

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

**LEGISLATIVE ASSEMBLY**

**FIFTY-SIXTH PARLIAMENT**

**FIRST SESSION**

**Tuesday, 31 March 2009**

**(Extract from book 4)**

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

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Lim, Mr Muy Hong	Clayton	ALP			

<sup>1</sup> Resigned 6 August 2007

<sup>2</sup> Elected 15 September 2007

<sup>3</sup> Resigned 2 June 2008

<sup>4</sup> Elected 28 June 2008

<sup>5</sup> Elected 15 September 2007

<sup>6</sup> Resigned 6 August 2007



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**Tuesday, 31 March 2009**

**The SPEAKER (Hon. Jenny Lindell) took the chair at 2.06 p.m. and read the prayer.**

**The SPEAKER** — Order! Before calling questions I advise the house that there are some minor difficulties with the clocks today. I am sure the clerks and the Speaker will manage the situation, but perhaps later in the day members should remain aware that there are some problems with the clocks.

**DISTINGUISHED VISITOR**

**The SPEAKER** — Order! I welcome to the gallery the Consul General of the Republic of Turkey, Mr Aydin Nurhan.

**QUESTIONS WITHOUT NOTICE**

**Minister for Health: performance**

**Mr BAILLIEU** (Leader of the Opposition) — My question is to the Minister for Health. I refer to 10 October 2007, when the opposition raised in this place concerns over the manipulation of elective surgery waiting lists in Victorian hospitals, and I ask: is it not a fact that the minister refused to take action on waiting lists in October 2007 because he was more concerned about protecting his job than protecting patients?

**Mr ANDREWS** (Minister for Health) — I thank the Leader of the Opposition for his question. My only interest in these matters is to ensure that hospitals record their data appropriately and in turn report their data appropriately. That is my expectation, that is the expectation of patients and that is the expectation of every single Victorian. That is why, when evidence of inappropriate behaviour became clear at the Royal Women's Hospital, the very moment I was briefed about these matters I set in place a process to call in the chair, to call in the chief executive officer, to appoint independent auditors and to make the findings of that audit report public and yesterday to take swift action in relation to the appointment of a delegate to the board, which we will confirm in the next couple of days, as well as a raft of other measures designed to strengthen —

*Honourable members interjecting.*

**The SPEAKER** — Order! I cannot hear the minister's answer. I would think the opposition, having

had the opportunity to ask the question, would show respect and listen to the answer.

**Mr ANDREWS** — That is why yesterday I announced a raft of measures, including six unannounced spot audits across the system, other administrative changes to ensure that every patient is written to when their status changes so they can effectively become an auditor within the broader health system and a range of other changes to do with statements of priorities and annual reports to this Parliament. The honourable member is submitting that I have not acted, and in that he is wrong.

**Infrastructure: government initiatives**

**Ms BEATTIE** (Yuroke) — My question is to the Premier. I refer to the government's commitment to making Victoria the best place to live, work and raise a family, and I ask the Premier to update the house on action that the Brumby government is taking to invest in infrastructure that will create jobs this year.

**Mr BRUMBY** (Premier) — I thank the member for Yuroke for her question. We have a very big infrastructure and capital works program across this state. We have quadrupled infrastructure investment over the period in which we have been in government — a fourfold increase. Infrastructure investment across government used to run at about \$1 billion a year and it is now running at \$4 billion a year on the general budget account. If you add up what we are doing on budget sector capital works plus what we are doing through the non-financial public corporations, you will find we are spending close to \$7 billion to \$8 billion a year on capital works and generating jobs and a stronger economy across our state. That means that over the next four years we will be investing something like \$28 billion, building a stronger economy, building a better Victoria, building a fairer Victoria and generating jobs for Victorians, particularly as we see the results of the global financial crisis breaking over Australia.

One of the areas in which we have made a very substantial investment is transport, and I refer in particular today to road construction. Honourable members will be aware we are spending \$1.3 billion on the M1 Freeway, which is the biggest publicly funded road project in our state's history. I was in Geelong on Thursday of last week turning the first sod for stage 4A of the Geelong Ring Road. We have completed stages 1 and 2. Stage 3 is under construction to be completed at the end of this year, and stage 4A is to be completed at the end of 2010. It is a brilliant project for that region and is generating thousands of jobs.

The Deer Park bypass is another great project supported and promoted by our government. It is running ahead of schedule, like so many projects in our state, and we will be opening that one shortly. The Calder Freeway is a great project which is set to open within the next month. It will complete the dream that so many people have of a duplicated highway between Melbourne and Bendigo. I want to say particularly that the members for Bendigo West and Bendigo East in particular have been absolute champions of this project. It will be great to see that project completed.

Today we added to that list of great projects across our state when, with the Minister for Roads and Ports, I released the expressions of interest document which essentially provides the first step in the go-ahead for Peninsula Link. I also was joined by the member for Frankston, who has been a great supporter of this project. He has been persistent and intrepid in his fearless advocacy of this project within the community and within government. Today we took the first step, and I want to congratulate the member and the minister for that.

This is a \$750 million nation-building project. Of all projects across Australia very few of this size and scale can get under way, get working, get the shovel in the ground and generate jobs through 2009 and 2010. This project meets that test. As I have been saying publicly in terms of all the things this project does, in terms of being shovel ready, in terms of building a stronger economy, in terms of generating jobs, in terms of boosting tourism in community, in Frankston and on the Mornington Peninsula, this is a great project. We believe this is a great opportunity for a partnership between the state and federal governments.

I have made it very clear on numerous occasions that this is a project which will be funded by the government. This is a project — —

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the members for Malvern and Warrandyte to stop the never-ending interjections. I will not speak to either of them again. I do not need advice from the member for Narre Warren North, and if he continues in that manner, he will have the standing orders used against him.

**Mr BRUMBY** — As I said, it is a project which I believe ticks every box, and there is a great deal of community support for it. It is disappointing to me personally to hear the sort of criticism and carping that we hear from the other side. We want people to get behind this project. I want the opposition to get behind

the project. I believe it is a great project for the state. We intend to proceed with this project as part of a great raft of nation-building projects that are generating jobs in our state. We will provide the leadership to generate the jobs to get our economy through the global financial crisis. I am disappointed by the negative and carping attitude of the opposition in opposing this project.

### **Minister for Health: performance**

**Mr RYAN** (Leader of The Nationals) — I direct my question to the Minister for Health. I refer to 26 February 2008, when the opposition again raised concerns in this place over the manipulation of waiting lists, and to the minister's response, which dismissed claims of dodgy elective surgery waiting lists as 'a lie' and 'nonsense'. I ask: why did not the minister then do something to investigate these matters, or was this a case once again of the minister refusing to take action because he was more concerned about protecting his job than protecting patients?

**Mr ANDREWS** (Minister for Health) — I thank the Leader of The Nationals for his question. I again make it absolutely clear for the Leader of The Nationals and all members that my interest in these matters is to ensure that every single health service records its data accurately and reports its data accurately, and it is simply wrong to suggest that I have anything other than the interests of best patient care in mind. That is offensive. As I have said — —

*Honourable members interjecting.*

**The SPEAKER** — Order! the minister will not be shouted down by the opposition. The member for Kew knows not to interject in the manner that he has chosen to do. I ask the members for South-West Coast and Scoresby for their cooperation.

**Mr ANDREWS** — What I have always made clear is that if evidence of inappropriate practices came forward I would not hesitate to take the appropriate action. That is what has occurred at the Royal Women's Hospital and that is what will occur in any other instance where evidence of inappropriate behaviour comes forward to my department. This is unacceptable. It is unacceptable for health services to do anything other than record and report their data accurately.

**Mr Ryan** — On a point of order, Speaker, the minister is debating the question. The question related to why did he not do something when he was advised that these were problems. That is the issue to which we would ask him to address his answer.

*Honourable members interjecting.*

**The SPEAKER** — Order! I do not uphold the point of order. I believe the minister is being relevant to the question as it was asked. I ask once again for some cooperation from all members so that the minister can be heard and, in particular, the members for South-West Coast and Scoresby.

**Mr Eren** interjected.

**The SPEAKER** — Order! I warn the member for Lara!

**Mr ANDREWS** — As I have said, my only interest in these matters is to ensure that hospitals record and report appropriately and, where evidence of inappropriate behaviour comes forward, to take the decisive and appropriate action that has been taken. That is what has occurred at the Royal Women's Hospital, and that is what will occur at any other health service where evidence comes forward to us of inappropriate behaviour.

**The SPEAKER** — Order! Before calling the member for Frankston I suggest that if the member for Hastings wishes to ask a question, he should simply stand in his place at the appropriate time and he will be given the call.

### **Roads: infrastructure investment**

**Dr HARKNESS** (Frankston) — My question is to the Minister for Roads and Ports. I refer to the government's commitment to making Victoria the best place to live, work and raise a family, and I ask: can the minister outline to the house how motorists will benefit from the delivery of key road infrastructure projects by the Brumby government, and is there any need for additional measures?

**Mr PALLAS** (Minister for Roads and Ports) — I thank the member for Frankston for his question and for his continuing support for improving infrastructure in Frankston and on the Mornington Peninsula. The Brumby government is taking action to build the best transport network in Australia. Only last week I had the pleasure of accompanying the Premier to the start of the Geelong Ring Road 4A project — a \$125 million project jointly funded by the state and federal governments — which will deliver wonderful connectivity to that part of Victoria. But the work does not stop there.

Today I was pleased yet again to accompany the Premier — and it is fortunate that we enjoy each other's company so much; the Premier and I are going to be hanging out quite a bit together in the foreseeable future — when we called for expressions of interest on

the shovel-ready, toll-free Peninsula Link to ensure that that project starts by the end of this year. Peninsula Link will not only deliver a vital new transport link for Melbourne's south-east and connect to the Mornington Peninsula, but it will also provide something like 4000 direct jobs and significant economic stimulus to both the state economy and, importantly, the national economy. We are taking action to deliver this vital toll-free piece of infrastructure under an availability public-private partnership model. It allows us to deliver, through a partnership with the private sector, an innovative product that will ensure that the community gets the best possible road that can be delivered.

When the Leader of the Opposition is asked about this project and how it should be delivered, all we hear from him is, 'Don't ask me, ask the Premier'. Early works on this project can commence at the project's Lathams Road overpass in the coming months, with works to commence on the ground by the end of this year. No view on how Peninsula Link should be built, what alignment it should have or how it should be funded has been expressed by those opposite. They have been sitting on the fence so often and for so long that they walk with a waddle.

*Honourable members interjecting.*

**The SPEAKER** — Order! The minister knows better than to debate the question.

**Mr PALLAS** — By contrast, this project has been strongly supported by the heroic efforts of the member for Frankston, who, together with the community, has been a fervent advocate for this project. I was pleased today that the Royal Automobile Club of Victoria was very quick to recognise the great work the state has done when it indicated that it welcomes the quick start on this vital link.

In an article recently published in VECCI's (Victorian Employers Chamber of Commerce and Industry) autumn 2009 magazine I outlined the key projects that we are delivering as part of the \$38 billion transport plan. The article detailed the alternative measures we are taking beyond roadbuilding initiatives, such as delivering a truck amenity package for the inner west and new intermodal hub terminals as well as our port efficiency plan and freight emission strategies.

I was interested to read what VECCI described as an alternative vision for Victoria's transport plan also being provided. The alternative article identified not one project that would be delivered and not one alternative policy. It failed to recognise any of the work on significant road projects that this government is

currently building, such as the completion of the \$404 million in projects, which include the Calder Highway upgrade, which will be of great benefit to the people of Bendigo when it opens to traffic on 20 April. I expect that I will be with the Premier at that event.

Instead the alternative article only listed a litany of grievances and, at the end, an audacious claim that it would deliver innovative ideas that are both practical and affordable. There was no mention, for example, of the Deer Park bypass, which in effect will be opened on 5 April. I expect I will be with the Premier when he attends that great opening, which will connect not only the people of the western suburbs but the people of Ballarat with Melbourne city.

The author of the article was none other than the Leader of the Opposition. Saying nothing and criticising incessantly may not be innovation, but deferring to the Premier's view is both practical and affordable.

### **Minister for Health: performance**

**Mr BAILLIEU** (Leader of the Opposition) — My question is to the Minister for Health. I refer to a submission by Dr Peter Lazzari on 13 January 2009 to the inquiry into public hospital performance data, which documented fraudulent waiting list practices, following which Dr Lazzari was sacked. Is it not a fact that the minister was so desperate to cover up the truth about false waiting lists that he was even prepared to see a leading doctor sacked rather than see this massive fraud exposed?

**Mr ANDREWS** (Minister for Health) — I thank the Leader of the Opposition for his question. I reject the premise of the question asked by the Leader of the Opposition. What I can say, as I confirmed earlier on today, is that in relation to any inappropriate behaviour at Eastern Health, or claims thereof, the secretary of my department as recently as this morning spoke with the acting chief executive officer of Eastern Health, Clare Douglas, and sought from her an assurance that no evidence —

**Dr Napthine** interjected.

**The SPEAKER** — Order! I warn the member for South-West Coast.

**Mr ANDREWS** — As I was saying, the secretary of my department sought as recently as this morning an assurance from the acting CEO of Eastern Health, Clare Douglas, that there was no evidence in its health service of inappropriate behaviour. That assurance has been provided to the Secretary of the Department of Human

Services. If anyone has evidence to the contrary, they should come forward and action will be taken.

### **Rail: north-eastern Victoria**

**Mr HARDMAN** (Seymour) — My question is to the Minister for Public Transport. I refer to the government's commitment to making Victoria the best place to live, work and raise a family, and I ask: can the minister inform the house about recent progress on the north-east rail revitalisation project?

**Ms KOSKY** (Minister for Public Transport) — I thank the member for Seymour for his question and for his great interest in and support for the north-east rail corridor upgrade. Probably most members in this house are not aware that 75 per cent of the regional rail network has been or is currently being upgraded by this government — 75 per cent! Seventy five per cent is a very large number. It gives you a sense of the mess we were left with by the previous government. We had mess we had to clean up the mess and invest in the network. The previous contract contained no obligation to maintain the track. When we bought back the track we acted to invest in and improve that rail freight network. That is exactly what we have done.

The north-east rail corridor is a very good example of the investment we have made in conjunction with the federal government and of our commitment to regional rail right around Victoria. Under the previous government train speeds on the north-east rail line were reduced from 115 kilometres per hour to 80 kilometres per hour. This added about 30 minutes to travel times. The investment we are making is going to reduce travel times and lead to increased speed on that line. In May 2008 the Brumby government committed \$171 million alongside the federal government's commitment. The total project cost is \$613 million for that north-east rail corridor upgrade. This sits alongside the extraordinary investment and commitment we are making through the Victorian transport plan. We are making that investment in the regional rail freight upgrade. This is 208 kilometres of broad gauge line between Albury and Seymour that is being converted to standard gauge. It is a very detailed and difficult project that will allow for faster and heavier freight and passenger trains on that line.

Earlier this month, along with the member for Seymour, I visited Seymour and observed the putting in place of the last lot of replacement sleepers. We were hard at work whilst the opposition was trying to work out a policy on rail around Victoria. We have been getting on with the job: 285 000 sleepers have been replaced since May last year. That is an extraordinary

number of sleepers. This project involves converting almost 200 kilometres of track, and as I mentioned, the last lot of sleepers has been replaced. There is still extra work to be done, but this was a great milestone, and the project is well on track for completion in 2010.

There are still works to be completed: 32 bridge upgrades; there is the construction of new platforms at Seymour, Avenel, Euroa, Chiltern, Violet Town, Springhurst and Broadmeadows; upgrades to existing platforms at stations along the line; the upgrading of train signalling systems, which is very important; refurbishing V/Line trains and converting them to standard gauge track; and completing the Wodonga rail bypass.

More than 200 jobs have been created as a result of this project alone — that is, 200 jobs directly in the work crews working on this project. When you consider that those work crews live in the local communities that surround the track and support the local economies, that has been great news for the local traders and communities right along that north-east rail corridor. The project is progressing to schedule, with services planned to resume in 2010. These services, as we know, were slashed right around regional Victoria by the previous government. We are committed as a government to the revitalisation and upgrading of regional rail right around Victoria. Unlike those opposite, we are absolutely committed, and we are putting the funding in. We would like to see policies from those opposite that involve more than just being lazy and standing for nothing.

### Hospitals: data reporting

**Mrs SHARDEY** (Caulfield) — My question without notice is to the Minister for Health. I refer the minister to allegations raised by the Australian Medical Association (AMA) in February this year in a submission to the upper house inquiry into public hospital performance, which states:

Hospital data are subject to manipulation. These practices give the appearance of meeting key performance indicators and thus avoiding funding penalties.

Manipulation may include ... reclassification of elective surgical waiting list patients, using inconsistent definitions of time to treatment, or simply falsifying data.

When did the AMA first raise these concerns with the department?

**Mr ANDREWS** (Minister for Health) — I thank the member for Caulfield for her question. I think she is referring to the submission of the Bendigo branch of the AMA (Australian Medical Association). Is that correct?

**An honourable member** interjected.

**Mr Hulls** — She doesn't know.

**Mr ANDREWS** — She doesn't know? She does not know what submission she — —

*Honourable members interjecting.*

**The SPEAKER** — Order! I remind the minister that this is not his opportunity to ask questions.

**Mr ANDREWS** — Let me simply say that a submission was made publicly in relation to activities at the Bendigo Hospital, and that has received some press coverage today. The Bendigo chapter of the AMA has raised a range of concerns about practices at the Bendigo Healthcare Group. What I can say to the member for Caulfield, and to all members, is that earlier on today the secretary of my department spoke with the CEO (chief executive officer) of the Bendigo Health Care Group.

*Honourable members interjecting.*

**Mr ANDREWS** — The member for Caulfield is uncertain as to what submission she is referring to. I am referring to matters at Bendigo, which I have acted on today, and I am providing that information. The secretary of my department spoke with the CEO of the Bendigo Healthcare Group this morning and sought from him an assurance that no inappropriate behaviour was occurring. He has provided that assurance to me, and I simply say again that I am prepared to accept that assurance as provided by the CEO of the Bendigo Healthcare Group. However, if there is any evidence to the contrary, that should be brought forward and appropriate action will be taken.

**Dr Napthine** interjected.

**The SPEAKER** — Order! I believe that the member for South-West Coast has been warned. If the member for South-West Coast has changed his mind about taking a point of order, which he obviously has, that does not allow him an opportunity for theatrics.

### Schools: funding

**Ms BARKER** (Oakleigh) — My question is to the Minister for Education. I refer to this government's commitment to making Victoria the best place to live, work and raise a family. Could the minister update the house on this government's plan to ensure we have quality facilities for children that match the excellence of teaching and learning in our schools?

*Honourable members interjecting.*

**Questions interrupted.**

**SUSPENSION OF MEMBER**

**Member for South-West Coast**

**The SPEAKER** — Order! Under standing order 124, I ask the member for South-West Coast to vacate the chamber for 30 minutes.

**Honourable member for South-West Coast withdrew from chamber.**

**QUESTIONS WITHOUT NOTICE**

**Schools: funding**

**Questions resumed.**

**Ms PIKE** (Minister for Education) — I thank the member for Oakleigh for her question. The Brumby government has a very clear plan — the Victorian schools plan — for rebuilding, renovating and extending every government school over the next 10 years. This is the biggest education rebuilding program in Victoria’s history. In this term of government we have committed \$1.9 billion for the first tranche of 500 schools. We are more than halfway through our work there and well on target to delivering that outcome.

We are very proud of the investment we are making not only in the infrastructure of our schools but in a good-quality public education system, creating new opportunities for our young people to have a great education. I have to say that schools and families are very proud of their local schools. When you couple that with the now additional money that is coming from the federal government through the economic stimulus package, which is providing over \$2 billion of extra money for school infrastructure, then we are very excited to be participating in what will be a generational change in the infrastructure in our school system.

You can imagine how disappointed and bemused the principal of the Beechworth Secondary College was recently to read an article saying that his school was not delivering quality educational facilities and was not providing opportunities for the upgrading of its building, when in fact a \$4.9 million redevelopment of the school had just been completed. The principal, John Hunter, was very upset to see that his school was being referred to negatively in the article. He was reported in the *Ovens Murray Advertiser* as saying:

I explained that we have just spent \$4.9 million on the first stage of the redevelopment, so when I saw the news and read the headlines I was quite annoyed ...

We are having the whole school pulled down and rebuilt, so why would we be worried about repairing walls that are not staying up?

Who is going to spend money on buildings that won’t even be there?

That scurrilous set of accusations was made by the opposition in a press release. It criticised the government for not providing maintenance funding to schools that have been rebuilt — that is, schools that are in the process of being completely demolished and rebuilt.

Similarly the principal of Parkdale Secondary College was featured in an article in the local paper that said the school required repairs. In fact, the school is currently undergoing a \$9 million rebuild — a complete rebuild. This is yet another example of lazy, ill-informed people calling for — —

*Honourable members interjecting.*

**The SPEAKER** — Order! The minister knows better than to debate the question.

**Ms PIKE** — New buildings that will not be requiring this kind of maintenance are Eaglehawk Secondary College, Weeroona College, Kurnai College, Flora Hill Secondary College and Western Heights Secondary College — all schools that are currently being rebuilt and will be brand new schools. It is insulting to communities to have this kind of information peddled in their local papers when they have been working hard with their architects, with their builders and with their school communities to deliver new buildings or renovate existing buildings — to be denigrated by people after all that hard work.

We are not in the business of talking down public education; we are in the business of rebuilding, modernising, renovating, investing and making sure families can continue to be proud of the education that is provided for their children. We have a commitment to a world-class education system that gives every single child in this state every opportunity to thrive, to learn, to grow and to shine.

**Police: information and communications technology systems**

**Mr McINTOSH** (Kew) — My question is to the Minister for Police and Emergency Services. Will the minister provide a guarantee that all Victoria Police

information and communications technology systems are operating effectively?

**Mr CAMERON** (Minister for Police and Emergency Services) — I can advise the house that late last year former Chief Commissioner Nixon advised me that she was dissatisfied with the business and information technology services area of Victoria Police and that she would be conducting an internal review of its contractual and procurement arrangements and addressing any issues that might arise.

I can advise the house that that work is ongoing. Members will be aware that Chief Commissioner Overland has expressed his dissatisfaction with the IT arrangements and has also said he believes it is an important issue. The chief commissioner is undertaking a review of the internal IT processes and to that end is engaging an industry expert to undertake that review of how those IT arrangements should be organised during his chief commissionership and how they will be delivered into the future. Certainly the chief commissioner made it very clear to me when he took up his position that this was going to be a high priority for him.

I advise the house that the commissioner for law enforcement data security is producing a report into the governance arrangements for IT. I wrote to him late last year, and he is undertaking that review. That review will help inform the chief commissioner of the arrangements as we go forward. I also advise the house that the chief commissioner has advised me that the LEAP (law enforcement assistance program) data system is securely backed up and that there are contingency plans to deal with the situation in unfortunate event of a disaster taking place.

**Mrs Shardey** — On a point of order, Speaker, I just wish to clarify for the Minister for Health that I was referring to — —

*Honourable members interjecting.*

**Mrs Shardey** — The minister asked me a question. I wish to clarify that I was referring to the upper house inquiry submission by the president of the Australian Medical Association, Dr Doug Travis, and if the minister goes to the website, he can read it for himself.

**The SPEAKER** — Order! There is clearly no point of order. The member's point of order could be regarded as frivolous. I pointed out to the minister at the time that question time is not an opportunity for him to ask questions, so it is also not an opportunity for the shadow minister to answer questions.

### Major events: government initiatives

**Ms MUNT** (Mordialloc) — My question is to the minister for Tourism and Major Events. I refer to the government's commitment to making Victoria the best place to live, work and raise a family, and I ask: can the minister outline to the house what the Brumby government is doing to ensure that Victoria continues to host the world's best major events, and can he update the house on any recent announcements?

*Honourable members interjecting.*

**Mr HOLDING** (Minister for Tourism and Major Events) — I will eventually come to the point being made by the member for Brighton right now. But I thank the member for Mordialloc for her question, because what a fantastic month it has been to be in Victoria. We have had the Australian International Airshow, we have had the L'Oréal Melbourne Fashion Festival — I know many members of the opposition were keen to get along and enjoy some of those great fashion festival events — and we have had the Melbourne Food and Wine Festival. On the weekend we had a spectacular double. We had the Australian Formula One Grand Prix — what an awesome event for our state! — and the opening to the Aussie Rules season, with record crowds. What a fantastic set of events for Victoria. This week we start the Melbourne International Comedy Festival. We know that the Leader of the Opposition takes a keen interest in the comedy festival, and we look forward to having record crowds enjoying that fantastic event as well.

The reason the Brumby government supports major events for this state so strongly is that we know in these difficult economic times more than ever it is vital to support events that showcase Victoria and Melbourne on the international stage and bring visitors from interstate and overseas. Those visitors stay in our hotels, they eat in our restaurants, they attend these events and they spend money in our retail sector. All of those things create vitally needed jobs and generate economic activity here in Victoria. That is why we are right behind the major event strategy. We see it as absolutely vital in generating jobs and in generating economic activity to support Victoria's tourism and hospitality sector. It was with great pleasure that I joined the Premier and the Minister for Sport, Recreation and Youth Affairs to announce on 19 March that we had secured the attendance of Tiger Woods as part of the Australian Masters golf tournament to be held in November this year.

