aware, would have been above the local corner pub where the rooms were often let out on a casual or in some cases semi-permanent basis. Over the years what we used to know as local pubs in inner city Melbourne have dried up. That form of accommodation has reverted to alternative uses, which has resulted in a significant shortage of rooming house accommodation.

The second aspect of that issue, as I have spoken about in the house before, is that rooming houses have traditionally been owned and operated by families. Often in their earlier lives the rooming houses were used by migrant communities. They were made available to successive waves of migrant communities. It is a sad fact that many of those rooming houses are now being operated by quite elderly people who are finding it difficult to manage them. Their sons and daughters are unwilling to take over those properties. We have the potential going forward for another significant diminution in rooming house stock.

It is in that context that I welcome the contribution by the member for Albert Park today, because it brings into sharp relief the importance of maintaining our existing rooming house stock and, where possible, improving the amount of stock that we have available in both the public and community sectors. As the member rightly pointed out, the partnership between the federal Rudd government and the Brumby government means that over the next period the Rudd government has committed $400 million to upgrade a range of properties including public housing, community housing and crisis accommodation.

I note that the member for Rodney interjected during the contribution of the member for Albert Park, and I am not entirely sure for what reason. I think the comment he made was that this is just spin. I say to the member for Rodney that I have 1. 5 billion reasons why we will be making a contribution to public and social housing going forward across the state, including in the Melbourne metropolitan area, in regional Victoria and in country Victoria over the next 18 months. The requirement is for us to spend 75 per cent of those funds by November of next year. It is completely false for the member for Rodney to be making comments across the chamber that this is simply spin. I suggest to the member for Rodney that he stay tuned. The money will allow us to restore properties that were potentially up for disposal, to increase the number of housing options available for homeless Victoria and to ensure that people living in rooming houses and crisis accommodation are living — and I hope all members from both sides of the house would agree with me — in secure, good-quality, long-term accommodation.

Maintenance funding could be used to improve environmental sustainability, buildings and tenant amenity. More specifically, things like the paintwork, the floor coverings and the plumbing in many of those rooming houses are severely downgraded. Having them upgraded will be much appreciated by residents living in them. The government could also use these funds to upgrade single crisis accommodation facilities to improve amenity and other make major improvements to that stock. Part of those funds will be dedicated to upgrading rooming houses and crisis facilities.

This is particularly important to ensure that the government meets its commitments as part of the partnership with the commonwealth to halve homelessness by 2020 — a very ambitious target but one this government has signed up for — and to offer accommodation to all rough sleepers by 2020. In both cases these are very honourable goals to which this government is completely committed. We will prioritise upgrades to rooming houses that are in locations, as the member for Albert Park indicated, that are close to shops, jobs and public transport so that residents have the services they need to get back on their feet and lead productive lives.

In the coming weeks we will work with the commonwealth to select the projects that will be upgraded as a part of this package. I say with great confidence that the member for Albert Park can rest assured that his constituents, particularly those people living in rooming houses, will be very pleased with the outcome of the negotiations being undertaken currently by the Victorian and federal governments to obtain tangible goals for rooming house residents.

*Honourable members interjecting.*

**Mr WYNNE** — I say finally to the member for Rodney, who is so acutely attuned to the issues of housing and homelessness, that he ought to stay tuned for the $1.5 billion which is going to be rolled out over the next 18 months, which is the biggest commitment by a commonwealth government to public and social housing and which is going to make a real difference going forward.

**Mr MERLINO** (Minister for Sport, Recreation and Youth Affairs) — The member for Eltham raised a matter about drought relief and about the government working closely with the Shire of Nillumbik. I have spoken often in this house about the vital importance of local sporting clubs to our communities. They are indeed the lifeblood of our communities. We have seen that in recent weeks in terms of the impact of the bushfires and the need to get sport up and running as soon as possible.

Just this morning I was in the city of Whittlesea to announce funding for the Whittlesea footy club. Its ground was severely impacted upon by the use of the oval as a staging area and for the relief and recovery centre. After working closely with and getting advice from AFL Victoria, this morning I announced funding

to provide immediate assistance to ensure that the ground is up and running for the club's first home game on Anzac Day, 25 April. Also in terms of drought, at the end of the season we will go back to the ground and do some further, more significant works, replacing the turf with drought-resistant turf.

In terms of community facilities, no government has invested as much into community sport as the current Labor government — $180 million for over 1900 projects. That is not twice as much as the previous Liberal-Nationals government, not three times as much, not four times as much but five times the investment of the previous Liberal-Nationals government. On top of that there is $10 million for the country football-netball program, $3 million for the recently announced bushfire recovery program as well as a number of other investments. This is in stark contrast to the misinformation in the recent press releases of the member for Lowan, which are in total contrast to the facts of the matter and our investment in community sport.

The Brumby government understands that one of the most important issues facing community sport is the impact of the drought. That is why over the past two years the Brumby government has invested over $28 million towards tackling the effect the drought is having on our grounds. It is why to date we have funded over 400 drought-related projects, whether they be water storage, water harvesting, drought-resistant turf or synthetic surfaces — and the list goes on.

We are also dealing with innovation. Synthetics at the moment predominantly are used at bowls clubs, soccer pitches and hockey pitches, but we are also involved in a quite exciting partnership with the Australian Football League, with cricket, and with the University of Ballarat, looking at the design and technicalities of synthetic surfaces for footy and cricket.

Turning now to the Shire of Nillumbik, I was recently there with the member for Eltham to announce the provision of a synthetic surface for Eltham North Reserves. The benefits of a synthetic surface for soccer are increased participation — obviously with synthetic surfaces you can play seven days a week, day and night, with small-sided games for the kids — and a decrease in maintenance needs. You do not need to rely on water to ensure that the surface is suitable for participation in the sport. Nillumbik is a great sports shire with huge participation and a lot of demand.

More than $500 000 in drought relief has been allocated to the Shire of Nillumbik through drought-proof grasses, water harvesting and synthetics, as I mentioned. In terms of community facilities in Nillumbik, we have provided $250 000 for the Eltham Bowling Club, $500 000 for the Eltham Leisure Centre, $500 000 for a new hockey development at Greensborough Hockey Club and $500 000 for Diamond Creek Stadium. I acknowledge and commend the extraordinary advocacy and local representation of the member for Eltham, the member for Yan Yean and other members in that region.

Finally, in terms of drought funding, we have already funded over 400 drought-related projects. I will be announcing further drought projects in the coming weeks, and I assure the member for Eltham that I will continue to work with the Shire of Nillumbik and all councils across Victoria.

For the benefit of the member for Lowan I point out that in terms of our assistance to communities affected by the bushfires, the Horsham Golf Club received a $100 000 grant — the maximum grant — to ensure that that important community facility is up and running as soon as possible. The member for Lowan did indeed acknowledge that grant, and I thank him for it.

The member for Nepean raised a matter for the attention of the Minister for Environment and Climate Change.

The member for Geelong raised a matter for the attention of the Minister for Health.

The member for Rodney raised a matter for the attention of the Minister for Energy and Resources.

The member for Ferntree Gully raised a matter for the attention of the Minister for Children and Early Childhood Development.

The member for Northcote raised a matter for the attention of the Attorney-General.

The members for Lowan and Clayton raised matters for the attention of the Minister for Consumer Affairs.

The member for Narracan raised a matter for the attention of the Minister for Small Business.

I will ensure that those matters are raised with the relevant ministers for their action.

**The ACTING SPEAKER** (**Mr Nardella**) — The house stands adjourned.

**House adjourned 10.43 p.m.**