Opposition members have just been saying, 'What a great Kennett government initiative the major event

strategy was'. Of course the Victorian Major Events Company was established by a former Labor government, but we are very pleased to hear that bipartisanship apparently extends to major events in Victoria, because people around Australia are coming to recognise the value of this strategy to Victorians. I quote from a radio interview given by Barry O'Farrell, the leader of the opposition in New South Wales, who said that securing Tiger Woods:

... will bring people into Melbourne's hotels, into Melbourne's restaurants, spending dollars in Victorian businesses and they estimate that it's worth \$19 million in economic benefit.

I know some people have had occasion from time to time to criticise comments made by former Premier Jeff Kennett, but I want to quote from an article written by the former Premier in the *Herald Sun* of 24 March this year:

... we have developed an industry in the delivery of events in Victoria that is unmatched anywhere else in the world. Big claim? Maybe, but true.

Have a look at the hundreds of Victorians who have been employed in other states and overseas to assist businesses and governments deliver their events.

We want to see more Victorians getting behind the fact that this government has secured Tiger Woods to join us for the Australian Open. I was perplexed to see the quote that said we should not have secured Tiger Woods as 'the highest-paid sportsman in the world to come here for a tournament which is not an international tournament'. Who said that? Who has broken ranks with the bipartisanship for Victorian major events?

**Mr Hulls** — Who?

**Mr HOLDING** — It is none other than the Leader of the Opposition. Thankfully the Victorian government does not support this view. We in fact think that securing Tiger Woods to come to Victoria will generate economic activity for our state, and it will generate vitally needed tourism and hospitality jobs for Victoria.

It is like *Caddyshack*. The Leader of the Opposition is the gopher, but every time a golfer appears he runs and hides underground.

*Honourable members interjecting.*

**The SPEAKER** — Order! The minister will conclude his answer.

**Mr HOLDING** — We support major events. We unambiguously support the economic value they bring to our state. We unambiguously support — —

**An honourable member** interjected.

**Mr HOLDING** — Throwing money at it! We unambiguously support major events for his state. If this lazy opposition got some policies, Happy Gilmore over there might find that his approval ratings would go up.

## PARLIAMENTARY SALARIES AND SUPERANNUATION AMENDMENT BILL

### *Introduction and first reading*

**Mr HOLDING (Minister for Finance, WorkCover and the Transport Accident Commission)** introduced a bill for an act to amend the **Parliamentary Salaries and Superannuation Act 1968 and for other purposes.**

**Read first time.**

## JUSTICE LEGISLATION AMENDMENT BILL

### *Introduction and first reading*

**Mr HULLS (Attorney-General)** — I move:

That I have leave to bring in a bill for an act to amend the Crimes Act 1968, the Children, Youth and Families Act 2005, the Drugs, Poisons and Controlled Substances Act 1981, the Firearms Act 1996, the Gambling Regulation Act 2003, the Magistrates' Court Act 1989, the Police Integrity Act 2008, the Police Regulation Act 1958, the Prostitution Control Act 1994, the Surveillance Devices Act 1999 and the Terrorism (Community Protection) Act 2003 and for other purposes.

**Mr CLARK (Box Hill)** — I ask the minister for a brief explanation of the bill.

**Mr HULLS (Attorney-General)** — This bill does a number of things, but basically it extends the more commonly used warrant powers to facilitate the search of a vehicle in a public place and to improve the operation of these powers. It will enable the Children's Koori Court to continue and be a permanent part of the legal landscape in this state. It will also remove the current restrictions on advertising in Victoria by wagering service providers.

**Motion agreed to.**

**Read first time.**

**PLANNING LEGISLATION AMENDMENT  
BILL**

*Introduction and first reading*

**Mr BATCHELOR** (Minister for Community Development) — I move:

That I have leave to bring in a bill for an act to amend the Planning and Environment Act 1987, the Docklands Act 1991, the Heritage Act 1995, the Local Government Act 1989 and the Melbourne Convention and Exhibition Trust Act 1996 and for other purposes.

**Mr CLARK** (Box Hill) — I ask the minister to provide the house with a brief explanation of this bill.

**Mr BATCHELOR** (Minister for Community Development) — Amongst other things, the bill will amend the Planning and Environment Act to establish development assessment committees, which will improve planning for areas and matters that are of metropolitan significance, including Melbourne's 26 principal activity centres. It also contains provisions that relate to what is a growth area.

**Motion agreed to.**

**Read first time.**

**CHILDREN LEGISLATION AMENDMENT  
BILL**

*Introduction and first reading*

**Ms NEVILLE** (Minister for Community Services) — I move:

That I have leave to bring in a bill for an act to amend the Children, Youth and Families Act 2005 and the Child Wellbeing and Safety Act 2005 and for other purposes.

**Ms WOOLDRIDGE** (Doncaster) — I ask the minister to provide a brief explanation of the bill.

**Ms NEVILLE** (Minister for Community Services) — The bill seeks to make some technical amendments to streamline child protection practices as well as enhance the accountability of the child protection system by expanding the powers of the child safety commissioner.

**Motion agreed to.**

**Read first time.**

**ROAD LEGISLATION AMENDMENT BILL**

*Introduction and first reading*

**Mr PALLAS** (Minister for Roads and Ports) — I move:

That I have leave to bring in a bill for an act to amend the Road Safety Act 1986, the Road Management Act 2004, the Accident Towing Services Act 2007, the Transport Act 1983 and the Melbourne City Link Act 1995 and for other purposes.

**Mr MULDER** (Polwarth) — I ask the minister to provide a brief explanation of the bill.

**Mr PALLAS** (Minister for Roads and Ports) — The bill seeks to improve road safety through stronger drink-driving laws and increased penalties for drivers of non-motorised vehicles. It also seeks to reduce the risk posed by heavy vehicle speeding. It seeks to improve the operation of the vehicle impoundment regime to enhance the capacity of public authorities to manage parking on land under their control. It seeks to improve the operation of the Road Safety Act, the Accident Towing Services Act and the Road Management Act.

**Motion agreed to.**

**Read first time.**

**BUSINESS OF THE HOUSE**

**Notices of motion: removal**

**The SPEAKER** — Order! I advise the house that under standing order 144 notices of motion 45 to 60, 137 to 139, 199 and 200 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:**

**Advertising: offensive billboards**

To the Legislative Assembly of Victoria:

The petition of the Victorian community draws to the attention of the house that inappropriate, offensive and distracting material is being used in advertisements along Victorian roadsides. The petitioners therefore request that the Legislative Assembly of Victoria adheres to the request of us, the undersigned, to ban advertisements on billboards, on the sides of vehicles and in public spaces, which:

advertise adult nightclubs, prostitution services, sex aids and other sex shop merchandise;

demean women and men by depicting them as mere sex objects;

use implied or explicit sexual images or words which risk distracting motor vehicle drivers' attention; and

expose children to inappropriate adult material.

**By Mr CLARK (Box Hill) (1165 signatures).**

**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 STENSCHOLT (Burwood) (491 signatures).**

**Police: numbers**

To the Legislative Assembly of Victoria:

The petition of the residents of Victoria draws attention to the house the lack of police resources in the fight against street crime.

The petitioners therefore request that the Legislative Assembly of Victoria allocate the necessary funding to provide for the urgent recruitment of 3000 additional police officers necessary to secure the safety of the Victorian community.

**By Mr STENSCHOLT (Burwood) (16 signatures).**

**Box Hill Hospital: funding**

To the Legislative Assembly of Victoria:

This petition of residents of Victoria draws to the attention of the house the urgent need for the full redevelopment of Box Hill Hospital to proceed without delay.

The medical needs of residents of the eastern suburbs and beyond are suffering because the hospital is struggling to cope with growing numbers of patients, including elderly patients and young families, in the hospital's current old and inadequate facilities. This has resulted in Box Hill Hospital having some of the worst waiting lists and waiting times of any hospital in Melbourne, despite the best efforts of doctors, nurses and other hospital staff.

The petitioners therefore request that the Legislative Assembly call on the Brumby government to provide the

necessary funding urgently so the full redevelopment of Box Hill Hospital can proceed without any further delay.

**By Ms WOOLDRIDGE (Doncaster) (2 signatures).**

**EastLink: noise barriers**

To the Legislative Assembly of Victoria:

The petition of the residents of Donvale and environs draws to the attention of the house that the quality of life for residents whose homes adjoin EastLink in Donvale has been detrimentally affected by traffic noise, especially by the use of air brakes on large vehicles. Residents say they have been forced to double glaze their windows, they are suffering from disrupted sleep patterns and some are contemplating moving away from the area as passing traffic noises have been recorded as high as 82 decibels.

The petitioners therefore request that the Legislative Assembly of Victoria direct that additional noise abatement measures, which will allow residents to sleep at night without being disturbed and which allows them to enjoy their homes without intrusive noise levels, be implemented without delay.

**By Ms WOOLDRIDGE (Doncaster) (59 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) (18 signatures).**

**Bushfires: Loch Sport firebreak**

To the Legislative Assembly of Victoria:

The petition of the undersigned residents of Loch Sport draws to the attention of the house the perilous state of Loch Sport because of the risk of bushfire and calls upon the Parliament to recommend to the government that a suitable firebreak surrounding Loch Sport be constructed to ensure the safety of residents and visitors.

**By Mr RYAN (Gippsland South) (649 signatures).**

**Police: Casterton residence**

To the Legislative Assembly of Victoria:

The petition of the residents from the Casterton district within the Lowan electorate draws to the attention of the house the impending sale of the only Victoria police residence within the township and district which is utilised for 'sergeant' accommodation.

The petitioners therefore request that the Legislative Assembly of Victoria work with the relevant government bodies to retain the sergeant's residence, Clarke Street, Casterton without reservation.

**By Mr DELAHUNTY (Lowan) (377 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) (17 signatures).**

**Rail: Mildura line**

To the Honourable Speaker and members of the Legislative Assembly:

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) (46 signatures).**

**Tabled.**

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

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

**Ordered that petitions presented by honourable member for Doncaster be considered next day on motion of Ms WOOLDRIDGE (Doncaster).**

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

**SCRUTINY OF ACTS AND REGULATIONS COMMITTEE**

**Review 2008**

**Mr CARLI (Brunswick) presented annual review, together with appendices.**

**Tabled.**

**Ordered to be printed.**

*Alert Digest No. 4*

**Mr CARLI (Brunswick) presented *Alert Digest No. 4 of 2008* on:**

- Bushfires Royal Commission (Report) Bill**
- Crimes Amendment (Identity Crime) Bill**
- Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill**
- Human Services (Complex Needs) Bill**
- Legislation Reform (Repeals No. 4) Bill**
- Primary Industries Legislation Amendment Bill**
- Statute Law Amendment (Charter of Human Rights and Responsibilities) Bill**

**together with appendices.**

**Tabled.**

**Ordered to be printed.**

**DOCUMENTS**

**Tabled by Clerk:**

*Charter of Human Rights and Responsibilities Act 2006* — Report 2008 on the operation of the Act — Ordered to be printed

*Members of Parliament (Register of Interests) Act 1978* — Summary of Primary Return March 2009 and Summary of Variations notified between 9 October 2008 and 30 March 2009 — Ordered to be printed

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

Bayside — C52, C72, C79

Boroondara — C86  
 Campaspe — C43  
 Casey — C96  
 Glenelg — C45  
 Golden Plains — C14, C36  
 Greater Bendigo — C102 Part 1, C110  
 Greater Dandenong — C87  
 Horsham — C39  
 Hume — C100  
 Indigo — C35  
 Manningham — C71  
 Moreland — C65, C101  
 Moynes — C24  
 Stonnington — C94, C104, C106  
 Victoria Planning Provisions — VC54  
 Yarra — C111

Statutory Rules under the following Acts:

*Building Act 1993* — SR 25

*Disability Act 2006* — SR 26

*Subordinate Legislation Act 1994* — SRs 27, 28

*Whistleblowers Protection Act 2001* — SR 29

*Subordinate Legislation Act 1994*:

Ministers' exception certificates in relation to Statutory Rules 21, 22, 27, 28

Ministers' exemption certificates in relation to Statutory Rules 17, 24, 25

*Surveillance Devices Act 1999* — Report of the Special Investigations Monitor under s 30Q

*Wildlife Act 1975* — Wildlife (Control of Game Hunting) Notice Nos 1, 2/2009.

## ROYAL ASSENT

**Message read advising royal assent to:**

**18 March**

**Liquor Control Reform Amendment  
(Enforcement) Bill**

**24 March**

**Sheriff Bill  
Victoria Law Foundation Bill**

## APPROPRIATION MESSAGES

**Messages read recommending appropriations for:**

**Electricity Industry Amendment (Premium Solar  
Feed-in Tariff) Bill**

**Human Services (Complex Needs) Bill.**

## PARLIAMENTARY COMMITTEES

**Inquiry references: reporting dates**

**Mr BATCHELOR** (Minister for Community Development) — By leave, I move:

That:

- (1) the resolution of the house of 27 February 2008 providing that the Family and Community Development Committee be required to present its report, on the inquiry into the provision of supported accommodation for Victorians with a disability and/or mental illness, to Parliament no later than 30 June 2009 be amended so far as to require the report to be presented to the Parliament no later than 15 December 2009;
- (2) the resolution of the house of 26 June 2008 providing that the Law Reform Committee be required to present its report, on the inquiry into alternative dispute resolution, to the Parliament no later than 31 March 2009 be amended so far as to require the report to be presented to the Parliament no later than 31 May 2009;
- (3) the resolution of the house of 4 December 2008 providing that the Law Reform Committee be required to present its report, on the review of the Members of Parliament (Register of Interests) Act 1978, to the Parliament no later than 4 June 2009 be amended so far as to require the report to be presented to the Parliament no later than 31 December 2009; and
- (4) the resolution of the house of 9 October 2008 providing that the Outer Suburban/Interface Services and Development Committee be required to present its report, on the inquiry into Sustainable Development of Agribusiness in Outer Suburban Melbourne, to the Parliament no later than 31 August 2009 be amended so as to require the report to be presented to the Parliament no later than 31 March 2010.

**Ms WOOLDRIDGE** (Doncaster) — In February 2008 the house passed a motion to support an inquiry into supported accommodation for people with a disability and/or mental illness, and a similar motion was passed in the other place, so that the Family and Community Development Committee had two inquiries of a similar nature. Both chambers felt that it was reasonable to complete this inquiry by 30 June 2009, which established a 15-month time frame, so it is incredibly disappointing that today we are debating a motion to extend the reporting deadline. We certainly would have preferred not to be doing this, but we really

have no other choice. The opposition will not oppose this motion.

The committee staff work very hard, but the reality is that the committee did not have a full staff complement for most of last year. Attempts have been made to fill the positions, but the arrangements have been nowhere near what is needed for this complex and challenging inquiry.

**Ms Green** interjected.

**Ms WOOLDRIDGE** — I hear the member for Yan Yean interject that it is a frivolous inquiry, which is outrageous. Her interjection is not welcome.

**Ms Green** — On a point of order, Speaker, the member has referred to a comment that I did not make. I did not say that it was a frivolous inquiry, and I ask her to withdraw the remark because I take offence at that reference.

**The SPEAKER** — Order! The member has asked for the comment to be withdrawn.

**Ms WOOLDRIDGE** — I am happy to withdraw the comment — perhaps it was the frivolous interjection that I was hearing. The committee operated for months without an executive officer, so it was very difficult for it to do its work on this complex and challenging inquiry. Families caring for people with disabilities or mental illness and the community organisations, all of whom deal daily with failures of the supported accommodation system, need to be reassured that Parliament and the government will ensure the committee has the time and resources to effectively do the work needed to complete this important inquiry.

Just yesterday I had a call from a very frustrated individual who had made a submission to the inquiry, meeting the deadline of 10 October for submissions to be made — that is, five and a half months ago. Six weeks ago he was asked to give permission for his submission to be published on the web. He gave permission immediately, but it is still not on the website. Many individuals are waiting for their submissions to be published.

The reality is that the committee has not had the resources to do even the straightforward and necessary tasks. It needs an extension of time in which to report. It is terribly disappointing that the government and Parliament have not been able to fully resource the committee; I hope, in passing this motion, that now the committee can get on and bring forward new thinking

that is needed to address the failures of this government's supported accommodation system.

**Motion agreed to.**

## BUSINESS OF THE HOUSE

### Budget speech 2009–10

**Mr BATCHELOR** (Minister for Community Development) — By leave, I move:

That —

- (1) So much of standing and sessional orders be suspended so as to allow on Tuesday, 5 May 2009, following the introduction and motion for the second reading of the annual appropriation bill:
  - (a) the minister moving the second reading to retain their right to speak (for 15 minutes) on the question later in the debate;
  - (b) John Lenders, MLC, Treasurer, under section 52 of the Constitution Act 1975, be permitted to attend the house for the purpose of giving a speech of unlimited duration in relation to the Victorian state budget 2009–10.
- (2) A message be sent to the Legislative Council advising them that, under section 52 of the Constitution Act 1975, approval has been granted for John Lenders, MLC, Treasurer, to attend the Legislative Assembly on Tuesday, 5 May 2009, for the purpose of giving a speech in relation to the Victorian state budget 2009–10.

**Motion agreed to.**

### Program

**Mr BATCHELOR** (Minister for Community Development) — I move:

That under standing order 94(2), the orders of the day, government business relating to the following bills be considered and completed by 4.00 p.m. on Thursday, 2 April 2009:

Bushfires Royal Commission (Report) Bill

Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill

Fair Trading and Other Acts Amendment Bill

Human Services (Complex Needs) Bill.

Major Sporting Events Bill

Transport Legislation General Amendments Bill.

The government business program motion for this parliamentary week sets out the six bills the government would like to have passed during the course of government business, to deal with their second-reading stages. This list of six bills is small, but I acknowledge that there are a number of significant pieces of legislation in there covering a diverse and wide range of topics.

Notwithstanding that reality, it is my view that there will be sufficient time available during the course of this parliamentary week to conclude these bills before the impact of the guillotine takes place on Thursday at 4.00 p.m. Accordingly I recommend the motion to the house.

**Mr McINTOSH (Kew)** — Far be it from me to agree absolutely with the Leader of the House, but I have no doubt that the house will comfortably complete these six bills by Thursday at 4.00 p.m.

I note as an indication of the government perhaps spiralling out of control again this week, that the original government business program was proposed to the opposition last Thursday night. That meant various shadow ministers and other members of policy committees had to complete their work for shadow cabinet, which then considered that work. It was not until yesterday afternoon that the opposition was informed that again the government could not get its act together and intended to remove the Statute Law Amendment (Charter of Human Rights and Responsibilities) Bill from the program because for some reason it was unable to deal with that bill this week.

This is the second week in a row that the government has essentially undertaken the excision of a bill that it thought was so important as to propose it on a government business program and then proceed to deal with it in the following week. In the last sitting week we had the Occupational Health and Safety Amendment (Employee Protection) Bill. I would have thought this was a matter of profound concern to all parties, but particularly the government which made eloquent justification as to why this, along with the Statute Law Amendment Bill, was important; but again that was pulled out in the previous sitting week.

I note that the bill is not on the government business program, which strongly indicates that the government is virtually out of control and cannot even manage its own business program from week to week. Indeed the way it goes about its business is an indictment of the government. With those remarks, the opposition will not be opposing the government business program.

**Mr LUPTON (Pahran)** — I have some brief remarks in relation to the government business program motion. I believe it is an appropriate one for the work of the chamber this week as it includes some interesting and important pieces of legislation: the Bushfires Royal Commission (Report) Bill, the Electricity Industry Amendment (Premium Solar Feed-in Tariff Bill, the Fair Trading and Other Acts Amendment Bill, the Human Services (Complex Needs) Bill, the Major Sporting Events Bill and a transport legislation bill. That wide spectrum of legislation indicates that the work of the government goes ahead apace in relation to all its areas of administration, and I commend this business program to the house.

**Mr DELAHUNTY (Lowan)** — On behalf of The Nationals I indicate that we do not oppose the government business program motion. We should be able to get through six bills in the time allocated. I believe there will be adequate time for the house to have a fair debate on these six bills and for members from across the state to contribute to debate on bills concerning the electricity industry, the bushfires, fair trading, transport, major events and human services. The six bills are important to the constituents of particular members and to Victorians in general.

The only concern I have is: will there be an opportunity for the statement of government intentions to be debated? It is important that it should happen. We have had only a few hours to debate that statement, and the opportunity should be given for a few more members to contribute to that debate as the next sitting week will be budget week, with debate taking place on the budget following its delivery. That will allow very limited time for shadow ministers and members to speak on the statement of government intentions, which I think has been overlooked in this government business program. I know the program allows for that debate to occur, but it will be interesting to see if we have time for members to contribute to it.

There are some very important bills to be debated this week. The electricity industry is a big concern, particularly to country Victorians. Electricity costs have skyrocketed since this government came to power, with changes that have been detrimental to people living in country Victoria. Obviously the Bushfires Royal Commission (Report) Bill is of critical importance, and its passage should be facilitated. I am pleased that the government has had a change of mind on that. Debate on that bill will include appropriate discussion and provide a good opportunity for members to bring forward matters that are of concern to them, particularly in the bushfire areas.

Fair trading is always an issue of concern to members, and adequate time will be available for debate on that bill. The transport legislation bill is on the program. We hear a lot about transport in metropolitan areas, but debate on that bill will provide members with the opportunity, particularly country members, to raise concerns with the government over issues that are important to them.

I heard the Minister for Tourism and Major Events speaking about major sporting events here in Melbourne. Again, that was an opportunity for him to talk about the whole of Victoria, but not once did he mention major sporting events like the Stawell Gift or the fact that the Davis Cup is going to Mildura. There are fantastic facilities across the state.

**Mr Helper** interjected.

**Mr DELAHUNTY** — There is a lot more! He did not use the opportunity to speak about those types of things. Again, this will be an ideal opportunity for members to raise some of those concerns in the debate regarding those matters.

I indicate that The Nationals will not be opposing this program, but I have to in the last seconds talk about items 12 and 13 — two country issues, and the Minister for Agriculture is sitting at the table. Item 12 is the Primary Industries Legislation Amendment Bill of 2008, and we hope that that is facilitated through the Parliament before the end of the year. But importantly, item 13, the Water Amendment (Critical Water Infrastructure Projects) Bill of 2006, is still sitting there, so these country issues have been left on the notice paper. We hope they will receive appropriate attention, if not this week, hopefully in the near future.

**Mr HODGETT** (Kilsyth) — I rise to make a few brief comments on the government business program and again state that the opposition does not oppose the program for this parliamentary sitting week.

I note that debate on the six bills on the program is to conclude by 4.00 p.m. on Thursday, 2 April, when the guillotine will be applied. These are six pieces of significant legislation that we should be able to complete by 4.00 p.m. deadline on Thursday. We have a number of speakers who are keen to make a contribution to the debate on each bill — in particular, the Bushfires Royal Commission (Report) Bill 2009, the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009 and the Transport Legislation General Amendments Bill 2008 — and a significant number of speakers are keen to make contributions to debate on each of the six bills on the notice paper.

I conclude by again stating that we do not oppose the government business program for this parliamentary sitting week.

**Motion agreed to.**

## MEMBERS STATEMENTS

### Company title home unit shareholders: dispute resolution

**Mr O'BRIEN** (Malvern) — I raise for the attention of the Attorney-General and the Minister for Consumer Affairs the serious difficulties faced by company title home unit shareholders.

At present a company title home unit shareholder in dispute with other shareholders has no legal recourse other than to the Supreme Court or the Federal Court. The fact that what is essentially a dispute between neighbours cannot be dealt with in the forum best suited for such matters, the Victorian Civil and Administrative Tribunal (VCAT), demonstrates the failure of the Brumby government to treat access to justice issues seriously.

As an article in the *Sunday Herald Sun* highlighted recently, a dispute over whether an apartment resident should be able to bring a dog into the building was required to be heard in the Supreme Court of Victoria. While this is obviously a serious and heartfelt matter for the parties concerned — and I make no judgement on the moral or legal questions involved — it is patently ridiculous that a dispute of this nature should be clogging up the case lists of our Supreme Court.

To do so is a complete waste of time and money for both the parties concerned and the taxpayers who fund the legal system. To put it bluntly, the court should be focusing on more significant matters.

In 2007 the New South Wales Law Reform Commission produced a report on exactly this issue. The commission recommended that the New South Wales Parliament move to invest that state's equivalent of VCAT with the jurisdiction to hear disputes arising in company title home unit buildings.

It is high time the Brumby government ensured that company title home unit disputes were also heard in a more appropriate forum, and I call on the government to do so without further delay.

### **Springvale Community Aid and Advice Bureau: no-interest loans**

**Mr BATCHELOR** (Minister for Community Development) — Last week I visited the Springvale Community Aid and Advice Bureau with the Member for Clayton to launch a new no-interest-loan scheme (NILS). The very next day another program was launched in Windsor.

The no-interest-loan scheme provides interest-free loans of up to \$1200 to people doing it tough. The scheme helps these people to purchase essential household items such as fridges and washing machines. The scheme was started by the Good Shepherd Youth and Family Service in Collingwood in Victoria in 1981.

In 2006 the Victorian government committed \$4.7 million to support Good Shepherd to deliver NILS to 36 new sites across Victoria, with the National Australia Bank providing \$3.3 million in capital. There are literally thousands of Victorian families who have had a better life thanks to the work of NILS and the support of the Brumby government.

Victoria has been a national leader in demonstrating how government, communities and banks can join together to tackle financial disadvantage. Now it appears that the Rudd government will support a similar scheme nationally.

The Springvale Community Aid and Advice Bureau now has another valuable service to offer working families in this area through this creative and caring partnership between Good Shepherd, the National Australia Bank and the state government.

### **Police: regional and rural Victoria**

**Mr DELAHUNTY** (Lowan) — The people of western Victoria want to be safe and to this end I raise three matters regarding policing.

The first is the reduction of police resources in country Victoria. This is highlighted by an article on the front page of the *Hamilton Spectator* with the headline 'Police cuts — local police resources could be stretched further'.

The second matter is the proposal to sell the Casterton police residence. The Glenelg shire and the community are angry at this proposal, as police living in towns such as Casterton provide an effective deterrent against criminal activity and inappropriate behaviour. The loss of a police residence will make it harder to attract and retain police, and will potentially reduce the police presence, police availability, police response in an

emergency situation and police and community relations generally. Today I presented a petition calling for the retention of the Casterton police house.

Thirdly, last Thursday I attended a forum organised by Business Horsham to answer the question, 'Is Horsham still a safe city to do business?'. As we know, it is, but business and community leaders have genuine concerns regarding crime, vandalism and inappropriate behaviour in the city, focusing on May Park. Business owners and the general public are fearful about possible ramifications if these issues are not addressed. People must be responsible for their actions, but the community and businesses are finding it necessary to install security lights and cameras to protect property and increase their safety.

I am informed that the Frankston City Council has developed a by-law to assist the police and council to deal with antisocial behaviour. The Brumby government is spending less on police than any other state — —

**The ACTING SPEAKER (Mrs Fyffe)** — Order! The member's time has expired.

### **Australian Labor Party: affirmative action**

**Mrs MADDIGAN** (Essendon) — I would like to congratulate the Labor Women's Network for its great conference on affirmative action held the week before last. Affirmative action was a policy introduced for the preselection of 1999 which said that women had to have 35 per cent of winnable seats. I think you can see the success of affirmative action by the significantly greater number of Labor women members in this Parliament than appear in the opposition parties.

The policy now has been changed, and for the 2014 election in Victoria women have to be preselected for 40 per cent of winnable seats. In reality, to achieve that, women have to be preselected for about 38 per cent of seats for the 2010 election, and a number of motions were passed to that effect at the conference. If the Labor Party does not meet the target for winnable seats, the whole preselection process has to start again, so it is something the party takes very seriously.

I pay tribute to Joan Kirner, who was very active in supporting affirmative action. It is a great shame the opposition parties have never supported women in the same way as the Labor Party does. The Labor Party has shown those who really care about women that it is in fact the party that supports women in this house.

I congratulate the Labor Party on its efforts over the year and I wish it well in the future.

### Stamp duty: legislation

**Mr WELLS** (Scoresby) — This statement condemns the Brumby government for its monumental stuff-up regarding its Duties Amendment Bill. Not only has the lack of consultation been disgraceful, but the drafting of the bill was a complete shambles. The ongoing uncertainty surrounding the Duties Amendment Bill is sending the wrong message to interstate and overseas investors and businesses wanting to create jobs by doing business in Victoria.

First we had the embarrassing backdown by the government when it was revealed that the bill would have imposed stamp duty on retirees and pensioners entering retirement villages. Now we have even more confusion following the recent so-called consultative stakeholders meeting due to the Treasurer's and State Revenue Office (SRO) officials' inability to provide adequate answers to concerns expressed by stakeholders.

There is now immense concern amongst law firms, accounting firms and investment advisers that they will not be able to provide clients and potential investors with clear advice due to the confusing nature of the legislation. The bill is poorly drafted, numerous provisions are subject to wide legal interpretation and, worse still, the SRO will have to issue a revenue ruling to underpin the bill.

Legislation should stand on its own without the need for support from further secondary advice or rulings. The bill is a complete and utter shambles because the arrogant, out-of-touch Brumby Labor government did not consult one stakeholder prior to the drafting of the bill, and it has now been caught out.

### Madison Bird

**Ms BEATTIE** (Yuroke) — Today I would like to offer my congratulations to my constituent Madison Bird who at the age of nine years has decided to take a proactive role in making her home suburb of Craigieburn a safer place to live. Having previously met Madison, I was not at all surprised that this articulate young lady had written to the Hume council deputy mayor to express her concerns about hoon drivers in her street. Our deputy mayor raised Madison's concerns at a recent council meeting, and our local papers ensured that these concerns were brought to the attention of the broader community.

I was so inspired by Madison's commitment and community concern that I contacted her and made arrangements for her to accompany me to a meeting

with the acting senior sergeant at Craigieburn police station. This meeting took place on 18 March, and I thank the acting senior sergeant, Detective Mark Puttifoote, for the interest he took in Madison's concerns and for explaining to her the actions currently being undertaken by Craigieburn police to address the issue of hooning.

I know Madison was very pleased with the meeting, and I also know this will not be the last we hear from her. This articulate nine-year-old is to be commended, and I encourage her to continue to participate in our community. Her views are always welcome, as are the views of all young citizens.

### Members: overseas trips

**Mr K. SMITH** (Bass) — In recent days I have been following the media in its character assassination of the federal Minister for Defence, Joel Fitzgibbon, and more recently its unfair attacks on Helen Liu, an Australian citizen of Chinese descent. I make no excuses for Mr Fitzgibbon's neglect to declare two sponsored trips to China. That should not have happened. But as a member of this Parliament I understand that many past and present members have had sponsored trips — some to China and some to Greece, Cyprus, Turkey, Israel, Taiwan, America, England, Sri Lanka and so on — yet the only media focus has been on our biggest trading partner, China, which has over the years worked to improve friendly relations and trading opportunities with Australia.

I have been on two sponsored trips to China, which were declared in my register of interests. They did not compromise my position as an Australian, turn me into a communist or spy of China, or make me a member of the People's Liberation Army. Those trips, along with other trips paid for by me and some travel paid for by the Parliament, have given me and others access to the highest levels of government and business in China and allowed us to develop trade opportunities and build friendly relations between Victoria and China.

Like Helen Liu, I have an excellent relationship with Shandong Province. In 2004 I was awarded an honorary citizenship of the province for work in developing a stronger relationship between it and Australia. Helen Liu is a success story and a Chinese citizen — —

**The ACTING SPEAKER** (Mrs Fyffe) — Order! The member's time has expired.

### Schools: funding

**Mr HUDSON** (Bentleigh) — The Liberal opposition has shown yet again that it has no commitment to delivering first-class facilities for our public schools and has no idea what is happening to rebuild them. Last year the shadow Minister for Education, the member for Nepean, claimed that there was a large maintenance backlog at Cheltenham Secondary College, which serves my electorate. The shadow minister was apparently unaware that this Labor government has spent \$9 million rebuilding Cheltenham Secondary College, thus rendering obsolete much of the maintenance backlog claimed by the member for Nepean. In my electorate of Bentleigh the Brumby government will commence, complete or open redevelopments at Valkstone, Coatesville and Bentleigh West primary schools and at Bentleigh and McKinnon secondary colleges, rendering the maintenance figures given by the member for Nepean irrelevant.

Now we have seen the federal Liberal-Nationals coalition vote against the Rudd Labor government's economic stimulus package, which would deliver \$2.3 billion to Victoria's primary schools. Every primary school around Victoria will receive up to \$3 million to refurbish and rebuild its school facilities for a modern educational environment. What the federal Liberal-Nationals coalition, supported by the state opposition, has done is vote to stop primary schools getting new educational facilities. The coalition parties stand condemned not only for not supporting funding to rebuild our schools but for publishing maintenance figures for school buildings that have been demolished and rebuilt.

### Water: Goulburn system pipeline

**Mr WELLER** (Rodney) — I rise today to voice my concerns about plans by Coliban Water to build a pipeline to connect the Goulburn system to Castlemaine, Kyneton and Harcourt. The move will place enormous pressure on the already stressed Goulburn system, which is clearly struggling to meet the water needs of its own catchment area. Under the plan an extra 4000 megalitres of water would be pumped from the Goulburn system every year to service Harcourt irrigators and towns in the southern area of the Coliban system. The news has irrigators in the Goulburn catchment area extremely worried, and rightly so.

Farmers and irrigators are under extreme financial pressure due to the drought, the global economic crisis, softening commodity prices and low water allocations,

but instead of receiving support from the government in their hour of need they are being told that yet another pipeline will be built to drain more water out of the Goulburn system. Irrigators and residents of rural towns in the Goulburn catchment area are asking whether this madness will ever stop. When will the government realise the foolishness of this line of policy and start encouraging water authorities to invest in infrastructure in their own catchment areas to reduce losses from their systems before seeking additional water from elsewhere to augment existing supplies?

The decision to build the connecting pipeline to link the Goulburn system to Castlemaine and Kyneton is extremely premature. I urge Coliban Water to exhaust all opportunities within its own systems for reuse and savings before taking water from the Goulburn catchment.

### Bushfires: Australian Football League support

**Ms GREEN** (Yan Yean) — This week has been a great one for AFL (Australian Football League) supporters with the season resuming last weekend. After the traumatic summer our community has endured, the attendances last weekend showed that the return of the footy season can assist in healing. I am a lifetime Essendon supporter, but I want to commend another great western suburbs club, the Western Bulldogs. In the week following 7 February I was contacted by James O'Brien, a Western Bulldogs board member, who asked me how the club could help. My staff organised for the club to visit the Strathewen Primary School students, who are now being lovingly housed by the big-hearted kids of Wattle Glen Primary School.

Alex, a Strathewen Primary School student, is a mad Bulldogs supporter, so it was great that the boys from the club, including some of his favourite players, put up their hands to help. Daniel Cross, Robert Murphy, Matthew Boyd and Shaun Higgins ran a footy clinic with the kids. At the end players gave autographs and handed out paraphernalia. The Western Bulldogs members did not see this as a media opportunity. Rather it was a sincere gesture to show that they care and were willing to help in any way they could.

I also want to thank the Bulldogs for agreeing to host an emergency services appreciation game against the Kangaroos on 5 April at the MCG. In recognition of their support for kids in my electorate I will wear the Doggies' colours on that day. Other AFL clubs to send players to bushfire-affected communities are my own mighty Bombers and Collingwood. Locally the magnificent Panton Hill Football Club has played its

own part. At the Kinglake practice match last weekend it raised \$1450 in support of that club to get it back on its feet. Well done to all AFL clubs and football in general.

### **Schools: funding**

**Mr R. SMITH** (Warrandyte) — I have visited a number of schools in my electorate over the past few weeks, and the main topic on everyone's lips is the federal government's stimulus package. Notwithstanding the fact that the children at these schools will be the ones burdened with the enormous debt that the federal government is getting us into, the funds that are being made available are generally welcome. The many complaints I am hearing, however, stem from the Brumby government's role in the allocation of these funds, with that involvement being described to me as a shambles and a dog's breakfast, amongst other things. Principals have been the recipients of conflicting emails, unclear information and secret, off-the-record chats with various regional network leaders. It now seems clear that the spirit of the funding policy as defined by the federal government is being bastardised by the Brumby government.

There has been no guarantee that the notional amounts of Building the Education Revolution funding allocated to each school, as defined by the federal government according to the schools' enrolments, will actually be given to the individual schools. Instead these funds will be spread across a school network based on the Brumby government's assessment of an individual school's needs. That assessment of need appears to be based on the level of state government neglect, meaning that some schools will be giving up a portion of their allocated federal funding in order to pay for the maintenance needs of a neighbouring school — maintenance that is a state government responsibility.

Further to this, my understanding is that in many cases the National School Pride grant will be used by a number of schools for maintenance issues such as painting and asphaltting. In short we are finding that the federal government stimulus package is being used to absolve the Brumby government from its responsibility to maintain our schools, and the fact that this is all being done on one enormous credit card makes it even more of a disgrace.

### **Sandie de Wolf**

**Mr NOONAN** (Williamstown) — I rise to pay tribute to two exceptional women who have recently been recognised for their outstanding service to the Victorian community. Sandie de Wolf was recently

appointed a member in the general division of the Order of Australia for service to child and family welfare, particularly as a contributor to policy development and service delivery issues affecting families and through Berry Street Victoria.

Sandie has worked in the community sector in both policy and management roles for more than 30 years at the state and national level. A recipient of the Robin Clark memorial award for inspirational leadership in 2008, Sandie has become a widely respected, inspirational leader and passionate advocate for vulnerable children and families. Having led Berry Street Victoria since 1994, Sandie sits at the top of an organisation that has served young people and families with distinction since 1877.

### **Lynne Wannan**

**Mr NOONAN** — I also acknowledge local Williamstown resident Lynne Wannan, who was recently added to the Victorian Honour Roll of Women 2009. Lynne is the current director of the Office for the Community Sector, a Victorian government initiative set up in 2008 to strengthen and support not-for-profit organisations.

Lynne is also an advocate for children, families and the community in which they live and is widely recognised as a leading campaigner in the establishment of the modern community-based child care system in Australia. With Terry Bracks, Lynne also established Western Chances, an organisation that has awarded more than 1000 scholarships to disadvantaged young people in the western suburbs.

### **Rail: Frankston line**

**Mr MORRIS** (Mornington) — This afternoon I again raise the abysmal state of public transport in Victoria, and particularly the totally unacceptable rail service offered on the Frankston line.

The experience of one constituent on 5 and 6 March is instructive. Between 5.00 p.m. and 5.30 p.m., four trains are scheduled to run from the city to Frankston. The 5.01 from Melbourne Central, an express train that is normally near capacity, was cancelled. The 5.05, which stops all stations, did run but it was 9 minutes late and obviously shockingly overcrowded. The 5.14 was 30 minutes late and the 5.21 was cancelled. The situation was no better the following day when the 8.01, probably the busiest train of the morning, was also cancelled.

In January, 5 per cent of scheduled services on the Frankston line were cancelled. In February the figure

was marginally better but 151 trains still failed to run. Even when a train does run, it is often not on time. In February almost one-fifth of services failed to meet the government's own low standards. As my correspondent notes, people are packed into trains under dangerous conditions, fights are breaking out because people cannot get on board, and in the summer months the heat is both uncomfortable and unhealthy.

Running a public transport system that works is not rocket science, although we learnt last week that myki will cost more than the latest NASA (National Aeronautics and Space Administration) mission. Melbourne commuters are well and truly sick and tired of the contempt with which they are treated by this government. It is time the government stopped talking about plans and started fixing the system it has got.

### **Chinese community: discrimination**

**Mr LIM** (Clayton) — I wish to express my outrage at the absurdity surrounding this latest bout of hysteria about Chinese people and China. The issue here is not the friendship between federal Minister for Defence Joel Fitzgibbon's family and Chinese businesswoman Helen Liu; nor is it the two trips to China the minister forgot to report. The issue is not the unsubstantiated security risk claimed due to Ms Liu's alleged business connections to the Chinese government — it is common and open knowledge that to do business in China you have to deal with the Chinese government because it owns and controls business over there.

The real and tragic issue here is that after more than 150 years of Chinese settlement in this country, Chinese people are still treated with suspicion, disdain and contempt by people with condescending, patronising and belligerent attitudes.

The same people who have started up this latest saga of hatred of China and the Chinese, be they in the media or in positions of power, would not dare do the same thing to the Jewish or Greek communities or other better organised communities, because they know the consequences would be severe. The fact that they exploit the absence of an effective Chinese lobby at the national level compared to the Jewish or the Greek communities, just to name two communities, speaks volumes. It is high time the Chinese community took up this challenge of organising itself as a serious pressure group at the national level. However, to these China and Chinese-haters, I say this —

**The ACTING SPEAKER** (Mrs Fyffe) — Order! The member's time has expired.

### **Rail: Stony Point line**

**Mr BURGESS** (Hastings) — Public safety is again at serious risk as the Minister for Public Transport ignores critical boom gate faults on the Stony Point line.

Motorists and pedestrians have become frustrated as boom gates at Eramosa Road and Park Lane, Somerville, and Baxter-Tooradin Road, Baxter have remained down for extended periods over the last three weeks. The gates were stuck down for at least 10 hours in the first week alone. Hastings police officers are already stretched beyond breaking point but have been forced to attend for hours at a time to control traffic.

The problem escalated dramatically last week when locals witnessed the Eramosa Road boom gates go back up while there was still rail traffic on the crossing. It is totally unacceptable that Minister Kosky seems either incapable or unwilling to take action to stop the boom gates getting stuck down. When it becomes apparent that the gates are also going up when rail traffic is crossing the road, it becomes an absolute emergency. There can be no greater priority for the minister.

Another local resident sat at the newly installed boom gates at the Baxter Tavern crossing over the weekend and shot a video of motorists taking their lives into their hands to drive between boom gates that had been stuck down for long periods.

Minister Kosky must ensure that Connex staff attend and remain at these crossings until they can guarantee beyond doubt that such life-threatening malfunctions cannot recur; people's lives depend on it. Numerous attempts to contact Minister Kosky over the last three weeks have gone unanswered. Connex staff have attended but the problems continue.

### **Dame Elisabeth Murdoch**

**Mr BURGESS** — I wish to extend the sincere congratulations of the people of the Hastings electorate to Dame Elisabeth Murdoch who celebrated her 100th birthday on 8 February 2009. Dame Elisabeth is a philanthropic icon whose generosity has been felt by tens of thousands of people, including the more than 110 charitable organisations she supports each year. The wonderful work of Dame Elisabeth is evident throughout the world with notable local accomplishments including the Royal Children's Hospital and the Murdoch Children's Research Institute.

### Australian Masters Games

**Mr EREN (Lara)** — As members may know, the state government strongly supported the 12th Australian Masters Games which were held in Geelong between 20 February and 1 March.

Sadly all good things come to an end but the 10 days of action-packed excitement and fun will be remembered forever by many people. I, too, have memories of the games. As members may know, I formed a team to compete in the Futsal event, which is also known as indoor soccer. The team was called MP Allstars. I take this opportunity to thank the team members: the Minister for Sport, Recreation and Youth Affairs; the Minister for Roads and Ports; the Minister for Environment and Climate Change, Gavin Jennings; and the Minister for Industry and Trade, Martin Pakula, both in the other place; the federal Minister for Broadband, Communications and the Digital Economy, Senator Stephen Conroy; the federal member for Corio, Richard Marles; the members for Brunswick and Derrimut; and Adem Somyurek, a member for South Eastern Metropolitan Region.

I thank all the people who participated. We were just a few of the more than 7000 people who participated in the games in 63 sports across 70 venues throughout the Geelong region. It was a huge success and injected valuable tourist dollars into the region in these tough economic times.

I also acknowledge and thank the state government partners in making these masters games possible — all of those organisations and corporate partners and especially the more than 1200 volunteers who helped deliver this event.

Though the MP Allstars team did not win a gold medal, we certainly all had fun; it was a fantastic way to help age-challenged people like myself remain active. While competition is important — —

**The ACTING SPEAKER (Mrs Fyffe)** — Order! The member's time has expired.

### SummitCare: employee entitlements

**Mr CRISP (Mildura)** — I have been approached by a few constituents who claim they have been shabbily treated by their employer, SummitCare, which has allegedly withheld entitlements and refused to answer their questions.

I have made representations to the workplace ombudsman seeking an investigation to resolve some of the current situations being experienced by employees.

I have also further contacted the board of SummitCare, asking it to reassure staff of their entitlements.

I wrote to the Minister for Health on 27 October 2008 and despite some efforts, this situation remains unresolved. I call on the Minister for Health to carefully consider SummitCare's registration in light of the adverse publicity surrounding its actions.

### Nangiloc-Colignan community emergency response team

**Mr CRISP** — On another matter, the Nangiloc-Colignan community emergency response team (CERT) recently celebrated its fifth birthday with a barbecue tea and a mock exercise for the local community. The exercise was with the police, ambulance and State Emergency Service. I would like to thank and pay tribute to the 16 volunteers who are on call 24 hours a day for a week at a time per month. The community emergency response team is called out on average only once per month, but fulfils a very valuable service.

The CERT trains for 3 hours per month under the guidance of Ambulance Victoria. I would like to thank the CERT for its invitation to attend, and to thank Murray Allomes for his commentary of this wonderful exercise and the evening that gave reassurance to many schoolchildren about their safety in the community.

### Jean Connell

**Mr LANGDON (Ivanhoe)** — It is with a heavy heart that I pay tribute to Jean Connell, a delightful woman who loved to have fun. Jean was born on 25 March 1925 and passed away just three days before her 84th birthday on Sunday, 22 March.

Jean had four great loves in her life: her family, the North Melbourne Football Club, the Olympic Village Combined Pensioners Association, and the ALP, the Heidelberg branch in particular. In 1946 Jean married Jim, who unfortunately passed away 18 years ago, in 1991. Jean was devoted to him and her three daughters, Joan, Maureen and Janet and their husbands and her 13 grandchildren and 12 great-grandchildren.

In her later life Jean became involved in both the Combined Pensioners Association and the ALP. She was always the life of the party, helpful and supportive. Jean loved the CPA trips and always started the pyjama parties, which were legendary, I believe.

Jean befriended my family and staff, and was much loved by everyone who met her. We are all poorer for her passing but much richer for having known her. To

her family and to all those who knew Jean — many of whom are in the gallery today — and to the CPA, I pass on my condolences.

### **Nepean Highway–Bay Road, Cheltenham: traffic lights**

**Mr THOMPSON** (Sandringham) — In March last year I put a question on notice to this place to find out how many people had been fined making a right-hand turn at the intersection of Nepean Highway and Bay Road, Cheltenham — from statistics of just one day. The Minister for Police and Emergency Services said:

I am advised that:

It would be an unreasonable diversion of the department's resources to provide this information.

This is information involving IT for one day in the 21st century. I asked in this place: is it sheer incompetence? Is it a corruption of due process? Is it massive idiocy? Is it a cover-up? Is it a whitewash? I called upon the Premier, the Minister for Police and Emergency Services and the Chief Commissioner of Police to step off the celebrity circuit and actually answer the question.

In due course I received answers providing information on matters which I had previously been told would require an unreasonable diversion of resources. Today I have received further answers to questions on notice which indicate that 20 000 people have been fined at this particular intersection. The police stonewalled, the government stonewalled, but we have a magistrate who, even as recently as over the last month, has dismissed charges for traffic offences at the intersection on the basis that the amber light time is much too short. Either the magistrate or the government is correct and courageous. My money is on the magistrate.

### **Bushfires: community cabinet**

**Ms LOBATO** (Gembrook) — I wish to congratulate and thank the Brumby government for conducting a community cabinet throughout the bushfire-affected municipalities of the Shire of Yarra Ranges and the Shire of Nillumbik. Both shires discussed at length the impact of the bushfires upon their communities with the Premier, ministers and local members of Parliament. The Premier and ministers toured the affected areas and made numerous financial commitments. The community reception held at the Yarra Glen Racecourse was very successful, with hundreds of people attending who had been directly impacted by the fires. Local accommodation and eating venues were used, including the Wild Thyme cafe,

Warburton Lodge and the Grange in Warburton, contributing to the local affected economy.

### **Bushfires: Gembrook electorate**

**Ms LOBATO** — I wish to continue to express my sincerest thanks to organisations instrumental in the emergency services response throughout the electorate of Gembrook. In addition to the thankyou's in my other member statements, I wish to thank the Shire of Yarra Ranges for its 24/7 response that continued for more than four weeks and now continues in the recovery phase. I wish to thank the chief executive officer, Glen Patterson, and his office staff.

One of the major issues that affected residents in the Upper Yarra Valley is the fact that many of them do not have private vehicles, and they therefore wish to thank Martyrs Bus Service for its outstanding responses during the fires, one of which was putting on a half-hourly service along the Warburton Highway starting from 5.45 a.m. on days that fire threatened to impact, to enable people to leave.

I thank also the Warburton Advancement League for organising such a successful community thankyou day for our emergency service workers.

### **Michael Mullet**

**Ms MARSHALL** (Forest Hill) — Michael Mullet is a name to remember and a young man who has a fast-growing reputation both inside and outside athletic circles as a very talented athlete and a great role model on and off the track.

At only 10 years of age Michael is well travelled, having collected bronze in Canberra at the Pacific School Games and qualified for the 100 metres and 200 metres sprint finals in Tasmania at the national athletics championships. He is the current champion for Victorian primary schools in the 100 metres and 200 metres.

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

*Second reading*

**Debate resumed from 12 March; motion of  
Mr BATCHELOR (Minister for Energy and  
Resources).**

**Mr CLARK** (Box Hill) — The Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill is a

bill to allow residential customers to earn a credit from their retailer of at least 60 cents a kilowatt hour for the net power they feed into the grid from solar generation at their principal place of residence.

The bill arises from an announcement made by the government way back at about the time the budget was delivered in May last year. It was apparent then that it was an announcement driven more by spin than by careful analysis and preparation, and the fact that it has now taken over nine months to get a bill to Parliament is further striking evidence that the government had not properly thought through what its plans were.

There have been numerous leaks to the media that indicate there have been huge internal brawls within the government about the format of this scheme. Even after the details were announced last year, it appears that the nine months or so of extra time has been required in order to make the scheme even more restrictive than it was in the original announcement.

This bill purports to be part of the government's response to the issue of global warming. Clearly, on the prevailing scientific analyses and forecasts of rapid, far-reaching and damaging climate change, global warming is a challenge to humanity around the world, and speedy and far-reaching action is required to reduce greenhouse emissions. The centrepiece of required actions is a national emission limitation scheme that is as broadbased as practicable, which will bring about substantial reductions in emissions at the lowest possible cost to standards of living, employment and international competitiveness.

The development of low-emission energy sources, including renewable energy, is also vital if Australia is to achieve substantial emission reductions without a massive reduction in our standard of living. The coalition parties support the widest practical use of low-emission energy sources that will contribute efficiently and effectively to reducing greenhouse gas emissions. We have supported and continue to support the pioneering work on solar power plants that has taken place in Victoria, and of course it was the former federal coalition government that introduced the highly successful solar panel rebate.

What Victoria does not need as part of global action against the dangers of climate change are schemes that are dishonest and ineffectual, convoluted, limited in effect and complicated to implement and operate. Yet that is what we are getting with this legislation the Brumby government has put forward. Once again, Labor has been shown to be a total fraud when it comes to effective action on climate change. For Labor it is all

about electoral positioning, not about acting to help fix the serious problem.

For years the Labor states have talked about bringing in their own emission trading schemes, but they found that it was all too hard. Two of their number refused to do anything, so the second phase of their spin was to say that, yes, they would act if the federal government failed to act — which gave them the opportunity to posture on the high moral ground without actually having to do anything. All they did was use Victorian taxpayers' funds to pay for developing federal Labor's 2007 climate change election policy. Then once federal Labor won that election, it walked away from large slabs of Professor Garnaut's recommendations. Now at a federal level we see Prime Minister Kevin Rudd and federal Minister for Climate Change and Water Penny Wong making such a mess of the emission trading scheme that large parts of the environmental movement are saying the community would be better off throwing out the legislation altogether and starting again.

At the same time the lack of real world understanding by federal Labor means that if the legislation goes ahead in its current form a large number of our Latrobe Valley generators are at risk of going bankrupt and the perceived sovereign risk consequences will be such that Australia will have little hope of raising the billions of dollars of foreign capital needed to fund the enormous investment in cleaner technology that will be needed if we are to reduce our emissions while still keeping the lights on in our homes and the equipment running in our workplaces.

In fact if you stand back from the political stereotypes, I think you will find that many reasonable and fair-minded people would now agree that Australia would have been far more likely to have had an effective and functional emission limitation scheme up and running under former Prime Minister John Howard and former Treasurer Peter Costello than under the Prime Minister, Kevin Rudd, the Treasurer, Wayne Swan, and the environment minister, Penny Wong. The coalition government was very conscious of the difficulties and implications of an emission limitation scheme, but having accepted the need for such a scheme they were far better equipped with the real world and common-sense skills necessary to make it happen than members of the Labor Party who are full of talk but cannot actually govern effectively or responsibly.

The same applies with this legislation. For someone genuinely committed to helping the environment the central take-out from this bill is that Labor cannot be trusted to act on climate change. Labor is an

environmental fraud. It postures about being friends of the environment, but it is more interested in the headline than the solution. The fundamental question that needs to be assessed by this Parliament is whether the scheme introduced by this bill is worse than useless. The assessment of that question will depend crucially on the responses provided by the government to a long list of issues that I and my colleagues intend to raise during this debate.

Let us have a look at the provisions of the bill and the issues they raise. The bill requires retailers, other than small retailers that sell to less than 5000 customers, to offer to purchase from qualifying customers solar-generated electricity that the customer does not use for a credit of not less than 60 cents per kilowatt hour. Sixty cents per kilowatt hour compares with a standard retail tariff of around 14 cents per kilowatt hour. The bill requires the credit to be credited against the customer's bill from the retailer, with unused credits to be carried forward for up to 12 months before being extinguished. Credits are also extinguished if the customer changes retailer.

The bill defines a qualifying customer as a customer who generates electricity at their principal place of residence using a photovoltaic generating facility of an installed or name plate capacity of 3.2 kilowatts or less. The bill requires distribution businesses to pay retailers a credit of 60 cents per kilowatt hour for qualifying solar-generated electricity conveyed along their distribution systems. It deems the giving of such a credit by a distribution business to be 'a relevant pass-through event' for the purposes of the 2006–10 distribution pricing determination, which thus entitles a distribution business to recoup the cost through higher distribution tariffs.

The bill also requires the giving of credits by distribution companies to retailers to be treated as an obligation to be taken into account by the regulator in setting distribution tariffs beyond 2010. The bill enables the minister to declare a scheme capacity day if the minister is satisfied that the aggregate generating capacity of qualifying solar facilities is equal to or greater than 100 megawatts. A customer cannot earn the premium tariff for feed-in beyond the scheme capacity day unless they already have a contract in place and have received a credit prior to that day. The bill sets a time limit of 15 years from the commencement of the premium solar tariff scheme on the period within which a customer can earn the premium solar tariff. It also sets the scheme start day as the day on which the main provision of the amending legislation comes into operation, which is a day to be fixed by proclamation, or otherwise on 1 July 2011.

When the government announced its scheme last year it went out on the headline of 60 cents a kilowatt hour, but even then, when one examined the fine print, a number of restrictions became obvious — that the scheme was a net scheme, that the scheme applied only to facilities of 2 kilowatts or less and that there was a 100 megawatt maximum set on the entire scheme. When the bill came before the Parliament just a few weeks ago a whole range of additional restrictions that had been imposed on the scheme became apparent. Under the legislation as introduced the premium tariff will be available only to a person at their principal place of residence, not at any other home and not at a small business facility or a community facility. The tariff will give rise only to an entitlement for credit and not to an entitlement for cash.

Furthermore, the credits appear to be wiped out every 12 months, even if they have been earned in the previous billing month. That seems to follow from proposed section 40FA(2)(d). Furthermore, the bill need not come into operation until 1 July 2011, even though the government says the scheme is intended to come into operation later this year. Those are some of the obvious concerns that stand out at first glance, but a wide range of other issues have become apparent on closer investigation or have been raised by many who have been in contact with us, including industry participants, interest groups and a wide range of individual concerned citizens.

Let us look at some of these issues in a bit more detail. As I said, the scheme will apply only to net generation, not to gross generation. Until just the last few days it seems the government had not even worked out for itself how this netting of generation was to be calculated — whether it was to be calculated at half-hourly intervals, over a longer period or by what is called instantaneous net, such as applies in South Australia. In that state credit is earned for any amount of electricity fed into the grid at any time even if a minute or two later the home owner draws power out of the grid. In just the last few days the government has clarified that its intention is that the Victorian scheme should operate on the instantaneous net basis, similar to what happens in South Australia.

The bill offers a tariff of 60 cents per kilowatt hour tariff but — surprisingly for a scheme that has 15 years to run — there is no indexation of that 60 cents per kilowatt hour. The government says this is a deliberate design intention of the bill because it wants the scheme's incentives to be front-end loaded, but it has to be said that it is unusual that a scheme of such duration has no mechanism to preserve the real value of the amounts involved in it. As I said, under the scheme as it

has been brought before the house, customers can never actually earn a cash payment for the feed-in. They can only ever earn a credit, and that credit is wiped from the slate at 12-monthly intervals from the time the first credit is earned or from 12 months after the previous wiping of the slate.

The government has argued that to require cash payments rather than credit would be a breach of section 90 of the commonwealth constitution, which section bans states from imposing an excise. I appreciate the legal advice on that matter that the minister made available to me. However, it has to be said that the South Australian and Queensland schemes require actual payments of unused credits to customers after 12 months. I also have to say that the legal proposition, that there is a problem with the potential for this scheme to constitute an excise, is not a clear one at all.

At the briefing with which I was provided no mention was made of the most recent case on the subject that I found from subsequent research — that is, *Telstra Corporation v. Hurstville City Council* (2000) FCA 1887. That case led to the decision of Justice Wilcox at first instance on the issue of whether or not certain forms of transmission constitute goods for the purpose of attracting a tax amounting to an excise. The case was primarily on telecommunications, but there was extensive discussion on electricity by analogy. In essence Justice Wilcox ruled that, in the absence of express statutory provision to the contrary, electricity transmission does not amount to a good. To be fair to the government, that is a decision of a single judge at first instance, and frankly, when it comes to issues like this one can never be 100 per cent confident of what the High Court of Australia might hold.

Mention might also be made of the Smorgon case in Victoria, which involved a challenge by Smorgon to the validity of a levy imposed on the electricity pool in order to fund the Cain government's subsidy to the Alcoa aluminium smelter. That case never went to court. Because of fears that the levy might be held to be an excise, the Bracks government abandoned that levy and replaced it with a land tax on transmission easements.

There are a range of considerations, but it is nonetheless striking that the government has chosen to use this argument about an excise to avoid a cash payment when other states, such as South Australia and Queensland, have not found that to be a problem. A further point is that if the making of a cash payment were to be ruled to be an excise, it would raise the question of whether or not the substitution of that with a

credit would in fact avoid the problem. I suspect that if it got to that point, the High Court of Australia would find no difficulty in holding that if a mandatory payment were a tax and an excise, a mandatory credit would be also. That line of argument by the government presents considerable difficulties.

A range of other concerns about the scheme have been put to us by industry participants. They point out that this scheme adds to the multiplicity of existing fragmented state-based schemes around the nation which create expensive compliance burdens that cause difficulties for the move to uniform national regulation of electricity and cut across the broadbased, technology-neutral principles of a national emission limitation scheme. They also make the point that, unlike South Australia and Queensland, where the feed-in tariff is applied directly by force of law, the Victorian scheme requires a complex contractual arrangement to be established between the retailer and the customer.

That could be subject to review by the government, inquiry by the Essential Services Commission and potential imposition of contractual terms on retailers. It will also require complex data communication arrangements between retailers and distributors. The government may say that this complexity is because the scheme is being grafted onto the current contractual structure of the electricity industry in Victoria, but certainly the submissions that the opposition has received suggest that the retailers would find it far easier if the scheme were imposed directly rather than through that contractual mechanism.

Also raised with us is the question of how the premium tariff will fit in with the existing obligation of retailers to operate a fair tariff as defined in the legislation to feed in from installations of up to 100 kilowatts. Overall the industry is going to be put to considerable expense and difficulty in preparing contracts to conform with this new legislation. Also, as I mentioned, regardless of the contractual arrangements there will need to be some detailed data communication arrangements established between retailers and distributors because the credits will be given initially by retailers but then recouped from the distributors.

A further serious problem that arises on examination of the bill is which customers are going to be charged the higher distribution tariffs required to recoup the costs of the feed-in tariff. Some of the information provided to us implies they will be household customers only; others suggest they might be households and small businesses. Arguably, there would be a range of options available as to the basis on which that recoupment

would take place. It could be a flat charge per customer or it could be proportional to the distribution tariffs imposed on different customers. All of that has not been explained during the course of debate on the legislation so far.

There is another unresolved issue — that is, which party, if any, gets the benefit of the electricity that is actually fed into the system by the customer from the solar panels on their roof. As I have explained, the retailer has to credit the customer with a 60 cents per kilowatt hour minimum. The distributor has to pay the retailer 60 cents per kilowatt hour, and that is hardwired into the legislation. The distributor can recoup that through the higher distribution tariffs, as I have mentioned. But what none of that explains is what happens to the actual electricity that is fed into the grid.

Arguably the retailer has bought that power from the customer, which suggests that that reduces the retailer's obligation to buy in other power through the national electricity market. If that is the case, it would seem that the retailer would get a double benefit — firstly, through the 60 cents they are reimbursed by the distributor; and secondly, through the fact that they will reduce the amount of power they have to buy out of the pool by the amount that is fed in. That remains an unresolved issue.

Another crucial issue that has become apparent in recent days is the issue of metering: what metering needs to be installed as part of this scheme? A few weeks ago the government put out a media release which was open to the interpretation that two new meters would be required for customers who take part in the scheme. It has now been clarified that only one new meter will need to be installed, and that meter will measure the power exported by the householder as well as the amount imported by the householder. Nonetheless this new meter is going to come at some expense.

One industry estimate that has been put to the opposition is that such a meter, properly installed, would cost around \$200 a customer. If so, that is a substantial additional impost on top of the other costs involved. It is certainly not one that has been disclosed publicly by the government so far. There are also issues about how long it will take for the distributors to get around to installing these meters and how complex will be the necessary wiring.

In support of that latter point one of my colleagues has already drawn to my attention some very difficult issues that a constituent of his is having with Jemena regarding the metering for a solar panel that this

customer is already seeking to have installed. That issue has now been referred not only to my colleague the member for Nepean but also to the energy and water ombudsman. That is just one customer, so if as a result of this scheme there are now many more customers seeking to have new meters installed, that difficulty will be compounded. I make the further point that there is no obligation on the government to table in Parliament the information the minister is entitled to require the distributors to provide to the minister on the numbers and capacity of installed solar energy facilities. I would have thought that would be a basic piece of accountability for the operation of the scheme.

I also raise the issue of how this bill fits in with the government's obligations under the Council of Australian Governments. On 29 November last year COAG issued a statement of national principles for feed-in tariff schemes that had been agreed between all jurisdictions. Certainly on the face of it the scheme being implemented under this legislation puts the Victorian government in conflict with the national principles with which it undertook to comply at COAG last year. I refer in particular to paragraph 2 of those national principles under which the parties undertook that premium rates for feed-in tariffs would be:

... a transitional measure (noting that a national emissions trading system will provide increasing support for low emissions technologies) ...

In this context I would have thought 15 years was a bit more than transitional, and I look forward to the minister's explanation on that point.

The COAG agreement also required government parties to:

... undertake analysis to establish the benefits and costs of any subsidy against the objectives of that subsidy ...

I ask: if the government has undertaken that analysis, where is it? Is it going to be put on the public record or is it not? The COAG principles also required government to:

... give explicit consideration —

I emphasise the words 'explicit consideration' —

to compensation from public funds or specific levies rather than cross-subsidised by energy distributors or retailers.

Again the question has to be asked: has the government given that explicit consideration; if so, will it make that explicit consideration public?

The government has also, as far as I am aware, not responded to the contention by Environment Victoria

that the scheme as announced will produce no new net increase in solar power in Victoria by 2020. Clearly that is crucial as to whether or not the scheme is going to produce a benefit for the community in the form of a greater number of installations or a greater capacity than would have occurred in any event. That brings me to the aspect of the costs involved in this scheme versus alternative schemes. The government says its scheme will cost an average of \$10 per annum per household whereas Environment Victoria's gross feed-in scheme would cost \$100 per annum per household. The costing of the Environment Victoria scheme, as I understand it, is hotly contested by Environment Victoria.

I thank the minister for making available to the opposition the basis on which those figures have been calculated. The \$10 per household figure has been calculated on the basis of a 100-megawatt-scheme capacity at a price of 60 cents per kilowatt hour. It assumes an export proportion of 25 per cent, a 17.5 per cent capacity factor for solar panels — that is, the proportion of their rated capacity which they actually generate in electricity — and an assumption of 2.3 million customers. When you throw into the mix 8760 hours in a year, that produces a figure that is \$9.9979, which is remarkably close to \$10 per household. By comparison, Environment Victoria's scheme on the government's assessment would have a maximum capacity of 250 megawatts, again 60 cents a kilowatt hour, with 100 per cent export under a gross scheme and a 17.5 per cent capacity factor and other factors as applied previously. That comes out to \$99.978. The cost of alternative schemes is a crucial issue here, because Environment Victoria maintains that a gross feed-in model along the basis it has advocated would cost far less.

However, there is another aspect of this costing that is equally important, and that is the cost per tonne of CO<sub>2</sub>-equivalent emissions avoided. One industry source has provided to the opposition a calculation that says that this cost figure would be \$357 per tonne of CO<sub>2</sub>-equivalent emission avoided, which would be a very high cost indeed compared with figures of between \$20 and \$80 a tonne under an emission trading scheme. It based this figure on a cost differential between a feed-in tariff and the standard retail tariff of around 46 cents and a state greenhouse gas emission intensity of 1.3 tonnes per megawatt hour, and that gives rise to the \$357 I have mentioned. Again, this is a crucial factor in assessing this scheme. Are Victorians paying that very high cost per tonne of emissions avoided?

There are a huge range of unresolved issues. I acknowledge that the minister and his staff have

provided a considerable amount of information to opposition members in response to questions we have raised. However, I have to say that every time we look at this bill new issues and new aspects arise, and a wide range of additional information is needed for a properly informed debate and decision by the Parliament.

In summary I ask: who will bear the recoupment cost; how does this scheme fit with the COAG undertakings; what is the cost per tonne of CO<sub>2</sub> emitted; is it correct that the slate will be wiped at 12-monthly intervals for credits; what increase in solar panels is expected to be achieved in Victoria if the bill proceeds compared with if it does not; what is the cost of the metering needed under this scheme, and who will bear that; who will get the benefit of power fed into the grid; what are the costs of alternative options; and what is actually in the documents that were expected to be tabled in the Legislative Council half an hour ago in response to the motion moved in that house? All these matters are crucial issues that still need to be resolved before the Parliament is in a position to make a properly informed decision on this bill.

**Mr HARDMAN** (Seymour) — I rise to support the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009. This bill delivers on another election commitment of the Brumby government as it continues to drive measures tackling climate change in Victoria. The bill is an initiative to facilitate and encourage the use of renewable energy in Victoria in order to tackle climate change, and it achieves that by facilitating and regulating the payment of a premium feed-in tariff to Victorian residential electricity customers.

The objectives of the bill are to reduce the cost barrier for people installing solar photovoltaic systems of up to 3.2 kilowatts. The bill amends the Electricity Industry Act 2000 and the National Electricity (Victoria) Act 2005 to provide for the scheme's establishment. The idea is to encourage Victorian households to produce renewable energy, which will play an important part in tackling climate change, and also to encourage people to use electricity more efficiently by rewarding those people who are able to supply excess power back into the grid.

I listened intently to the member for Box Hill's contribution to the debate, but I am still not sure what the opposition's position is on this bill. In beginning his speech the member strongly criticised the bill, yet he was very high on rhetoric but low on substance. The member ignored the actions previously taken by the government and the ongoing benefits for Victoria in the future.

I am looking forward to finding out exactly what the opposition's policy will be on renewable energy but also what its position is on premium feed-in tariffs in relation to this bill. I hope to find that out as the debate continues.

The government will implement its policy by crediting households 60 cents per kilowatt hour for the energy they feed back into the electricity grid for others to use. This compares to the average price for electricity of around 17 or 18 cents per kilowatt hour that customers have to pay for their electricity. It is a great deal for people who want to have photovoltaic cells to generate electricity. It will encourage them to put panels on their roof; I know a lot of people who want to make a contribution to climate change by doing so.

The government has put a cap on the scheme in the sense that it is allowing a total capacity limit of 100 megawatts of power to be produced by photovoltaic systems; importantly, it is limiting people to 3.2 kilowatt hours capacity per individual households. The tariff will run for 15 years, which means that if a household signs up from day one, it will get a maximum feed-in tariff over that time; but customers who join later in the program — say, in the 14th year — will only get one year of the scheme's benefits, which will encourage people to take up the opportunity to produce renewable energy as soon as possible.

The policy should be seen in a broader perspective, which is that the Victorian government has a raft of renewable energy programs and policies, including the Victorian renewable energy target. That scheme delivers a subsidy of up to \$140 million a year to green power projects in the state. The Victorian government is also contributing \$50 million for a Solar Systems large-scale solar power station, which is being developed in the north-west of the state. That will produce a lot of energy for Victoria at a very efficient rate in comparison to the feed-in tariff.

Recently the government contributed a further \$100 million to help fund a second large-scale solar power plant, which will make Victoria a leader in the production of solar energy. The government has a number of other policies and programs to encourage renewable energy. There is \$72 million in large-scale renewable funding through the energy technology innovation strategy; \$12 million of funding for sustainable energy research and development; a commitment to purchase 25 per cent of government electricity from green power; and generous rebates for solar hot water systems, particularly for those in

non-metropolitan Melbourne. I am sure people across regional Victoria are taking up the offer now.

**Mr Stensholt** interjected.

**Mr HARDMAN** — In Melbourne as well, but it is more generous in regional Victoria. The more people who take up that offer, the more they will benefit not only in their hip pockets but also through the reduction in our production of greenhouse gases. The government's general feed-in tariff scheme is a good policy for all Victorians. The government is also funding solar industry fellowships, a wind atlas for Victoria so people know where to invest for wind energy, and a solar atlas so people understand where the best places are to produce solar energy.

The government believes solar energy can play a very important part in Victoria's energy future but also believes that the large-scale solar project will provide much better value for money going forward, which is why the government is concentrating particularly on large-scale solar power stations. In northern Victoria the large scale solar power station will produce 154 megawatts of solar power and cost \$420 million. To supply the equivalent energy to the system via solar panels on domestic roofs would mean more than 100 000 homes would need to install solar photovoltaic cells at a cost in excess of \$1 billion — more than double the cost for the same level of greenhouse gas abatement.

The challenge for the photovoltaic industry is to reduce costs to make its product commercially attractive to their customers. The government is encouraging the development of sustainable energy technology through the energy technology innovation strategy, and \$6 million has been contributed for revolutionary new technologies that may result in technological breakthroughs in the way that solar cells are made, by printing them on polymer material similar to that used for Australian dollar notes.

The scheme is operating on the basis of fairness, which is important to the government. In developing policies it looks at sustainability principles, economic issues, environment issues and the social costs and benefits of what it is doing. This is why the government has produced this policy of a net feed-in tariff as against the alternatives.

The member for Prahran will speak about some of the legal issues and why the government has gone down the route of not having a gross feed-in tariff and a credit system rather than a cash system. The average Victorian who installs a photovoltaic system on their

house will receive about \$600 a year back from the scheme, with \$300 being the premium feed-in tariff and another \$300 in savings from the reduction in their power bills. The average power bill is about \$1200, so it is a significant reduction and will help pay the original cost of installing a solar power system.

It is important to note also that the opposition has opposed the steps we have taken on the Victorian renewable energy target, and at the last election promised to abolish that scheme. Again we wait with bated breath to see what the opposition really intends to do in the future. On that note, I wish this bill a speedy passage. I think it is great for our state to be tackling climate change, and this is another measure in meeting that great challenge we have in Victoria.

**Mr CRISP (Mildura)** — I rise to make a contribution to debate on the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009. The Nationals in coalition are not opposing this bill but are finding it very difficult to support it. Northern Victoria has a very exciting future in solar power, but if you have a home that uses photovoltaic power, you will feel nobbled by this complex and confusing legislation before us. The term ‘premium solar feed-in tariff’ is an inaccurate description for what will be available to a home generator. In my view this bill does not offer a real premium for home solar power and is disappointing for many in the community.

What is the purpose of the bill? It sets out to allow residential customers to earn credit from their retailer at the rate of at least 60 cents per kilowatt hour for the net power they feed into the grid from solar generation at their principal place of residence. The list of the main provisions is lengthy, and that is where people begin to experience stress. The bill requires retailers to purchase the solar power from qualifying customers who generate power but do not use it. As I said, the credit is 60 cents per kilowatt hour. In northern Victoria we pay a little more for electricity than the member for Box Hill quoted; we are in the 18 to 20 cents per kilowatt hour bracket. Some issues arise when you put that power into the grid given the complex arrangements between retailers and their wholesalers in terms of how that will work.

The bill requires credits to be credited against a customer’s bill from the retailer and unused credits can be carried forward for up to 12 months. The credits are extinguished after the customer changes retailer. I think for many people that is one of the key disappointments in this bill — the inability to turn any of this into real cash in their pocket. I also contend that perhaps it should be possible under this legislation for one to gift

the money or the credited units to someone else’s account rather than have them expire. That is something I do not see in the legislation, but I think it is worth considering as some people gear up to get some gain out of this particular legislation.

The bill also defines what a qualifying customer is and limits the capacity to 3.2 kilowatts or less. It requires distribution businesses to pay the retailers a credit of 60 cents, and as the member for Box Hill so well pointed out in his contribution to the house, we need to understand more about who gets a windfall out of these lapsed credits. The distributors and the retailers have arrangements between them, but somewhere at the end of the year there is a windfall gain. Who gets it? I think this is something that everybody wants to know. The bill also deems the giving of such a credit to a distribution business to be a relevant pass-through event, and that is something we have covered now in determining the price and in recouping the price through higher tariffs. So everybody has paid — or have they? Who is getting the benefit?

The bill requires the giving of a credit by distribution businesses to retailers be treated as an obligation. The bill enables the minister to declare the scheme capacity day, if he is satisfied the aggregate generating capacity has reached equal to or greater than 100 megawatts. The bill also sets a time limit of 15 years on the duration of the scheme. Many people who were hoping to use their photovoltaic facilities for around 25 years have some concerns about this. However, I think some of this will change as we come under an emission trading scheme. This will not be a stable environment going forward. The bill also sets the scheme start date.

Meters have become a key issue. As I understand it, if anyone wants to participate in this scheme and they are not part of the immediate rollout of the new meters, they will have to pay a \$200 fee. Given that the crediting is of a complex nature, can the cost of the fee be added to the bill and paid off in credits or will consumers have to fork out the \$200 and then 12 months later proceed to watch that value slip away? All of these things are annoying people out there. The concerns about the scheme are flowing through from the community. The scheme is not consistent across state borders, and people are making comparisons with what happens in South Australia and Queensland. The fact that there is no indexation of the 60 cent feed-in tariff is annoying people, as is the fact that it is not possible to earn a payment.

There are other areas I want to address, and that brings me back to the key elements that appear to be annoying people. The scheme applies only to the principal place

of residence, a customer can never earn a payment and unused credits are extinguished and are extinguished in a way that is not transparent to people who are dealing with retailers. The member for Box Hill talked about issues such as net tariffs versus gross tariffs and whether it is worked out using instantaneous net or using intervals. I think the legal issues about the dollar refunds have been well covered, but it is concerning that some in the community view the current legal advice that the government has on a cash refund as an opinion of convenience and are extremely disappointed there has not been a more positive approach to those refunds.

So far who is happy out there? The government is happy. Who is unhappy? Many of those who have photovoltaic installations on their roofs are unhappy, and I think I have received the same letters and emails that most other members would have.

Environment Victoria is unhappy. It has concerns on the uptake of this legislation. It has written to everybody concerned and expressed those views. It makes a very good dollar argument, as the member for Box Hill said. The government has provided its figures, Environment Victoria has provided its figures, and the *Age* has provided some figures through Royce Millar. This is confusing everybody out there about the realities. There needs to be some transparency and testing of all those figures so that people understand where the costs are.

People are very concerned. Environment Victoria talks further about other energy incentive schemes that save the average householder \$15 a year, so therefore on its figures it works out that this whole scheme should, if you went to a gross feed-in scheme, save \$8 a year, which is very different from the \$100 suggested by the government — which got people very upset.

Similarly circulating out there amongst people is an enormous litany of what people feel are broken promises over legislation, so there are concerns. There are 280 installers in Victoria, 50 per cent being in the regions and 50 per cent in the suburbs. Like many people in that business, they are in touch with their local members. I am thinking particularly of Greg Baker from Baker Renewable Energy in northern Victoria, who has expressed his concerns to me. I also thank Don Chambers for all his work in bringing me up to speed on this issue and, in particular, in providing the information that is going around out there.

Nobody out there is very happy. The government's green credentials are damaged amongst the various groups out there that are really concerned. Part of that

relates back to the Labor policy commitments for solar feed-in tariffs at the last election.

It all hinges on what is deemed to be a fair and reasonable price. What has got people upset out there is that this government is not delivering a fair and reasonable price; it is not providing a real incentive.

Environment Victoria says it believes this will not stimulate rooftop generation, which is important to families out there who want to make a contribution to the environment. Families who live and work in Victoria and who are seeking to make a contribution to the state's clean energy future are not going to get a fair price for their endeavours. Many have invested large amounts of money to go beyond the 1 kilowatt unit that is subsidised.

Governments should deal genuinely with families and fix the legislation up, particularly between houses, to give everybody a fair go and to make a fair contribution towards this state's greenhouse issues by making photovoltaic rooftop generation a real possibility for this state — not a hoax, as this legislation is putting out among the people.

**Mr LUPTON (Pahran)** — I am delighted to be able to speak in support of the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill. This is another demonstration of the Brumby government's commitment to renewable energy and tackling climate change here in Victoria.

It is part of a suite of measures that have been designed to increase the proportion of renewable energy generated in this state and to achieve this in the most cost-effective, equitable and effective way.

There have been a variety of different proposals put forward in Victoria in relation to how such a scheme should be established and operated. It is important for the house and for the people of Victoria to understand what the differences are and why the government has decided upon its present course, which I believe is the most appropriate in all of the circumstances.

There have been suggestions put forward that a gross feed-in tariff should be supported. A gross feed-in tariff provides a payment of a credit for all of the energy produced by a household, whether it is used by the household itself or fed into the grid by generation through photovoltaic panels. A net feed-in tariff provides a payment or a credit for that energy generated over and above the amount used by the household itself. It gives a payment or a credit to the household for the energy generated by photovoltaic cells that is fed into the grid.

The nature of a premium tariff is simply that the householder is paid a price over and above what the normal retail price of electricity is, so on average around Victoria the retail price of electricity is something in the order of 18 cents per kilowatt hour; the premium feed-in tariff is set at 60 cents, so that the amount of energy generated and fed into the grid under a net scheme is paid to the householder at that amount or credited at that amount, being 60 cents per kilowatt hour, which is over three times the normal retail price of electricity. That provides the incentive for the householder to get into the scheme.

There are sound environmental reasons for adopting a net feed-in tariff. There are also sound reasons based on equity for adopting a net feed-in tariff. There are also important cost benefits in adopting a net feed-in tariff. A number of those issues have already been raised in debate and will continue to be raised by other speakers. One of those important cost benefits is that the amount of cost that it takes to provide an amount of electricity by small-scale solar power generation is over double the amount that it currently costs to provide power from large-scale solar-powered generation, so it is an important consideration. The government is pursuing a range of policies to advance large-scale solar power generation in this state, and we see this as the right balance in order to generate the maximum amount of renewable energy, and do it in the most cost-effective way for Victorians.

In addition to those environmental, equity and cost issues which point towards the benefits of a net feed-in tariff, there are also some very important legal and constitutional reasons for adopting this approach, and I want to take some time to deal with those matters.

Under our federal system of government in Australia we operate under the constitution which establishes a number of rules upon which commonwealth and state governments are able to levy various taxes and charges. Under section 90 of the Australian constitution it is the sole power of the commonwealth Parliament to impose any duty of excise; a state is not able constitutionally to do so. Section 90 of the constitution has been considered by the High Court on many occasions over the years. Following those High Court rulings, we are able to say that tax is a compulsory exaction of money; it is usually, although not necessarily, for a public purpose, and a duty of excise has been defined by the High Court as an inland tax on a step in the production, manufacture, sale or distribution of goods. Electricity has been held in High Court decisions to be goods for the purposes of taxation legislation.

With those sorts of decisions by the High Court, what we need to construct when we are dealing with a feed-in tariff is a system that is going to be robust and immune from constitutional challenge and therefore give certainty to households and investors in this state. The bill has been constructed on that basis.

Clause 5 of the bill provides that a retailer must purchase at a premium price electricity generated by a household customer using a qualifying type of generator, a photovoltaic generator of the appropriate size and provided to the electricity distribution network. Under the bill the tariff is to be paid by the retailer to the customer through a credit against amounts otherwise payable by the customer for their electricity consumed.

What this really means is that instead of customers being paid in dollars and cents for the amount they feed into the grid, they will be given a credit off their electricity bill which can be carried over from one billing period to the next but will be extinguished after a period of 12 months. So 12 months after you are entitled to a credit, that credit is extinguished, but that is a rolling process 12 months down the track. As well the bill provides for the retailer to be given a credit by the relevant electricity distributor and for the distributor to be able to recover the cost of that credit under its use of system agreements with all the electricity retailers operating in its area.

The effect of these provisions is that there will not be an exaction of money under this feed-in tariff, which in turn means that the statutory obligation to provide a credit is not a tax, and because it is not a tax it cannot be an excise and therefore is immune from challenge under section 90 of the constitution. That will provide the type of certainty that we need to make sure that this bill has a sound legal basis and we can move forward with a proper feed-in tariff that will be able to operate with certainty over the years to come here in Victoria.

Based on the fact that the bill is structured in this way and does not impose an excise duty on people in Victoria, we will be able to provide that certainty to households that invest in solar photovoltaic, and it will help to ensure that the scheme will not be challenged. It will also provide an incentive to households to invest in solar photovoltaic panels, as they get credits which can be offset against the rest of their energy consumption until their bill goes down to zero. The average Victorian electricity bill is around \$1200 per year, and the average feed-in benefit from our scheme is expected to be \$600 per year, which is made up of a \$300 subsidy from exported power — that is, power put into the grid — and the \$300 saving in own-use costs, because

people using their own solar systems have it at lower cost as they are not using electricity from the grid. Most households will get the full benefit of our feed-in scheme.

These processes work in conjunction with a range of other very important renewable energy initiatives that we have put in place in Victoria. Dealing with solar power particularly, we have the \$50 million Solar Systems large-scale solar power station to be built in north-western Victoria, a second large-scale solar power plant that we are putting \$100 million into, which will also provide an enormous amount of solar power, and the Victorian renewable energy target, which delivers a subsidy of up to \$140 million per year to GreenPower projects in the state. Solar Systems would not be investing in this state unless we had those schemes. I commend the bill to the house.

**Dr NAPTHINE** (South-West Coast) — I rise to speak on the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill. The bill's purpose is to promote the installation and use by Victorian households of small solar energy generation facilities, which many of us would agree is a commendable purpose. It is a pity that the bill itself falls well short of meeting that purpose and fundamentally fails to deliver any true benefits to people who are involved in the installation of solar power facilities.

There are several areas where the bill fails. There are no cash payments for electricity produced and provided to the grid. People will be paid in credits, but if they are unused at the end of 12 months, they will expire and people will get no benefit from them, and we are not sure who will benefit from unused credits. The bill is also restricted to the principal place of residence. They are some of the issues I seek to address, and I address them particularly at the behest of some very interested people in my electorate of South-West Coast who are involved in the Portland Sustainability Group. I want to quote from an email of 30 March this year from Peter Reefman, convener of the Portland Sustainability Group, to the Minister for Energy and Resources. It says:

As convener of a grassroots sustainability group that has signed up 30 people to have solar systems installed, and a further 50 expressions of interest, I find this move by the Victorian government extremely disappointing. I know many people and other community-based sustainability groups that have already installed systems based on the originally proposed feed-in tariff of 60 cents net with cash payout for surpluses.

I believe those people will now be very angry and disillusioned with the Victorian government.

Further it says:

What I'd ask is how this —

feed-in tariff —

... even remotely relates to the Labor government's election promise in 1996 —

the memo says '1996' but he means 2006 —

... as part of the 'Tackling climate change — helping Victoria play its part' policy to —

the email quotes from that election promise —

introduce a feed-in tariff law to ensure households and small businesses that feed solar and other renewable energy back into the electricity grid are paid a fair price for power.

Mr Reefman's email comments on the breaking of that promise in this way:

The recent amendment to a credit-only system means there is no 'paid' any more. And there certainly is no 'fair' to the householder any more either.

The email to the minister further states:

The financial payback for 1 kilowatt systems we are offering the public (as a not-for-profit) will now go from around 7 years to around 16 ... This is certain to stop many systems being installed.

Please reconsider the recent amendment regarding a credit-only —

feed-in tariff —

... as I strongly feel there will be very dire consequences for the Victorian solar industry and community engagement towards environmental sustainability in general, as we'd certainly have the worst —

feed-in tariff —

... in ... Australia and from what I've seen, the entire world. Don't let this happen.

In a covering email to me he explained further some of his and his group's concerns. It states:

... we feel this tariff amendment will mean people will be discouraged from buying anything except the absolute bare minimum.

That is in terms of solar systems; hence you will not get the maximum benefit environmentally or in terms of electricity production. It further says:

A medium-sized system — 3.2 kilowatt which is actually the maximum for the Victorian —

feed-in tariff —

... on an efficient house (8 kilowatts per hour or less) will lose a huge amount of surplus. At least \$600 per year worse off, and very likely \$1000+ worse off.

I appreciate the concluding words:

Thanks again, it's great to have a representative local MP such as yourself.

There are very real concerns about the way the government has gone about this system. I particularly wish to again raise the points made by Mr Reefman and his group. They are that people will not be paid in cash for the energy they produce through their solar systems excess to their needs. They will be provided with credits, but those credits will expire at the end of 12 months. If those credits are unused, the person who has the solar system gets no benefit whatsoever. A number of people I have seen with these solar systems can run their whole household with a storage backup so they do not need to use any electricity out of the grid, and they will get no benefit from the credits they generate. The government is disenfranchising them from any benefit from this scheme.

The member for Mildura raised a very important point: if you are going to have a credit system, why can those people not donate those credits to friends or relatives or at least be able to donate them to a church, sporting or community group so those groups can get the benefit of the credits earned by these people, if they cannot be paid in cash? It is a fundamentally unfair system to pay people in credits. It disadvantages people putting in solar systems and disadvantages the solar energy system. It is unfair that they cannot transfer those credits, and it is absolutely unfair that those credits expire after 12 months.

Secondly, I express concern that page 4 of the bill says this system is limited to the principal place of residence. People in south-west Victoria who have holiday homes may wish to put in solar power systems, many of which would be very effective generators of electricity. As there will be less people in the house during the year to use the energy, there would be plenty of opportunities to put electricity into the grid, yet they would get no benefit from it. The government is discouraging people from putting in solar power systems.

What is worse is that sporting clubs, community clubs, churches and other organisations that are not a principal place of residence are discouraged from putting in solar power systems because they cannot access this scheme. That seems to be a absolute gaping hole in this legislation; there has been a complete lack of thought behind it.

**Mr Stensholt** interjected.

**Dr NAPHTHINE** — When the scouts wanted to put a solar power system into their scout camp, they were refused access to any of the schemes. I took it up with the minister and he said that their scout camp still did not qualify. The government speaks with a forked tongue on this issue. It makes noises about supporting solar energy and about being green, but in reality what it is putting through in this legislation is not helping the solar energy system and is not helping people who want to do the right thing by their community and the environment.

Finally, it is not but should be part of a national system. I think this legislation leaves a lot to be desired, and I urge the government to rethink it. I conclude by saying that in south-west Victoria we are very proud of our contribution to alternative energy production in this state. We have large investments going into gas-fired power stations at Mortlake and proposals for Codrington. South-west Victoria is the home of the wind energy industry, with wind energy facilities at Codrington and Yambuk, the Portland wind energy project and proposals for Macarthur, Hawkesdale —

**Mr Stensholt** interjected.

**Dr NAPHTHINE** — It is a pity that the member for Burwood again forgets to mention that his government promised that all the wind blades for those projects would be built by Victorians in Victoria. The Vestas factory, which was established to do that, was closed down, and 130 people from Portland lost their jobs because this government did not care enough to deliver on its promises to keep jobs in this state.

While there is investment in wave and geothermal energy in our area, which is fabulous, this government closed down the only working geothermal energy system in this state; it closed down the geothermal bore at Portland but it should reopen it. There is plenty to do in alternative energy. This government is paying lip-service. We want real action, not just lip-service.

**Mr BROOKS** (Bundoora) — It is interesting that the previous speaker thought this government was paying lip-service but then spent the last couple of minutes outlining the fantastic renewable energy projects that are occurring in his part of Victoria.

It is my pleasure to speak on the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009, which indicates quite clearly that this government takes climate change very seriously. This bill is one of a range of initiatives this government has put in place and will continue to put in place to ensure that the challenges of our changing climate are addressed.

The bill supports people who have installed or will install solar panels up to 3.2 kilowatt capacity; it provides for a feed-in tariff of 60 cents per kilowatt hour paid for electricity that is returned to the grid. It is worth pointing out that this is the highest feed-in tariff of all the Australian states that have a tariff operating. As I mentioned, it is a net scheme, not a gross scheme, as people have been discussing.

It seems that members on the other side of the house seem to favour the option of a gross feed-in scheme whereby people are paid for all the power they use as opposed to the power they put back into the grid. I think a net scheme is much fairer than a gross scheme, particularly for working families, and I will come to that very shortly.

I think this is a demonstration of very sound policy development by this government, particularly with the net scheme continuing to put downward price pressure on energy consumption. We need to remember this is not just about the cost of electricity. It is also about providing a price signal to consumers about the amount of energy they consume. Given also that small-scale solar generation is four times more expensive than wind energy, for example, it is important for this scheme to be just one in a range or suite of measures to reduce greenhouse gas emissions.

When members talk about the ways this government is going about reducing greenhouse gas emissions, there is the Victorian renewable energy target (VRET) scheme which is the major driver and a marker of this government's commitment to doing just that. Many of the initiatives that the previous speaker was talking about, like wind farms, are being generated out of that policy leadership from this government. The VRET scheme has created a renewable energy economy in Victoria valued at around \$2 billion, which has saved around 27 million tonnes of greenhouse gases and created around 2000 jobs. This government understands that renewable energy is not just about climate change; it is also about economic growth and green jobs.

As I said, the way in which the government tackles climate change needs to be fair to everybody, not just the people who are able to afford to make an investment in solar panels. As to a comparison of a gross feed-in tariff with a net feed-in tariff, it is the government's view — and certainly also my own — that it is unfair for households to be paid a higher premium for power they use, yet today some members on the other side of the house, proponents of a gross tariff, have discussed their support for it. The government net feed-in tariff supports a premium rate

being provided, but only for electricity that is fed back into the grid for other users.

Proponents of the gross feed-in tariff should remember that on average the benefit of the gross tariff is double the benefit of a net tariff — for those who can afford the photovoltaic (PV) cells — but the cost of the gross tariff is four times that of a net tariff to other Victorians who might be struggling due to the effects of the global financial crisis.

People are prepared to pay extra to help the environment, but I do not think working families are prepared to also pay for the power bills of the rich who, as I said before, under a gross tariff will have no incentive to reduce their power consumption. The feed-in tariff scheme was never designed to be a profit-making enterprise funded by the Victorian families who do not have solar panels. The scheme is designed to assist photovoltaic panel owners with a payback of the cost of their systems, and the net tariff achieves that aim.

It is hard to work out where the opposition stands on this issue. It seems to not oppose the bill at this point, but earlier its members clearly said they were not sure if they would support it. Perhaps those opposite who support a gross tariff do so because their constituents in places like Malvern, Hawthorn and Kew are more likely to be able to install photovoltaic cells. But it is a bit rich that they want my constituents in suburbs like Bundoora and Greensborough to help those people pay not only for the system but also for the electricity they use. Why should battling families in places like Bundoora — or, for that matter, in Warrnambool, Mildura, Ferntree Gully or Bayswater — pay for mansions in Brighton to run their plasma televisions and pool pumps? I am at a loss to work that out.

The people in those areas have the financial resources to own a home and also purchase and install solar panels. The energy these units will produce will be subsidised through increased energy costs by those who are not fortunate enough to own their home or afford to purchase and install photovoltaic solar panels.

A recent study by CSIRO Sustainable Ecosystems shows that high-income households spend just 5 per cent of their income on energy compared to 15 per cent by low-income households. So a scheme that seems to be promoted by members opposite would have people in low socioeconomic areas subsidising those who can afford to install solar panels. That would have a disproportionate, negative impact on those areas.

The benefits of feed-in tariff payments will accrue disproportionately to those in higher income groups who have the means to pay the up-front costs of installing solar panels, whilst the impact on their power bills will be less of a burden. Make no mistake: if a gross premium feed-in tariff scheme were to be introduced, it would exacerbate this inequity. It would be a reverse Robin Hood scheme, where those on low incomes subsidise the wealthy.

Some stakeholders have suggested this equity issue could be solved by excluding concession cardholders. This sounds like a fairly simple solution, but as about a third of households have concession cardholders, the other two-thirds of people would be picking up the costs of those users and therefore doubling the cost of the scheme. This would make life even harder for those families which, for example, do not have concession cards but are working and struggling on average incomes.

The challenge for the photovoltaic industry is to get the costs of its products down so that they are more affordable and efficient. The other problem with trying to exempt concession cardholders is that the only way to make this happen is to use direct government funding. This government would prefer to put funding into large-scale solar, such as getting more clean, green energy in this state, which the Premier has made a recent announcement about. Despite federal and state government rebates for solar panels, the panels remain a very expensive way to generate electricity. As I have said, it costs approximately four times more to generate energy with solar panels than it does to generate it with wind power.

Driving down the costs so that solar can compete with other forms of energy is the industry's challenge. For example, investigations into the cost-effectiveness of Germany's solar subsidy would have found that 0.6 per cent of Germany's 2007 gross electricity consumption came from solar photovoltaic, yet customers paid €1.28 billion in fees for the privilege. Victorians are doing their best to drive down the cost of solar technology and get better deals for themselves by purchasing it and entering into cooperative arrangements. The real challenge for the PV industry is to develop a cheaper panel which people in my electorate and working people in other areas are able to afford to buy into.

BP Solar is reported to have said about the recent closure of its solar photovoltaic plant in Sydney:

'The challenge for solar power is to reduce its costs to the level at which it competes on an equal footing with conventional electricity delivered through the power grid. To

do this we need to expand at scale and reduce costs', said BP Solar global CEO, Reyad Fezzani.

It is a challenge in designing a feed-in tariff to weigh up the costs and benefits for all Victorians to ensure that we have a scheme that is both green and fair, to get the balance right. That is what this bill does, and I commend it to the house.

**Mrs VICTORIA** (Bayswater) — I wish to speak on the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill, the purpose of which is to allow residential customers to earn a credit from their retailer of at least 60 cents per kilowatt hour for the net power — and later I will come back to the difference between net and gross — they feed into the grid from solar generation at their principal place of residence. That is important, because the bill does not include commercial properties.

It requires that most electricity retailers — and this is according to size of supply on the retailer's behalf — will need to offer to purchase from qualifying customers, which, again, comes down to those in a principal place of residence. The retailers will need to offer to purchase solar-generated electricity that the customer does not use. In return, the customer will be offered a credit — not a cash rebate, as occurs in some other states like South Australia and Queensland — and that credit will be no less than 60 cents per kilowatt hour. It will be credited against the customer's bill; if the customer changes retailer or after 12 months from the credit being given to their account, it will expire, so it does not have a lingering quality to it.

A qualifying customer is somebody who generates electricity at their principal place of residence by using a photovoltaic generating facility of an installed or nameplate capacity of 3.2 kilowatts or less. By 'photovoltaic', I mean a system that produces a voltage when exposed to radiant energy, especially to light.

I have concern with a few areas in this bill. One of them applies to the method of calculation. What is on offer at the moment is a credit back on net generation, not gross generation. From looking at a table of what is being offered around the country — and there are still a lot of states that have not jumped on board with crediting — it can be seen that Victoria is offering a 60 cents credit to consumers with a maximum generation capacity of 3.2 kilowatts on anything that is produced above what they can use. Queensland is offering 44 cents for anything above 10 kilowatts.

Then the Australian Capital Territory — this is probably the most complex, but a very logical way of doing things — is offering 50.05 cents per kilowatt

hour for up to 10 kilowatts in capacity; a reduction to 40 cents, or about 80 per cent, for up to 30 kilowatts in capacity; and anything after that is not yet defined but is not ruled out as receiving some amount.

If you look at what people are charged — which is approximately 17 cents for their electricity — and at the 60 cents they will be paid, you will see there is a shortfall of 43 cents. This will have to be subsidised by other consumers. The electricity companies will not give this out of the goodness of their hearts. Therefore, electricity prices will rise, and a lot of people are up in arms about this system. There will be no indexation or adjustment to the 60 cents tariff, and customers will have to pay higher bills for the feed-in tariff. Who will be recouping the costs here? We have a real problem with this point.

The system requires additional metering to be installed to measure the amount that will be fed into the grid. Our inquiries have found that bidirectional meters can cost up to \$500, including the cost of installation. That is the highest; they range from the mid-\$200s up to \$500, but that is an incredible cost to be recouped

It is interesting to note that Environment Victoria, which you would think would be very much behind a solar system, says that the government scheme will produce no net increase in solar power to Victoria by 2020. In fact Environment Victoria has put some really interesting things on its website. It has called the Brumby government's solar feed-in law 'a flop'. The campaign's director, Mark Wakeham, says:

Environment groups, the solar industry and unions have been eagerly awaiting this announcement, hoping it would drive major investment in clean energy and greenhouse emissions reductions. However, the Brumby government has shunned the experience of 40 nations with feed-in tariffs and introduced a fake feed-in tariff that will make little difference to the payback times for a solar power system.

He also goes on about the methodology:

This is a tricky way of diluting the impact of the scheme, which discriminates against solar homeowners who spend more time at home, like retirees.

I think the next quote is particularly poignant:

Victoria is a leader in polluting industries like brown coal generation yet his government —

referring to the Premier —

has turned its back on the opportunity to create new green jobs.

If you look at what happened in Germany when they went to solar power and started offering very big

concessions, there was a very big increase in jobs in the solar industry. In fact about 40 000 new jobs were created in 2000, which was when they started their gross feed-in tariff. It is interesting, talking about Germany, that a country like Australia and certainly a city like Melbourne, where we have a good, long summer — that is being proved now at the end of March with temperatures on some days that are still in the high 20s — is not following in the footsteps of Germany and looking at what they are doing there.

Why would somewhere like Germany, which gets fewer sunny days throughout the year than Australia, be the world leader in solar energy? In fact if you look at the average weather conditions and at the average sunlight hours in Berlin, in the north of Germany, you will see that they have between 1 hour and 8 hours — 1 hour in the middle of winter! — of sunlight per day, with an average over all months of 4.9 days in the month being sunny. Melbourne has an average of 3 hours to 8 hours of sunlight per day, with 5.5 days per month of sunshine as an overall average. I cannot understand why we do not learn from nations that do not have the benefit of the sunlight that we get and why instead we go off on a tangent that nobody else seems to be going off on.

It is not very often that you would find me supporting or even quoting a union, but it is interesting that the Electrical Trades Union is totally opposed to the scheme. You can find quotes from the union also on the Environment Victoria website.

It is really interesting that photovoltaic systems produce a direct current and need an inverter to convert that to usable alternating current, and it is funny that inverters produce a lot of heat and therefore need a fan to be cooled. So a lot of the energy that in fact would be fed back in will be used to cool these inverters before they even get to the grid. So one would have to ask how much potential there is to earn credits for an average household. I would say very little.

It is going to be very hard to recoup costs of equipment in the maximum time allowed by this bill of 15 years. The federal government introduced a threshold for being able to claim a rebate of earning under \$100 000, but one would think that perhaps a higher income might also equate in some circumstances to a bigger house, and then where would be the incentive to be environmentally sensitive?

I support the use of low-emission energy sources that contribute to the efficiency and effective reduction of greenhouse gas emissions, but this bill is a drop in the ocean. It is a token gesture, it is a sham and a lost

opportunity. This bill does not fool true green voters and those who are serious about reducing their carbon footprint.

**Mr STENSHOLT** (Burwood) — What a performance from the member for Bayswater! First of all she seemed to be supporting a gross feed-in tariff, but the next thing she said was, ‘People are going to have a problem paying the subsidy’. She should make her mind up. No wonder the Liberal Party stands for nothing.

This legislation is designed to deliver on objectives. It is not meant to be the Holy Grail. This legislation is designed to be a helping hand to those people who actually want to get involved in putting in a small-scale solar photovoltaic (PV) system; it is a helping hand. When you design any policy, you have got to have a balance about it. You have got to make sure it is balanced and sustainable and that it is fair. That is what the Brumby government has got here.

In determining the position on solar premium feed-in tariffs you have got to weigh up the environmental, economic and social costs and benefits for all Victorians, and you have to ensure that we have got a renewable energy strategy that delivers cleaner energy in a cost-effective way. That is what this one does.

Let us not make any bones about it: it is a subsidy. People who install these panels actually get paid in terms of some feedback. They get paid more than what the cost of electricity normally is. It is a feed-in tariff, it is a premium tariff. It is 60 cents rather than 16 cents per unit. It is an enormous benefit or helping hand to these people. There is no hoax, there is no lack of initiative here; this is a genuine helping hand.

I can even use the figures provided by the member for South-West Coast. I am not sure where he got them from but from my research they are reasonably credible. He said that instead of having 7 years as a payback period, we get 16 years. How long do these solar panel systems normally last? It is around 20 years. I thought it would be seen as a really great thing. You put in a solar panel system, a PV system, and you get paid back in 16 years. You get it for nothing, you get it for free. This legislation will provide you with a solar system within 16 years — four years short of the normal lifetime — for free, at \$600 a year. So there is a genuine payback. There is a genuine benefit; it is a genuine helping hand provided to people. There is no hoax here; it is a helping hand.

We are not looking at only this system, because we recognise it is not the most efficient system that can be

provided in terms of solar generation or renewable generation. Wind power is a quarter of the cost. We know other large-scale solar systems are half the cost, and we are putting money into them. We are putting money into the systems in north-western Victoria, because that is what we should do. We should have the most responsible, most balanced and fairest decision making possible.

**Mr Jasper** interjected.

**Mr STENSHOLT** — I am sure the member for Murray Valley would be very concerned if the poor people in his electorate had to pay for the solar panels for the people in my electorate. There is a difference between some of the areas in his electorate and those in mine. I am happy that we are giving a helping hand to the people in my electorate, whether they be in Surrey Hills, Camberwell, Glen Iris, where I live, or in Ashburton and other areas. I am concerned —

**Mr Jasper** interjected.

**Mr STENSHOLT** — If the people of Murray Valley can afford it — it is an excellent program. They will get a free system after 16 years, according to the member for South-West Coast. I want to make sure that we do not have excessive costs. As the St Vincent de Paul Society said in its submission to the inquiry into the federal Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008, we want to make sure that this subsidy does not become a socially regressive tax and that people are not suffering by having to pay more for electricity; that those on limited incomes do not have to pay excessively higher prices for their electricity. We will provide the money back to people who put in these systems. We recognise there is a need there. The people are keen to put these systems in. They can be part of the solution to climate change. I am very strong on this issue. I have been dealing with the issue of climate change for 20 years. It is good that we are giving people a helping hand, but it has to be fair, reasonable and balanced. We have to minimise the cost imposed on all Victorian residential electricity customers.

There are a number of issues. The cost of greenhouse abatement from small photovoltaic systems is around \$500 per tonne. It is 20 times more expensive than establishing the Victorian energy efficiency target; it is 20 times more expensive than the early years of an emission trading scheme and it is 4 times more expensive than solar systems of a large-scale photovoltaic power plant. We are already in the process of putting one in, and we are about to provide funding for a second one. The solar system in northern Victoria

is a large-scale solar power station. It produces 154 megawatts of solar power and cost \$420 million. To supply the equivalent by solar panels on domestic roofs would mean that more than 100 000 homes would need to install them at a cost of \$1 billion. That is more than double the cost. If the member for Bayswater is to be believed, we should be providing funding for them to people within seven years and should continue to pay them four times the price of electricity for a further eight years. We have to be balanced in this. We have to be sensible. We have to look at the economic, social and environmental costs and benefits of these things. This bill does that and is a sensible compromise.

If we wanted to deliver 330 gigawatts per year from small-scale solar installations and pay the 60 cents per kilowatt hour, it would cost \$198 million per year. For that same amount of electricity we are providing \$100 million for a new large-scale solar power station in Victoria, which will provide enough power for 50 000 homes. We want to help Victorians reduce their carbon footprint. We want to make sure that we can give a helping hand to these people. That is very important. This bill seeks to do that, but we cannot do it at the expense of those who cannot afford the solar panels. Around 30 per cent of householders are on low incomes; they are pensioners et cetera. They cannot afford solar panels. It costs \$50 000-odd or more to put in solar panels to provide the average electricity use in, say, Glen Iris. That is a lot of money. Some people can afford it, and I commend that they are going to put that money into it. This bill will give them a repayment towards that — as the member for South-West Coast has already mentioned — over 16 years.

But we cannot come up with a scheme whereby people end up gaining a benefit from this where it is to the detriment of the poor people who are paying their electricity bills. I must admit that the benefits are sometimes overstated. You have to be very careful to understand solar power. I am sure the Acting Speaker would realise that the peak use often occurs in the late afternoon. That is exactly when the photovoltaic cells start to provide less electricity. You have to understand these things well in terms of their capacity to provide electricity at peak times.

I note that other people have suggested we provide it for community groups. There are two schemes. One is a state scheme and the other is a federal scheme to provide subsidies for community groups as well as schools to install photovoltaic panels. I commend those members who have some issues with that to check out the websites of the various federal and state organisations to see what is possible and to advocate on

behalf of their community groups for those sorts of grants. It is a matter of being sensible.

The German scheme was referred to. Germany did not have too many other options. It is a very expensive scheme. The International Energy Agency said it would cost about \$113 billion. I am not sure we can afford that. We have to make sensible judgements in terms of climate change abatement and climate change responses. We cannot put the money into the most expensive solutions. We can put some money into providing incentives — a helping hand, as I have said before, to people who wish to do this. This is what this bill does: it provides a helping hand. It is not the panacea for everything. We need actions on all fronts. The bill is one of those actions. It provides that helping hand for people who need it. I commend the bill to the house.

**Mr WALSH** (Swan Hill) — I rise to make a contribution to debate on the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009. I have listened with interest to the contribution of the member for Burwood on how this bill and the subsequent actions by those consumers who choose to take up the scheme are somehow going to be key planks of this government's climate change strategy. Everyone would call into question the Brumby government's climate change strategy because it is very long on rhetoric. I ask the member for Burwood not to go away — I have more to say yet. The government has a lot to say when it comes to press releases and grand announcements, but when it comes to seriously doing something about climate change, I am not sure what it is doing. I will come back to some of that later.

The member for Burwood said it would cost \$50 000 to put solar panels on roofs in his electorate to produce the 3.2 kilowatts of power there. I suggest the member for Burwood needs to move to northern Victoria, because as I understand it, with the extra sunlight that we have in northern Victoria it would only cost something like \$36 000 to put in enough cells on a roof. Obviously the member for Burwood lives in a very dark and dim place. Perhaps it needs a bit of brightening up with a Liberal Party member at the next election rather than a dark, sinister Labor Party member. There is the opportunity for a bit of light to shine on the member for Burwood's electorate after 2010 if there is a change of member out there.

I represent a part of the state where there is more sunshine, and solar energy is very topical in our area. The announcements around some of the larger scale solar projects have been a real boost for the community out there. There is some ongoing competition between

the member for Mildura and me as the member for Swan Hill as to where those facilities should be situated. I would hate to think they would all end up in the member for Mildura's electorate. Some of them should be in my electorate! know that John Forrest, my federal parliamentary colleague — whose electorate sits above ours — is very focused on north-western Victoria being the solar capital of Victoria because it has a lot of sunlight.

The member for Burwood talked about this being one of the planks of the government's climate change strategy. I find it interesting that not a significant amount of power is to be produced out of this particular project but a lot of power is going to be used in other ways by this government in some of its other projects around Victoria. Look, for example, at the amount of power the Wonthaggi desalination plant is going to use compared to what is going to be produced from these proposals. The minister at the table, the Minister for Education, talked about the fact that it is all going to come from renewable power. I appreciate that the supposed promise given by the government is that this is all going to come from renewable power. If it is like any of the other promises that are made by this government, the reality will be that —

**Ms Pike** — What promise are you referring to?

**Mr WALSH** — I am talking about the promise that it will all come from renewable power. The north-south pipeline project is going to use as much power per year as the city of Shepparton currently uses, so if you are going to produce that much power from renewable sources, you will require a substantial amount to do so. The Bendigo super-pipe required a major power upgrade when the pumps were put in there. That project actually uses as much power as the whole of the Loddon shire.

The government talks about its green credentials and its climate change strategy, and the member for Burwood talks about having a balanced approach to this type of thing. You cannot on the one hand say you are going to put some photovoltaic cells on a roof and have a scheme with some feed-in tariffs being paid, yet on the other hand have major projects around the state that are burning up huge amounts of electricity when there are quite often better options than those that are being put forward.

I would also like to put on the record the view of the Victorian Farmers Federation that this legislation disadvantages farmers. It is supposedly one of the key planks of the government's climate change strategy, yet the Victorian Farmers Federation — the peak farm

body in the state — has come out and said the Brumby government has not put in place something that would be a real advantage to farmers. Simon Ramsay, the president of the VFF, is reported in a *Weekly Times* article of 18 March as saying that farmers in South Australia, Queensland and the Australian Capital Territory are investing a huge amount in solar technology and solar infrastructure because they can actually get a return on it, but that by capping this program at 3.2 kilowatts an hour the Victorian government is locking out anyone who wants to put in any large-scale project.

Farmers have quite substantial roof areas, with the sheds and other buildings they have on their properties, and the opportunity is there for them to put solar panels on their shed roofing, but under this program they would not get an advantage if they did so.

Simon Ramsay is further reported as saying:

In the ACT, companies, farmers or individuals who invest in solar panels are paid for every unit of power produced, even if they use it themselves. The law aims to provide incentive for large companies to install solar panels to power their own energy needs.

This government had an opportunity to put in place a program that would have allowed larger and more industrial-type panels to be put in place on all the farming sheds right across Victoria, particularly in northern Victoria where there are a lot of large-scale sheds. The article I am referring to quotes Solar Shop Australia as saying in effect that with this program the Victorian government obviously does not want solar power to work.

The comment made by the member for Mildura when he was giving us a briefing on this bill was effectively that this is such a dog of a piece of legislation that it has little support. When I consult with people across my electorate, they look at this legislation and say, 'Is it really going to be worthwhile for me to invest the money that is needed here to be part of this government's so-called greenhouse strategy?'

**Mr HOWARD** (Ballarat East) — I am certainly pleased to add my comments in support of this legislation in relation to solar feed-in tariffs. This bill presents one aspect of this government's response to the issue of global warming and not, as misrepresented by the member for Swan Hill, a key component. It is one aspect of this government's response to a very serious threat not just to our state but to the entire world. We need to undertake serious responses to the global warming issue.

I have listened to a number of members of the opposition speaking on this bill, and it is interesting that again they have demonstrated that theirs is a policy-free zone when it comes to dealing with global warming. They have not suggested one positive thing that this government should be doing. They just want to be negative. They want to carp, whinge and find every way they can to criticise legislation brought forward by this government but not to provide any serious alternatives. They do not represent any serious alternatives at all.

Let us look at what this government is doing in regard to its overall thrust to address global warming. We know a lot needs to be done. Global warming is a serious issue, as I have said. I have been reading the book *Six Degrees — Our Future on a Hotter Planet*, which provides a very depressing view of what would happen on this earth if it gained 1 degree in temperature, 2 degrees in temperature and up to 6 degrees in temperature as a result of global warming. It is a very serious case indeed that we need to avoid at all costs.

This government is acting in a range of ways to try to both reduce our electricity consumption and promote forms of energy that do not emit greenhouse gases. We have introduced the Victorian renewable energy target (VRET) scheme — something that is now being copied by other states and other jurisdictions around the world as a great way forward. We have, as a government, entered into a Green Power initiative where we are aiming to purchase 25 per cent of the government's power needs from green power.

We have supported a national emission trading target, and this is something on which we are working with the federal government to have instituted so that there will be a greater incentive for reducing power consumption and supporting alternatives.

We have also introduced the 5-star building standard, which, among other things, encourages new houses to put in solar hot water units, which is a means of using natural solar power, reducing energy consumption and therefore bringing down greenhouse gas consumption. We have also been supporting the black balloon program to try to highlight people's energy consumption issues and bring down consumption. We are doing a range of things.

In terms of those alternative energies we know that this government has, mainly through the VRET scheme, seriously supported wind power. I live in Waubra, a place where 128 wind turbines have just been built. The first of those is now producing electricity. When I

looked from my front gate last weekend I could see something like 60 towers. Some members of our community are opposed to looking at wind towers and say they are dreadful. I remember how, when the present Leader of the Opposition was the shadow planning spokesperson, every time there seemed to be a wind power project proposed anywhere in the state he would be out there at the first opportunity, saying, 'This is a dreadful thing. This should not happen. You cannot have these things happening in this part of the world'. We seem to hear that so many times from members of the opposition in support of those people who are negative in regard to wind turbines and who find every reason to oppose them. But this government is supporting wind production as a key issue and as the most cost-effective form of an alternative energy source, other than hydro-electricity. Wind power is a key part of the future of this state.

As a member of the Warby community I am very pleased to look out at the wind turbines that are now operating there. The government recognises that large-scale solar is a key part of the mix of renewable energy, so it has invested substantially in its production. It looks forward to the world's largest photovoltaic energy solar plant to be built in north-west Victoria. It will produce 154 megawatts of power, and the project is supported by \$50 million from this government. It will be of great benefit to the state.

The government also recognises that although it is a lot more costly to produce small-scale solar electricity on individual roofs, it is a component of the mix of renewable energy. The government is pleased that a number of members of the community across the state have already installed photovoltaic cells systems on their roofs without feed-in tariffs. Those people recognise that they are making a contribution to reducing our greenhouse imprint. They are doing it without feed-in tariffs, but many green groups have encouraged the government to introduce a feed-in tariff, which is what it has done. As the member for Burwood said, the government has looked at what is a fair feed-in tariff and not one that gives handouts to people who put photovoltaic cells systems on their roofs, which are then paid for by other energy users across the state, including pensioners.

The government has said that a very healthy figure is a 60 cents per kilowatt hour as a feed-in tariff. It is a net tariff and not a gross tariff. We are not paying people for producing electricity they use themselves. They have to put it into the grid to get that 60 cents per kilowatt hour, and some people are disappointed it will be in the form of a credit and will not be a financial payment. However, we have received advice that

constitutionally we cannot impose a tax, so the only way we can do it is by having a feed-in tariff.

The government is supporting people in having photovoltaic cell systems installed on their roofs. The member for Bayswater spoke about Germany and what a wonderful thing the Germans are doing. The reality is that energy users in Germany paid €1.28 billion in 2007 for photovoltaic energy cells systems installed on individual roofs and that has provided only 0.6 per cent of the country's gross energy needs. It is not a big contributor, even though it is costing a lot. It is a component in the mix, but it is not a big component, and we want to support people with the feed-in tariff and give them an additional incentive to install photovoltaic cells systems on their roofs while not making it a ridiculously large incentive. This is a sensible approach.

The opposition's response to the legislation is to whinge, whine and carp and to suggest no sound alternatives for this significant issue of addressing greenhouse gas emissions. The opposition still does not want to deal seriously with this issue. I am pleased to be part of a government that has undertaken a raft of activities to address greenhouse gas emissions and reduce the impending threat of global warming. This is a sensible and sound way of encouraging people to install photovoltaic cells systems on their roofs. I support the bill.

**Debate adjourned on motion of Mrs FYFFE (Evelyn).**

**Debate adjourned until later this day.**

## BUSHFIRES ROYAL COMMISSION (REPORT) BILL

*Second reading*

**Debate resumed from 12 March; motion of Mr BRUMBY (Premier).**

**Government amendments circulated by Mr HULLS (Attorney-General) pursuant to standing orders.**

**The Nationals amendments circulated by Mr RYAN (Gippsland South) pursuant to standing orders.**

**Mr RYAN (Leader of The Nationals)** — It is my pleasure to join the debate on the Bushfires Royal Commission (Report) Bill. Last Friday evening in Queen's Hall there was a great occasion to mark the Kokoda reunion dinner. It was a salute to the 39th Australian infantry battalion and was an evening

that was well organised by the member for Narracan, with about 140 to 150 guests present. Of those present there were 14 members of the 39th Australian infantry battalion and a member of the 2/14th battalion.

The significance of this, as members would be aware, is that it was the 39th Australian Infantry Battalion which fought in New Guinea on the Kokoda Trail at a time in Australia's history which was pivotal to its future. These extraordinary young men fought the Japanese in appalling circumstances on extremely difficult terrain and did what can only be described as an absolutely remarkable job on behalf of the nation.

The evening was convened with a view to recognising the extraordinary contribution that I have just described. The proceeds of the evening went to the Victorian Bushfire Appeal Fund, and sitting beside me at the dinner was a great friend of mine, Chris Lee, who unfortunately — tragically, even — lost everything in the sense of his home and all possessions in the course of the fire that occurred on Black Saturday. There is no doubt, though, that this demonstrates how the appalling events of this year with regard to the bushfires have touched us all. On the other hand, I think it very significant that in this Parliament on that night we had with us a group of men who are truly heroes. There is a very direct segue between those two situations.

In my time of being involved in the aftermath of the fires I have met many people who are heroes in every sense of the word. A lot of their stories have been told and will be told in time to come, but a lot of their stories will never be told. They come from not only those who stayed to fight the fire; on many other occasions they come from those who had the courage to go. They come from all the agencies who were involved in fighting the fires over the course of these many weeks.

On that point I pause to say that the fires started in Gippsland on 28 January. Here we are, some 62 days later, and the fires are still burning. Only today in an edition of the *Herald Sun* there is a letter in the correspondence to the paper that says, 'Bushfire fight still goes on'. It is from a lady named Maggie at Seaford and she says:

I've just heard from my son — he's still fighting fires.

He says: 'Not quite over for me yet. Finishing my last day of seven days on roster tomorrow in Cann River. Twenty-eight fires on the go here. But they are not close to Melbourne and not threatening lives or property, hence nothing in the media'.

Her letter goes on to say:

I would like to acknowledge that they are all doing a great job, and would like the media to be aware.

I want Maggie to be aware that this Parliament knows of the circumstance in which her son is now involved. We are very aware that the fires are still raging in certain parts of the state, and we are also very aware that people such as her son — and the sons and daughters of many others — are out there fighting those fires as we speak. It truly has been a disaster of the most awful proportions.

As we also now know, the loss of life has been revised down to 173 citizens, one of those being the firefighter from the Australian Capital Territory, Mr Balfour, who lost his life in tragic circumstances. So it is with all of this background in mind that these issues were part of the interplay of that absolutely wonderful event in Queen's Hall last Friday night. Again, I congratulate the member for Narracan for organising the evening. I might say it was my task to introduce the guest speaker, Major Charlie Lynn, who is now a member of the New South Wales upper house. He had a career spanning, I think, 21 years in the Australian Army, has had a strong involvement with Kokoda since leaving the army and continues to do remarkable work.

In a sense it sets the position in relation to this legislation because, although it is relatively short in compass, it is of enormous significance. An amendment has been distributed by the government, having been moved by the Attorney-General. I have also moved an amendment and it has been distributed. As it happens, the respective amendments are the same. I am pleased to say therefore that with that amendment having been moved by the government, the coalition is very pleased to be able to support this bill. However, since that amendment has come about as a result of matters which we put to the government, it behoves me to explain why we thought it was crucial that the amendment be made. We think it very important that our concerns, which ultimately resulted in the conversation with the government occurring and the fact of the amendment having been moved, be on the record.

The first thing to be said about this legislation is that it impacts directly upon the bushfires royal commission, and more particularly on the report arising from it. Our first duty as a Parliament is to the 173 poor souls who have lost their lives in these dreadful fires. Our next duty, it seems to me, is to those who are directly impacted by the fires in many ways, whether they have lost loved ones in the sense of direct family members, or friends — whatever it may be. We have a responsibility for those involved in the recovery process. We have the direct responsibility as a Parliament and as a state to care for those who have suffered injuries in the fires.

Then there is the all important investigation which is to be undertaken by the royal commission. There will be answers to many of the issues that are raised in the course of the commission by the many people who have commenced assisting the commission with its inquiries, albeit not in a formal sense but as part of the community consultations, and who will ultimately give formal evidence. There will be the recommendations arising from what the royal commissioners investigate. All these things are of critical importance.

It is also important that Victorians at large have ownership of this report: it is not the province of the government, the opposition parties or the Independent member. It ought properly to belong to the people of Victoria. Bound up in those principles, I believe, is the fact that it is crucial to get that report from the royal commission process whenever the report is ready to be delivered and have it in the hands of the people of Victoria as soon as possible. I believe that is absolutely essential and crucial; indeed it is an issue that I know the current police minister commented upon in this place back in 2001. It is critically important that that process occur.

Normally when a report of this nature is available to the Parliament on a sitting day, a well-defined process is in place, which is set out in the second-reading speech. The process is that the report is tabled, after having come from the Governor; the Parliament then orders that it be printed; and the all important privilege under sections 73 and 74 of the Constitution Act 1975 then applies. That in turn results in the protections at law being available to everybody who is associated with the royal commission process and the consequent report.

However, it may be that the commission as a general principle can complete and present its report on a non-sitting day, and so it is that the legislation we have before us has been constituted. It means that if that circumstance arises, the usual process that occurs on a sitting day is not available. That in turn could lead to a delay in having the report get into the hands of Victorians. Thus this alternative process has been established under the terms of the legislation. The specifics of the bill will ensure, as a matter of general principle, that there is no delay.

The precedent for this arose from the royal commission into the Longford gas explosion, and I remember that event very well. I was in Sale when the explosion occurred at the gas plant at Longford on 25 September 1998, which cost the lives of two fine men. It also resulted in direct injuries to about 11, but who would know how many others have been injured in so many

different ways that arise from these awful events?  
Suffice to say, I remember it well.

I also remember the second instance where legislation of this ilk was used. That was the Metropolitan Ambulance Service (MAS) Royal Commission. It must be said, albeit that we are dealing with this bill on a basis of 'we are all of a mind', that the Metropolitan Ambulance Service Royal Commission was otherwise known as the Get Marie Tehan Royal Commission. What the government wanted to do was launch an attack upon the former Victorian health minister, Marie Tehan. The Labor Party, in opposition, said it would set up a royal commission, and when it came to government it did just that.

I am sure many members will remember the fact that on the day that Cathy Freeman won her race at the Sydney Olympics, the government finally pulled down the flag by amending the terms of reference. In the end the whole process was farcical, and a great lady escaped that terrible process with her wonderful reputation completely intact, and so it is she remained a former honourable member of this place and will always be so remembered. She was the sister of my great mate Paddy O'Brien. I know that to this day the family carries with it the impact that process had upon their late sister.

In that case legislation in the nature of that now before us was passed by Parliament and was used to provide reports to this place. A specific bill was prepared for each report. This bill is similar to but not an exact replication of what occurred on those other two occasions. I pause to say that this is not rocket science. What we are talking about here is establishing a process whereby we can accommodate the report from the royal commissioner going to the Governor and in turn being handed to the minister, who in turn brings the document to the clerks of the Parliament. It is not difficult.

You would reckon that on an ordinary day an hour or two would probably be enough to deal with the whole thing. There are logistics involved with printing a bill, but they are all readily accommodated. The Office of the Chief Parliamentary Counsel, as I understand it, manages that aspect of things. As I further understand it, when the royal commission report is ready to be printed, a paper order number — I think that is the expression used — is communicated to the printer, whoever that printer might be as a subcontractor to the Office of the Chief Parliamentary Counsel, and accordingly the printing is done.

A certain number of documents are printed in the first instance. It might be a couple of hundred, and then if

necessary there is an order for a greater number to be printed, but the logistics of all of that is accommodated before it gets to the point where, on whatever day it is, the report goes from the royal commissioner to the Governor, from the Governor to the minister and then to the clerks. It is intrinsically a very simple process.

The difference that excited our interest on this side of the house in relation to this legislation is contained within clause 4(1). For some reason, which to this day remains unexplained, the government inserted into this provision a position whereby in effect the government could have the report in its hands for a period of up to 10 days prior to the document coming to this place and achieving the end result of privilege being conferred upon it, it then being distributed to the people of Victoria.

This is a fundamental difference to what occurred with the other two items of legislation in relation to Longford and the Metropolitan Ambulance Service. It has to be asked: why is it that the government inserted that provision into clause 4? Again I pause to say that by the terms of the amendment which has been circulated by the Attorney-General, the 10-day provision has been deleted and the bill will now in its amended form recite that on receipt by the Governor of a copy of the report, a chapter of events will unfold. No longer will there be a situation where, as the bill says on its face, within 10 days after the receipt by the Governor of a copy of the report that sequence of events should unfold.

The question stands as to why would it be that this 10-day provision was inserted in clause 4. Why would it be that the government would choose to depart from the established precedent which it had adhered to in the Metropolitan Ambulance Service Royal Commission and which it had in turn followed in the inquiry into Longford? Why has the government chosen to depart from that historical precedent?

There are various relevant factors to be considered in answering that rhetorical question. One first needs to have regard to the second-reading speech, where the Premier, in the fifth paragraph, says:

However, it is possible that the commission may complete a report during a period when Parliament is not sitting, meaning that the usual process for publication and attachment of privilege would be unavailable.

What I do not understand about the nexus between that aspect of the second-reading speech and this bill is that the position contemplated by the Premier was never going to happen. I say that because the government, as we know, controls the sitting days of Parliament; it

decides on what days we sit. The terms of reference for the royal commission specifically provide for the interim report to be delivered on 17 August, which is a scheduled non-sitting day. We therefore know with absolute certainty that the government decided that the report arising from the royal commission would be provided on 17 August.

Accordingly the uncertainty apparently contemplated by the terms of the Premier's second-reading speech simply does not arise. Monday, 17 August, is a non-sitting day. If the government wanted to avail itself of the all important issue of time and to make sure that there was no waste of time in the delivery of the report, it seems to me it could easily have had it tabled in Parliament four days earlier, on Thursday, 13 August, which is a sitting day. The next sitting day after 17 August is 1 September. The question stands as to why that element of the second-reading speech has been included, given the situation I have described.

The further point is that the government knew what had happened on previous occasions. The government knew that in the cases of both Longford and MAS the sequence of events was extraordinarily short. I refer to a letter of 28 June 1999 from Daryl Dawson, chairman of the royal commission into the Longford incident. The chairman wrote to the then Governor, Sir James Gobbo, providing him with the report on that day. On that same day the then Premier, the Honourable Jeff Kennett, wrote to the Clerk of the Parliaments, Mr Purdey, and delivered the report to him in a two-line letter. I note that the letter indicates that it arrived at the Parliament by 12.35 p.m. On the day the Governor received the report it was also in the hands of the Clerk.

Similarly the interim report of the Metropolitan Ambulance Service Royal Commission was delivered to the Governor under cover of a letter of 2 May 2001 by Lex Lasry, QC. By a letter of that same day Ian Killey, director, legal, in the Department of Premier and Cabinet, wrote to Mr Purdey to provide the report to him. The final report of the Metropolitan Ambulance Service Royal Commission was delivered to the Governor by Mr Lasry, QC, under cover of a letter from him directed to the Governor on 27 November 2001. On that same day Mr Killey again wrote to Mr Purdey and delivered the report to him. In each of those three instances where legislation of this nature applied there was no difficulty whatsoever in having the report transmitted through the process from the commission to the Governor, the Governor to the minister and the minister to the Parliament. There was no problem about achieving that, and the government knows that was the case.

The government also knows the likelihood is that there will be findings in the report that are contentious, because as I speak there are many elements of concern out there in the public arena that are too numerous to detail here today. Amongst them are the fencing issues in all their forms and the issues around not so much the appointment of Grocon but the efforts made by the organisation to ensure the clean-up of the land. I say that with the very best will in the world, because I know Grocon is doing its best to achieve the desired result of having that work done, but there are complications insofar as the appointment of subcontractors is concerned. There is a measure of dissatisfaction in our country communities amongst some smaller contractors who say they are unable to get the work. I say again that that is said without casting any aspersions on Grocon; I am simply reciting that there are difficulties.

There are the issues of the carriage away from the site of asbestos — the fact that it has to go to Lyndhurst — and the financial assistance that is being extended to people in its various forms under different grants and gifts which come from the Victorian Bushfire Appeal Fund. With due respect to everybody, I believe there is an issue about a blurring of the lines between the grants that are being extended by governments, both state and federal, on the one hand as opposed to money which is coming from the bushfire appeal fund by way of donations. People do not sufficiently understand the division between the two.

There is the issue of the impact upon the small business and tourism sectors, as well as the question about which I have spoken before of a single point of entry for people seeking to access various benefits. I still think we ought to be applying attention to that aspect. There are questions about water supply and issues surrounding local government. There are various issues, and I must say they are increasing in dimension with the passage of time, again despite the very best of efforts on the part of all concerned. There are planning issues in various forms. There are the green wedge issues in various forms. Those are but a selection of a number of issues that are going to be the subject of ongoing conversation, and that is all aside from the broader issues of the fire services levy, native vegetation, resourcing of services, warning systems and so on. There are going to be any number of these issues that will be contentious in nature. The government knows that to be so; everybody recognises that is simply the case.

In addition to all of this I cannot find any indication of anybody having sought the insertion of this 10-day provision. I sought formal advice from the clerks and was advised that no such request was made by them

with regard to this amendment. I asked at the briefing whether there had been any request for this amendment by any individual or any entity, and I was advised that such was not the case. I was also advised that, as I understand it, this provision was inserted by the government of its own motion and not at the behest of any individual or any party. On a further point, it has been suggested to me that issues of logistics and the printing of the report might be a reason why 10 days is appropriate. However, for the reasons I have in turn explained, that is simply not the case. Those matters are accommodated; they have been accommodated previously, and they are not a problem.

Inevitably therefore when I weighed it all up as a matter of logic I came to the conclusion as the shadow minister — the coalition parties came to the same conclusion — that the problem with the legislation in its existing form is that it affords to the government a period of up to 10 days to have in its hands the report arising from the royal commission. The content of the report is likely to be contentious, and the government would have the opportunity of being able to accommodate amongst its own ranks the concerns the report might reflect. All that would happen prior to the document being made available to the people of Victoria. I do not believe that to be an acceptable position. I say that in the context that I accept the government's position is that it did not intend any such consequence. However, I ask the government, now that an opportunity presents itself, to provide a better explanation than we have had to date, inasmuch as we have had one, as to why the 10 days was inserted in the first place. That said, I welcome the fact that the government has accepted the need for the amendment.

A further element of this bill, which is of lesser importance I must say, is the fact that pursuant to clause 4(3)(a) it is now in effect up to members of Parliament to request provision of a copy of the report as opposed to what has otherwise applied historically — that is, that the report is automatically distributed by the clerks. This legislation in its amended form will mean that on receipt by the Governor of a copy of the report from the commission containing the result of the inquiry and the recommendations of the commission, the minister will be obliged to give a copy of the report to the clerk of each house of the Parliament and to cause it to be published by the government printer.

There is in clause 4(2) a deeming provision which is important. It says that a copy of the report being provided to the Clerk of a house of the Parliament under subclause (1), to which I have just referred, is, firstly, deemed to have been ordered by the house to be

printed, and secondly, 'as published must be tabled in the House on the next sitting day of the House'. That process will enable the all important privilege to be attracted and will therefore ensure that the document will, then and there, be free for distribution across Victoria to all Victorians. We have come to a correct outcome. Perhaps we got here by circuitous means, but nevertheless we are here.

This will be very important legislation. All Victorians will have the report available to them as soon as the document is passed on from the commissioners to the Governor and then to the minister and the clerks. I seek an assurance from the government that historical precedent will be followed and that the processes that I have outlined here, and which applied on those other occasions with Longford and the Metropolitan Ambulance Service, will take their course and we will see a quick transmission of the report in the same manner as has happened before.

I conclude by saying that there are other matters associated with the conduct of the commission which cause the opposition concern. We remain very concerned about the proposition of a single desk being used by the government for the purposes of whole-of-government representation before the commission. We think the very nature of that structure is almost designed to bring about conflicts of interest. I say that with the greatest respect for Allan Myers, QC, who is an eminent member of counsel and well able to discharge his duties very honourably. Nevertheless there are matters of concern outstanding.

The opposition wishes this legislation a speedy passage, and in the end we hope for the same speedy passage for the report from the royal commissioners to the people of Victoria, because that is where it belongs.

**Debate adjourned on motion of Mr HARDMAN (Seymour).**

**Debate adjourned until later this day.**

**Sitting suspended 6.30 p.m. until 8:03 p.m.**

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

*Second reading*

**Debate resumed from earlier this day; motion of Mr BATCHELOR (Minister for Energy and Resources).**

**Mrs FYFFE** (Evelyn) — I am pleased to rise to speak on the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009. I first became involved with solar panels way back in 1978 when my family built a house at Yarra Junction. It was unique in those days for someone to have solar panels. We had five panels on our roof, which supplied all our hot water. With our large family, you can imagine that was quite a lot of hot water. There were hiccups along the way with breakages, and every time there was a frost panels would crack and other things would go wrong. But over the years technology improved and solar panels became better and we were running some other things from them. So much more has come along since then. Of course in those days you could not feed back into the main power supply — that technology was not available — and it was quite expensive, but we felt it was value for money.

It is with great disappointment that I look at this bill today. With all our advances in technology, the expectations raised in the community and the concerns expressed by this government and the federal government about climate change, greenhouse gas and the little black balloons floating from appliances on our television, it is disappointing that this is an opportunity wasted.

A petition calling for the federal government to implement a national solar gross feed-in tariff gathered over 10 000 signatures. It demonstrated the popularity of solar feed-in tariffs as a concept. The petition, which can be found at [FeedInTariff.com.au](http://FeedInTariff.com.au), is backed by key lobby and industry groups as well as by the Australian Greens and the Alternative Technology Association. What was really unique about the petition was that it was not driven by paid advertising, but by word of mouth.

There are many citizens out there in the community who are concerned about climate change and the usage of electricity. They are concerned that with the planned desalination plant at Wonthaggi and the power it will use up and with the north–south pipeline and the power that will take up and all the other things that will happen as the population grows, we could face a real shortage of electricity. Whatever happens, the government of the day will have to look at various propositions: do we build another power plant? Do we look at nuclear power, or do we encourage and support more solar power as well as wind power?

I received a letter from constituents Geoffrey and Levina Snow of Chimside Park. They said:

Last year we installed a 5.1 kilowatt grid-connected solar power system at our home ...

The system was installed because we were concerned about federal and state government lack of immediate action on the problem of climate change and felt that as governments were not acting fast enough, the changes had to be made by us as individuals. At the time the system was installed, we were aware that there was talk of changes to the rate of the feed-in tariff from the current ratio of 1:1. Changes to the ratio would help us enormously in recouping the costs of the system ...

They spent \$56 000:

Changes to the feed-in tariff have now been formulated but we are extremely annoyed that it has been limited to household systems under 2 kilowatts. Again government has proved that they are not serious about climate change.

That is just one constituent couple who expected far more from this government on the feed-in tariffs. We have also been approached by community and sporting groups who want to put solar systems on their roofs. They see it as a way of bringing down their costs but also as a way of being paid for the electricity it would produce and also cutting down on greenhouse gases. Yet this bill is confined solely to people who are primary residents. It does not apply to even small and not-for-profit organisations; it is just for primary residents.

I am also disappointed at the lack of research on solar power being done in this state. In February 2008 a national team of UK scientists from Durham University embarked on one of the UK's largest ever research projects into photovoltaic (PV) energy to help reduce the cost of solar energy — a major impediment to the uptake. The focus of their research was on making thin-film, light-absorbing cells for solar panels from sustainable and affordable materials. At present they are made from key components such as the rare and expensive metal indium, which costs around US\$660 per kilogram. The research team is looking at reducing the thickness of the cells so the cost can be reduced.

At a local level scientists from the Australian National University's Centre for Sustainable Energy Systems, in conjunction with Chinese researchers from Tianjin University, are looking at ways to upgrade commercially available solar cells to make it a more affordable option for householders. The same scientists are also developing more efficient techniques to reduce the influence of moving shadows which eat into energy capture rates. But what is this government doing about research? It seems to me to be very little.

This bill is about net metering, not about gross metering. Gross metering has been used in the German experience. Possibly the most successful feed-in tariff laws are those which have been introduced in Germany over the past 15 years. In 1991 its government

introduced the Electricity Feed Act, and now Germany, with many fewer sun-hours than Australia has, has reached the stage of having a huge amount of its electricity provided by feeding back from solar panels. It adjusted its target for 2010 of 12.5 per cent of total energy consumption. It is now three years ahead of schedule. As a consequence Germany has recently increased its renewable energy target to 27 per cent of all electricity generated by 2020. Also the gross feed-in tariff has created nearly 250 000 new jobs in the renewable energy industry, which will soon surpass the car industry as that nation's no. 1 employer.

It is most disappointing that what we have is this almost tokenistic bill. Excitement was being generated in the community and expectations were very high that this would achieve a lot in reducing use of coal-generated fuel and introducing solar power. The government is setting caps designed to limit the uptake of solar power. Once uptake reaches 100 megawatts, or after 15 years, no further credits can be earned or claimed unless the government agrees to continue the program. Uptake is restricted, as I said, to the principal place of residence and excludes all businesses and community groups. Sporting clubs certainly would like to be involved in solar power generation. They have taken up the opportunity of installing water tanks to water their grounds. At Kilsyth the basketball club is expanding its building substantially and is going to harvest water in tanks to water the ground for a local football club and also to help the cricket club. These are community groups and clubs trying to do their bit for the climate by reducing the reliance on water that is pumped up at great expense and on coal-powered electricity, but they are not being included in the provisions of this bill.

The other thing is the size of the system. As my constituents from Chirnside Park, the Snows, said, having the capacity held at 3.2 kilowatts means they are not eligible for credits, nor are many others who have put in very large and expensive systems because they want to make a difference. What is going to happen to these people with existing solar power systems? Do they take a few panels off so they can meet the government's size restrictions? The fact that people cannot earn payment for the electricity they feed in and the fact that the credit expires at the end of 12 months are also negatives towards encouraging people to use it.

As I said, I was disappointed. I thought we would have got a wonderful bill that would encourage many more people to produce solar power, especially considering it was 1978 when my family put our first solar panels into our home at Yarra Junction. We had a lot to learn but it was certainly excellent in that we had continuous hot water for a family of seven, and the four panels served

all our needs plus producing all the hot water we needed for the restaurant kitchen.

**Ms DUNCAN** (Macedon) — I rise in support of the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009, and a very important bill this is. It adds to the raft of policies this government has introduced over some years to reduce greenhouse gas emissions and tackle climate change. I ask the member for Evelyn about her constituents who she said had just put in a 5.1 kilowatt system on the roof of their home. I think she said that cost something in the order of \$56 000. I can imagine that would have to be one very large house to fit in such a huge system — —

**Mrs Fyffe** — The garage as well.

**Ms DUNCAN** — The member is pointing out that it included the garage as well. I can assure the member for Evelyn that my house and most houses I am aware of would not fit a 5.1 kilowatt system on the roof of their homes. One can only imagine what the electricity consumption of a house like this would be if they are able to fit such a system on the roof. It is surprising to me that the member for Evelyn would suggest that this is an equitable way of providing incentives for people to put solar systems on their roofs.

The St Vincent de Paul Society submission made the point very well that those people in the electorate of Evelyn who can afford \$56 000 for a panel on their roof are in effect asking me and many other Victorians to pay them a premium rate for every kilowatt hour they use, whether they are feeding that into the grid or not.

When you speak to most people, without getting into the debate, and not necessarily knowing all the wheres and whats and whatnots, and you say to them, 'If you put solar panels on your roof, you get a rebate for that and then in addition you get credit' — as is the case — 'for the amount of electricity you feed into the grid', most people see that as absolutely reasonable.

If you then say to them, 'What some people with large panels are suggesting is that we should give them nearly four times the amount of money for their power that you are paying for yours'. That is essentially what they are asking in order for them to be given that 60 cents a kilowatt hour for every bit of electricity they generate, whether they use all or some or none of it. They want to get paid that premium tariff for every kilowatt hour they generate, and most people see that as intrinsically unfair — that is their reaction.

People would automatically ask, 'What incentive is there for these people with their 5.1 kilowatt panels on their roofs to reduce their energy consumption?'. The

answer to that is nothing — absolutely nothing. I imagine if I had spent \$56 000 on solar panels I would want to be able to use electricity whenever I wanted, however much I wanted, without needing to feel guilty at all, and there would be no incentive, in fact it would be a false economy for me, to reduce my energy consumption.

Many people have come to me about this issue. There has been a lot of debate locally around this matter and we have all grappled with this as a policy issue, because certainly as a government we want to do all we can to encourage people to move away from electricity generated by brown coal, which we have in abundance in this state, which is both a blessing and a curse. We know brown coal is highly polluting. We also know it is about the cheapest energy source that you can have. I do not think there is any other cheaper source of electricity, certainly not in Victoria. We also know that small solar systems on individual homes are the most expensive form of electricity generation you can have. What the opposition now appears to be arguing for — and I have to say I am stunned — is a gross feed-in tariff when it actually opposed the Victorian renewable energy target scheme, which this government introduced. I think it went to the 2006 election saying it would scrap the VRET system.

We know of a number of very significant, large-scale solar systems that have been and are being installed in Victoria. In fact I think it was Solar Systems which said it would not even consider introducing those solar generation measures in Victoria had it not been for the VRET scheme. I find it stunning; it is completely hypocritical that the opposition would oppose VRET but support a gross feed-in tariff. Each is completely opposite to the other. It is illogical; it makes no sense.

I suppose if I were representing households that were putting in 5.1 kilowatt panels on their roofs and were able to spend \$56 000 on solar panels on their homes, I would want other people to pay for them as well. Why not? It would make absolute sense, if I had that amount of money, to put in that sort of system. I would be very interested to know if this is an ordinary house; I suspect it must be a business.

I cannot imagine how much energy a person must use to recover anything like the costs of that system, which then suggests — and I would like to think they are — these people are doing it because they want to feed massive amounts of green energy into our grid and they do not see this as some sort of money-making scheme or some way of recovering at least some of that money. I suspect if that were not the case, they would not be writing to their local member of Parliament about it.

We have heard Germany being used as an example frequently. The member for Evelyn raised the number of jobs that were generated in Germany as a result of the gross feed-in tariff that it introduced, and it has certainly been repeated by many other members. It is important to highlight the fact that in Germany there was no rebate on those systems; households only got the gross feed-in tariff. We have heard reported previously what cost was involved in generating a relatively small — I think 0.6 per cent — amount of its energy consumption. It was a very expensive way of producing not a lot of electricity, but it certainly did generate jobs. These jobs — albeit that a job is a job is a job in this climate — were just about installing photovoltaic panels on people's roofs. They were not high-tech jobs; they were jobs of installing panels on people's roofs.

The other point I would like to make in the final minutes that I have available is that it did very little, if anything, to reduce the cost of photovoltaic cells. While there were people selling a lot more and there were certainly people up on roofs installing these cells, the cost of the cells was not significantly reduced even though the scale was increased.

There are many people who support solar power, and why would you not? We should have more solar systems in Australia than most other countries. Obviously we have a lot more sunshine than countries like Germany. But why you would argue for a gross feed-in tariff but vote against a VRET scheme? It is just unimaginable. It again highlights the inconsistencies of many of the policies of the opposition. By way of example, the solar system installation in northern Victoria, which, as we know, is a large-scale solar power station, will produce 154 megawatts of solar power and cost \$420 million. To supply the equivalent from small-scale panels we would need to put panels on 100 000 homes at a cost of in excess of \$1 billion. The recently announced \$100 million to develop the new large-scale solar power station in Victoria can produce 330 gigawatts of power.

**The ACTING SPEAKER (Dr Sykes)** — Order!  
The member's time has expired.

**Mr THOMPSON (Sandringham)** — In commenting on environmental matters I often go back to the position that was elaborated on by Professor Mark Adams, an Australian professor of forestry. An article appeared in the *Age* of 9 January 2007 which contained the words 'we will save 40 000 tonnes of greenhouse gas emissions'. This was the plan of the Victorian Labor government: to save 40 000 tonnes across government per year. During the bushfires that

occurred in Victoria in 2003 and 2006 more flora and fauna was burnt, or barbecued, than at any other time in Victoria's history since settlement.

A year later the Victorian government was promoting the claim of 40 000 tonnes of greenhouse gas savings, but the irony was that, according to Professor Adams, a respected Australian professor of forestry, the bushfires as a consequence of the lack of forest management and the changing weather patterns had cost the next 2500 years of savings.

The then Minister for Environment was claiming the government would save 40 000 tonnes of greenhouse gas emissions, but those bushfires had discharged more than 100 million tonnes of greenhouse gas into the atmosphere. So when we are debating emission trading schemes and other matters we need to understand the impact of the natural environment on the emission of carbon into the atmosphere. To emphasise the point: it cost the next 2500 years of savings. The member for Murray Valley has been here for a long time, but even he will not be here for quite that long!

**Mr Jasper** interjected.

**Mr THOMPSON** — He is still considering his plans for the next election.

The other point I wish to make is that when the Rudd federal Labor government came into office it abolished the rebate scheme as it applied to many Bayside residents. A local resident, Iain Brown, wrote to me as follows:

Bayside residents are currently one of the highest users of domestic energy in Victoria. This year a number of solar neighbourhoods are being created by the Beyond Building Group.

At present there are approximately 100 homes in Sandringham, 50 in Hampton, 50 in Black Rock and 50 in East Brighton that have applied for the photovoltaic rebate from the Australian Greenhouse Office.

Once these solar systems are operating it will allow households to generate 20 per cent of their energy needs. Any surplus power will feed to the electricity grid. The issue that requires attention is the issue of feed-in tariffs.

Solar photovoltaic microgeneration is disadvantaged in Australia as the market fails to take into account the true value and many benefits to the electricity network which arise from the adoption of renewable energy technologies embedded within the electricity grid. Solar PV, like other renewable energy sources, provide environmental benefits through reduced atmospheric pollution and social benefits through industry development and job creation, each with related economic benefit.

For a feed-in tariff to be effective it is essential that the tariff offered is designed in a way as to adequately reward solar PV

proponents. In order to provide an incentive for people to install grid-connected solar systems, and thus achieve the goals of the scheme, there are three key elements of a feed-in mechanism which need to be considered: the level of the tariff, the means of metering, and the duration of the scheme. It is the combination of these three elements which determine the success or otherwise of a feed-in mechanism.

An effective scheme would involve at least a feed-in tariff mandated at 60 cents per kilowatt hour, paid on the entire output of a PV system (via gross production metering) and offered for at least 15 years. Only a feed-in tariff set at or above these levels would adequately reward the adoption of solar PV for the range of environmental, social and economic benefits arising from this technology and encourage the uptake at sufficient levels to achieve the policy goals.

In relation to the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009, there are a number of serious areas of concern on the part of the opposition. Firstly, contrary to the aspiration of my constituent Mr Brown, the scheme applies only to net generation and not gross generation. It is unclear how the net is calculated. As in South Australia, it appears to be on any electricity fed into the grid at any time and not the net feed-in over a specified period.

Further, there is no indexation or other adjustment of the 60 cents tariff. The government says this is deliberate because it wants the scheme's incentives to be front-end loaded. Customers can never earn a payment, only a credit, and credits expire at 12-monthly intervals. The government argues that to require payments would breach section 90 of the Commonwealth constitution, which bans states from imposing excise. However, the South Australian and Queensland schemes require actual payments to customers of unused credits after 12 months.

The scheme in the bill also adds to the multiplicity of existing fragmented state-based schemes which create expensive compliance burdens, cause difficulties for the move to uniform national regulation of electricity and cut across the broadbased technology-neutral principles of a national emission limitation scheme. It is not clear which customers will be charged higher distribution tariffs to recoup costs of the feed-in tariff.

Importantly, unlike South Australia and Queensland where the tariff applies directly by force of law, the Victorian scheme requires a complex contractual arrangement to be established between retailer and customer, which is subject to a review by government, an inquiry by the Essential Services Commission and the potential imposition of contractual terms on retailers. It will also require complex new data communication arrangements between retailers and distributors.

The scheme is likely to require additional metering to be installed to measure the amounts fed into the grid. It is not clear at this stage who will bear the additional cost of this metering. The premium tariff is on top of an existing obligation on retailers to offer a fair tariff for feed-in from installations up to 100 kilowatts capacity. This adds to complexity. There is no obligation on the government to table in Parliament the information distributors are required to provide to the minister on the numbers and capacity of solar energy facilities installed. Environment Victoria says the government's scheme will produce no net increase in solar power in Victoria by 2020. I think that is a very significant point.

In summary I would like to reiterate the point I made at the outset, which was that the reduction of carbon emissions needs to be considered in the context of what has happened under the watch of the Bracks and Brumby governments. The government's intended savings of 40 000 tonnes per year were expended for the next 2500 years as a consequence of the bushfires that occurred in Victoria in 2003 and 2006. Turning to the bushfires of Black Saturday and thereafter in Victoria, the magnitude of those fires was perhaps less than one-tenth of the earlier fires I have alluded to, but you can still add another 150 or 200 years worth of expenditure of those savings that the Victorian government has intended, long past the watch of the current government.

**Mr INGRAM** (Gippsland East) — It is a pleasure to rise to speak on the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009. I have some real problems with the way the new premium tariff will work, and I will preface my remarks by saying that as someone who is a strong supporter of renewable energies, particularly household systems, I have had a large amount of representation made to me in relation to the barriers that currently exist to establishing home systems, particularly for wind power.

There are some real opportunities for some of the smaller wind turbines. Greater efficiencies can be gained from electricity generation by small wind turbines than from the current generation of solar power. That being said, if we are serious about implementing a system where solar power installations that feed into the grid are a common feature within our residential areas, then we need to provide assistance. My argument would be that I am more in favour of the gross feed-in tariff than the net feed-in tariff for a number of reasons, but I disagree that we should single out solar power and not the other renewable sources for the premium price.

I will use the example of wind power. Currently wind turbines do not attract the same subsidies that are available for solar systems, so basically we have this disadvantage for the most efficient systems — and the small wind grid-connected systems are very efficient. The information I have received paints them as having much greater efficiency than the current systems of solar power generation. It would make sense, particularly in areas like Gippsland where there is a high wind capacity, to have a similar system to allow those grid-connected wind turbines, the smaller ones in particular, to have the same investment structure and feed-in tariff structure that solar power has.

I looked at the research brief that was provided by the library, and I thank the library for its research. I think it is a good document. It outlines very well the difference of opinion in relation to gross feed-in tariffs and net feed-in tariffs. A lot of discussion of this issue was undertaken by the Senate inquiry, and there was mixed evidence provided to the Senate committee that looked at the issue. The parliamentary committee that I am currently on, the Environment and Natural Resources Committee, will also be looking at red tape in relation to barriers to investment in renewable energy. I am sure we will have similar discussions and get similar submissions on that issue, and I would encourage that.

The library's research brief refers to Professor Ross Garnaut and says he makes some key comments and arguments in favour of gross feed-in tariffs. It states that Garnaut argued that because the net feed-in tariff only pays for the energy exported to the electricity grid, a gross feed-in tariff is a more appropriate approach for addressing market failure 'because the two externalities from embedded generation are present for every unit of electricity produced, not just the amount sold'.

In this instance the market failure Garnaut refers to is the failure of the market to reward embedded generators for a deferral in network augmentation and a reduction of network losses. He stated that some argue that the gross metered feed-in tariff is undesirable because from a sustainability perspective it does not encourage embedded generators to consume less energy, whereas under the net metered scheme, profits can only be made by exporting more to the grid. Garnaut further stated that this reasoning is erroneous because the incentives to consume should come through the retail tariff paid for electricity and not through the feed-in tariff system. The library's research brief also refers to some of the information made available to the Senate.

When doing some research on the internet I located a paper that looks at the different energy tariffs around

Australia. The paper by Paul Gipe, which appears at [www.wind-works.org](http://www.wind-works.org), compares the different structures and states as follows:

The Victorian state government has proposed a policy to go into effect in 2009 that pays —

as this bill does —

\$0.60 ... kilowatt hour for excess generation for 15 years for PV system less than 2 kilowatts in size only. The Victorian program is even more restrictive than the other states.

I think what we really should be looking at as a national system, and I strongly argue for it, is a gross feed-in tariff. We have to be serious about this. We have to have a major augmentation of renewables. Some of that can be done at the household level. I have investigated this myself, and we are looking at wind power because of our location. The next generation of solar systems will be much better than the current generation of those systems. We need a system in place that encourages investment by the householder. The recent federal decision to exclude a large percentage of the population who have been investing in solar systems from access to the rebate is very disappointing. We have to do a lot more to encourage the facilitation of this system.

The member for Murray Valley would be very interested in my comments about green power accreditation of renewables. One of the issues we have identified recently is the green power accreditation of hydro-electricity. It is interesting because it makes some particular value judgements about only hydro-electricity that is generated from the non-diversion of rivers or from rivers that are not substantially altered in their flow patterns so that environmental flows are adequate being allowed to be identified as green power. Members may know that Jindabyne Dam now has a mini hydro turbine on it, and it has been recognised as producing green power. The point is that Snowy Hydro has totally cut off a tributary to the Snowy River to divert water through its turbine, which should mean it is not accredited under the green power system. I argue this is a real problem.

The federal Liberal shadow spokesperson on climate change and the environment, Catherine Cusack, commented on this recently, and I support her comments to the hilt. She said there should be a review. When we went to look at who would review this, we found that the accrediting and auditing body is the New South Wales Department of Water and Energy, which is like putting Dracula in charge of the blood bank. I know there are supposed to be regular audits on green power and whether it should be accredited. The scheme should not be accredited as producing green power until

the New South Wales government addresses the issues associated with Mowamba Weir and makes sure the environmental flows are managed well.

The scientific committee has been very critical of the management of the flows. Green power produced as hydro-electricity should be accredited as green power only if it does not come at the expense of the environment and runs through a river system. There are many opportunities in our current storage systems where these type of systems could and should be put in place. The member for Murray Valley knows there is a very good hydro-electric system operating at Lake Mulwala. There are a lot more opportunities to do that.

We really need to make a much greater investment in solar energy. One of the most disappointing aspects is that this nation has exported most of its expertise and scientific advancements in solar energy to other countries because we have not provided sufficient incentive and real opportunities for the development of these types of industries in Australia, although we have such a vast array of opportunities to utilise solar energy, wind power, tidal power, bioenergy and energy from other sources.

**Mr SCOTT** (Preston) — It gives me great pleasure to rise to speak in favour of the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill. The bill should be put in the context of a number of other actions by this government to address climate change, particularly the rising levels of carbon dioxide in the atmosphere. I will start with something that I do not think has been mentioned — changes to the built environment. This government has supported changes to building standards so there are greater levels of insulation, which reduces energy use, and the installation of solar hot water systems, which are a very efficient way to harness the energy of the sun. Solar hot water systems have been installed in many new homes. I have one myself. It is a very handy mechanism, and its great advantage over other forms of solar energy is that you do not need to convert the energy from the sun — the photons coming from the sun — into electricity, a process that is not as sufficient as heating water with that energy. Those changes have formed the backbone of the government's initiatives in this area, and the government has been highly supportive of research and development on these issues.

The parliamentary library service deserves praise for its research brief on the bill, and I direct the attention of members to page 8 of the brief, which sets out an interesting exposition of activities that the government has already undertaken. Members have previously raised the Victorian renewable energy target scheme,

which has already attracted \$2 billion in renewable energy investment and will create more than 2000 jobs. The government has invested \$5 million to install solar power infrastructure in 500 schools and community buildings and has a 10 per cent renewable energy target. This government is focused on dealing with the issue of how we generate power and how action can be taken by government to achieve lower carbon pollution.

I am intrigued by the opposition's position, because it seems to be attacking the government from a perspective where its members say that more resources should be spent by the state on subsidies for energy when on a range of other policy areas, such as the reduction of carbon pollution, they have been much less forthcoming in expressing views in support of initiatives such as a carbon trading system, which goes to the heart of this issue.

It is also useful to note the trends in solar energy in Victoria, particularly the installation of photovoltaic systems. The table provided by the library indicates that in 2000 a total of 429 systems were installed, all of which were in residences, but that in 2008, 1616 systems were installed, nearly all of which were also in residences. There was an important trend, which was touched upon by earlier speakers, where many more of these systems are feeding into the grid. This is a useful dovetailing into this bill, which is all about systems that feed into the grid. I would argue that the government has taken a strong stand in support of action to increase renewable energy; has done so in a way that is considered and measured; has done so with a focus on outcomes rather than simply making people feel better about themselves; has taken the steps to introduce this scheme which, as has been noted, will give 60 cents for every unused kilowatt hour power fed back into the grid.

As members have said, it is a net rather than a gross tariff. I can understand why people would want a gross tariff if they are installing a solar photovoltaic system. However, government has to make choices about resource allocation, and those choices have to be responsible; those choices have to be focused on how the best outcomes for the state can be achieved, but that will not necessarily please everyone. Opposition members can take a fairly populist view and simply reflect the angst of some constituents who are unhappy with that particular choice, but I think it is the right choice. I think we have to make choices.

**Mr Jasper** interjected.

**Mr SCOTT** — Absolutely. I think it is the right choice, and I think it is a choice which goes to the heart

of being a responsible government. It is an excellent bill. It will assist households install photovoltaic systems but will do so in a manner where we are doing a whole range of other activities which go to the heart of the commitment of this government to ensuring a reduction in carbon pollution, a more responsible energy generation going forward and in looking after future generations. I commend the bill to the house.

**Mr JASPER** (Murray Valley) — The purpose of the bill is to amend the Electricity Industry Act 2000 and the National Electricity (Victoria) Act 2005, to make further provision to promote the installation and use by Victorian households of small solar energy generation facilities. The key elements of the net feed-in tariff are that it will only apply to principal places of residence using a photovoltaic generating facility of an installed or name plate capacity of 3.2 kilowatts or less. The customer can never earn payment for the electricity they feed in. They can only earn a credit to be offset against future electricity bills. The unused credits are extinguished after 12 months — that is, 12 months after the first credit is earned or 12 months after a further credit is first earned following the previous extinguishment. Unused credits are extinguished if the customer changes their retailer.

Those are some key elements of the bill. As has been indicated, we are not opposing the legislation but certainly I am opposed to it as it has been brought before Parliament, because I believe it needs to be withdrawn and redrafted to take into account many other issues that have been brought to our attention.

The key tariff structure is not what any part of the industry wants. The Australian Manufacturing Workers Union is urging the ALP to reconsider its position. The solar industry is unhappy, and the local solar buyer groups and moderate Greens are also unhappy. Would the government allow the holders of surplus credits to market their surplus credits in order to earn a return on their investment? These are just some of the issues that have been brought to our attention and are of concern to The Nationals in coalition in opposition.

The bill sets a time limit of 15 years after commencement of the premium solar tariff scheme on the period within which a customer can earn the premium solar tariff. It sets the scheme start date as the day on which the main provision of the amending legislation comes into operation, which is a day to be fixed by proclamation, or otherwise by 1 July 2011. How far away is that when we are considering this type of legislation?

We certainly have some concerns, and information has been presented to me by a range of people, in particular by Mr Don Chambers of Rutherglen, who is very well versed in this area. I will mention some of his comments later.

As I indicated earlier, customers can earn payment only in the form of credit, and unused credits expire at 12-month intervals. It is not clear how much customers will be charged with the higher distribution tariffs to recoup costs of the feed-in tariff. Unlike South Australia and Queensland, where the tariff applies directly by force of law, the Victorian scheme requires a complex contractual arrangement to be established between the retailer and the customer, which is subject to review by the government, inquiry by the Essential Services Commission and the potential imposition of contractual terms on retailers. These are just some of our concerns. I have detailed them to make sure that the concerns of The Nationals are understood and to explain why they oppose the legislation. It is likely to require additional metering to be installed to measure the amounts fed into the grid. It is not clear who will bear the cost of this additional metering.

There is no obligation on the government to table in Parliament the information that distributors are required to provide to the minister on the number and capacity of solar energy facilities installed. There is no doubt that as far as the government is concerned — or all governments are concerned — reports should be prepared and presented to Parliament, even though they are presented to the minister. There should be an obligation on the minister to do so. Environment Victoria says the government's scheme will produce no net increase in solar power in Victoria by 2020.

It is interesting that responses and other information have come from a number of people. According to a leaked cabinet committee submission from the Department of Sustainability and Environment, the so-called gross feed-in solar subsidy scheme will cost householders just \$18 a year or 35 cents per week, increasing electricity bills by just 2 per cent. The department's submission said the system would provide the required momentum to create a thriving solar industry within Victoria.

I also understand that experts including the Victorian Sustainability Commission, the CSIRO and Access Economics have also backed a gross feed-in tariff. But the government took the advice of one department — the Department of Primary Industries — for a cheaper model known as the net feed-in tariff. The gross feed-in tariff, as other members have mentioned, has been adopted by more than 40 countries, I understand, and is

credited with having boosted the solar power industry in Germany which employs 57 000 people and exports solar products worth approximately €2 billion a year. I think it is important that we take some of the information we have received into account when reviewing this legislation.

I mentioned earlier that one of the people who has presented us with a lot of information and who lives in Rutherglen in my electorate has been involved with a number of government committees over a long time. He has been a councillor on the Indigo Shire Council and a person very much involved in issues that affect us in Victoria; Currently he is also chair of the Keep Australia Beautiful Council. What Don Chambers says — and I am quoting his words here — is:

A gross fit is a good fit.

He certainly supports the gross feed-in system, and he is one who has really worked hard on this and on providing us with information. Don Chambers says that as far as he is concerned, there are three important parts to this legislation. The gross feed-in system is the best system and is used in many other countries. A minimum of 10 kilowatts should be what is required, instead of the 3.2 kilowatts, and that would fit into what other states are doing; it would also provide consistency between the states and the investigations which they are undertaking.

The other issue which Mr Chambers mentioned, which I think is important, is that this legislation refers only to the principal place of residence. His belief is that small businesses should be included in this legislation so they can access solar power. It was an election commitment by the government before the last election. Surely if it was part of its commitments that provision should have been included. However, as you, Acting Speaker, know, in the past this government has broken many of its commitments, such as promising there would be no movement of water from northern Victoria into Melbourne. We get used to it breaking some of the commitments it has made.

Green energy should be a major commitment by the government. This legislation does not do what it is supposed to do, and I believe a lot of work needs to be done on it. As has been indicated, Victoria is the only state that does not try to fit in with the other states in having a consistent approach, and we have convoluted legislation presented to Parliament.

I want to make some final comments. I support the widest practical use of low emission energy resources that will continue efficiently and effectively to reduce greenhouse gases. However, this scheme is convoluted

and driven by spin; I believe this legislation is not appropriate to be passed by Parliament.

**Mr SEITZ** (Keilor) — I have some brief observations to make on the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill 2009. I support the bill and also welcome the research brief carried out by the library, particularly in their comments on page 4:

In May 2008, the Brumby government announced that it intended to introduce a net feed-in tariff system into Victoria in 2009. In a media release by the Minister for Energy and Resources, Minister Batchelor stated that:

Through the new premium feed-in tariff scheme, households will be paid 60 cents for every unused kilowatt hour of power fed back into the —

system. That is exactly what we are debating. It is the encouraging part that we need in our community. I heard other members talking about Europe and how far advanced it is in having solar energy installed, yet Australia is the one continent that has the most sunshine; the largest amount of solar power of all the continents can be harvested here, so we should be the leaders in that field.

We also need a cultural change, and I hope that this legislation and the 60 cents incentive for people to use the power and get refunds will encourage people to install solar units. I had a look at this situation and talked to several people who have installed solar power, and with federal government assistance, subsidies and so on it is still a matter of overcapitalising their property. This is a step in the right direction for people who fear they are overcapitalising their property and say it will take 40 years before they recoup their money under the normal scheme of paying for their electricity.

This will assist people who feel they are overcapitalising. In one case that I had a look at in Bendigo the residents said the installation was done in a way that would enable them to take their solar panels away. Once the children leave home, the house becomes too big and they have to downsize, they can take the panels with them to a smaller unit that they might be moving into.

The other important factor to be considered involves our modern planning practices. Some home owners can spend a lot of money on installing solar units, only to have a neighbour build a double-storey unit in their backyard, causing shadows to fall over the solar panels. Planning schemes should take this situation into account, particularly as some members of this house or people on higher incomes may not qualify for the government subsidy.

Many people want to do the right thing by accessing our greenhouse initiatives in trying to save the planet. When installed, the solar panels may receive continuous daytime sunlight, but only five or six years down the track shadowing occurs as a result of planning scheme changes which allow a three or four-storey building to be built next door.

Apart from that, I recommend the bill to the house. I think it is the right step in changing the culture, to have people install solar panels. That industry would create jobs, which both federal and state governments are very keen to encourage these days. With those few words, as I need to conserve my voice, I commend the bill to the house.

**Dr SYKES** (Benalla) — It gives me pleasure to rise and speak on the Electricity Industry Amendment (Premium Solar Feed-in Tariff) Bill.

I wish to put it in context. I should compliment previous speakers for the range of issues that have been canvassed, for putting the initiatives and the content of this legislation in the overall context of greenhouse gas emissions, and the need for all of us to focus on reducing those emissions.

Part of the context is increased efficiency of energy use. It has been mentioned that the government, for example, has made it a requirement that in future we will have the 5-star building standard to ensure that houses use far less energy. But I would like to put that initiative in the context of where we have got to with the usage of household energy in the past 20 years.

I refer to an article in the *Border Mail* of 26 March 2009 which reports from the Australian Bureau of Statistics that:

More people, and bigger houses with more electrical equipment, have contributed to a sharp jump — 49 per cent — in energy consumption in the past 20 years.

In 2008, the average household produced about 14 tonnes of greenhouse gas.

We have gone a long way backwards in the last 20 years in energy consumption; therefore there is a need to take significant action to address that issue.

The second part of my presentation in putting this into context is to ensure that the costs of energy are equitably shared across all consumers. I regret that currently country Victorians, for example, pay around 30 per cent more for their electricity than Melbourne-based consumers because the government has removed the price equalisation scheme, so that injustice needs to be addressed.

We also need to look at the impact of some key government projects on future greenhouse gas emissions and energy consumption. As other speakers have mentioned, the desalination plant is going to be extremely energy hungry, and the north-south pipeline is expected to produce the equivalent of 30 000 tonnes of CO<sub>2</sub> emissions each year. Given that the target of this bill is to achieve reductions of 40 000 tonnes per year, that one government project is going to consume one heck of a lot of those savings. As has been said many times before in this house, that project is not necessary.

If we look at the broader context of the national approach to carbon sequestration and emission trading, there are some major issues that have not been fully understood. I know from an agricultural point of view that agricultural industries are going to be negatively impacted and therefore have trouble competing internationally because of the impact of emission trading taxes on inputs into agriculture. If you end up becoming uncompetitive and unable to produce an income, you cannot achieve the intention of reducing greenhouse gas emissions.

Moving on to the key aspects of the bill that have been broadly canvassed by many previous speakers, obviously a major issue is that the bill provides for a net feed-in tariff, whereas a strong argument has been put by our side of the house that a gross feed-in tariff is more likely to encourage people into using solar power and therefore achieving the objective of greater use of renewable energy.

In terms of the limitations of the bill, previous speakers have covered them, but I would like to summarise them. It has been pointed out recently by the member for Murray Valley that this bill only provides for a credit for solar energy produced from the principal place of residence, thereby excluding holiday homes, which can be a great source of reducing energy, and small businesses.

**Mr Hardman** interjected.

**Dr SYKES** — There is an interjection from the member for Seymour, and he might be aware that, for example, in the part of his electorate called Marysville about one-third of the homes are holiday homes and would not qualify — —

**Mr Hardman** interjected.

**The ACTING SPEAKER (Mr Ingram)** — Order! The member for Seymour is out of his place and should not interject.

**Dr SYKES** — In certain places in northern Victoria, including what was at Marysville, a large proportion of the homes are holiday homes and not principal places of residence and would therefore provide the opportunity for production of green energy, and the people who own those holiday homes are often of quite modest income.

Another limitation of the bill is that people cannot receive payment for the electricity they feed into the grid. They receive a credit against future electricity bills, but as has been pointed out, those credits extinguish every 12 months and unused credits cannot be transferred in the event that the customer changes retailers.

The member for Murray Valley touched on a significant amount of information provided to him and other members of The Nationals by Don Chambers, chair of Keep Australia Beautiful. He is a very enthusiastic supporter of renewable energy. He has done his homework and presented strong arguments against the legislation in its current form. Similarly a number of individuals have contacted me in my electorate — for example, Ian and Pam Herbert from Lima East — who put the following to me:

Of course a gross feed-in tariff makes more sense. Many households in the Swanpool area have taken up the bulk solar installation offer going around ...

There are people wanting to go in this direction. It is up to the government to provide the appropriate levels of incentives for them to take advantage of it. Similarly Piers Hartley from Tawonga expresses great concern that excess credit is just wiped out and lost to him come the end of the 12-month period. He says:

It is little short of theft in my view and of course would not be tolerated by any commercial power generator!

He goes on to say:

So, this is a dog's breakfast of legislation, doing absolutely nothing, in my view, to encourage and support people to make a difference in their power usage.

Those few remarks from the electorate of Benalla reinforce the broader issues put by previous speakers. I have concerns with the bill in its current form.

**Mr O'BRIEN (Malvern)** — We sometimes hear a holier-than-thou attitude from speakers on the government side in debate on environmental issues, and it is unfortunate because it is so ill founded. There are some real concerns the coalition parties have with this bill which have been outlined by the member for Box Hill in his usual comprehensive and expert fashion. These concerns include that the scheme only applies to

net generation and there is confusion over how the net feed-in is to be calculated. Neither is there any indexation or adjustment of the 60 cent tariff. Perhaps what casts some of the greatest doubt over the effectiveness of this bill is the judgement of Environment Victoria that the government's scheme will produce no net increase in solar power in Victoria by 2020. The explanatory memorandum for this bill states:

The bill aims to assist Victorian households in making a personal contribution to tackling climate change.

If, as Environment Victoria maintains, this scheme will produce no net increase in solar power in this state by 2020, we are entitled to question how this bill can be said to achieve its stated aim.

I recently met with a group of environmentally concerned citizens from my electorate who operate under the banner Sustainability in Stonnington. I am grateful to those members of the group who took the time to meet with me and for the information they subsequently provided to me on this bill. SIS wrote to me asking why the Premier, Mr Brumby, is not looking at what is a proven success and copying it. National programs in place around the world have consistently proven that a gross feed-in tariff is one of the most cost-effective ways to encourage the uptake of solar energy. Feed-in tariffs have been remarkably successful internationally in over 40 countries. National programs in place around the world have consistently proven that a gross feed-in tariff is one of the most cost-effective ways to encourage the uptake of solar energy.

Not one member of the Labor government has adequately addressed these important issues in their contribution. They are serious questions, and they deserve serious answers. I am very pleased that Sustainability in Stonnington has taken the time to inform me of its views, and I am pleased to have the opportunity to place them before the house. I ask the government to take them into consideration, and I ask the minister to address these sorts of matters in summing up.

**Debate adjourned on motion of Ms LOBATO (Gembrook).**

**Debate adjourned until later this day.**

## TRANSPORT LEGISLATION GENERAL AMENDMENTS BILL

*Second reading*

**Debate resumed from 11 March; motion of Ms KOSKY (Minister for Public Transport).**

**Mr MULDER (Polwarth)** — The Transport Legislation General Amendments Bill deals with a number of issues. The main provisions include the abolition of the Southern Cross Station Authority and the transfer of taxicab licences. It provides for access by road authorities to railway land and extends the operational performance fine regime to outsiders such as contractors. It deals with the renewal of authorised officers authority, allows Children's Court registrars to refer juvenile offenders to education courses and makes some amendments to the lessee of the rural rail network.

One of the issues I want to touch on in relation to the bill before the house is the provisions that relate to the Southern Cross Station Authority. In that regard I will be moving a reasoned amendment which relates to the fact that we are concerned that this authority is being abolished in the manner that it is. We believe the persons who are associated with this authority could provide some valuable information to the opposition and most certainly to the select committee that has been set up to look at issues in relation to the failure of the transport network in Victoria.

I move:

That all the words after 'That' be omitted with the view of inserting in their place the words 'this bill be withdrawn and redrafted to:

- (1) take into account any issues arising from the examination of all documents regarding the Southern Cross station development which, for this purpose, should immediately be made publicly available; and
- (2) retain the remaining amendments.'

The Southern Cross station has a very interesting history. It was put together as a private-public partnership between Civic Nexus and the Victorian government. The private-public partnership was a deal whereby the state committed to a contribution of around \$1.2 billion over a period of about 30 years with the income streams rolling back to Civic Nexus. As part of the agreement, Civic Nexus had development rights over the site, including rights in relation to retail. There were also some issues in relation to residential towers, but I think it was determined at one stage that those towers would not proceed. Nevertheless the consortium

had and has to this date a significant revenue stream from the Southern Cross station site.

What has occurred over a period of time is that the make-up of the consortium has changed whereby the consortium is now controlled by Industry Funds Management, a union superannuation fund. It has taken control of the Southern Cross station development, and all funds derived from that development now flow back to the fund. It was interesting to note that there was never any notice or information provided about this change in the make-up of the consortium. In fact the government seemed to carry it out behind a veil of secrecy. Initially it was discovered that around 75 per cent ownership of Civic Nexus was in the hands of the union superannuation funds, and then that proceeded to 100 per cent ownership.

As the opposition understands the situation today, under the 100 per cent ownership of Southern Cross station by the union industry superannuation funds all proceeds flow back to those organisations. However, the government said nothing about the change of ownership. One would think that change of ownership would have involved a sign-off by the minister and by the Department of Treasury and Finance. However, nothing was announced. Not only does it now have control of the retail space of the railway station itself, but the advertising space down at Southern Cross station is also controlled by the Industry Funds Management group trading as Southern Cross Station Pty Ltd. If you have a look at that great big billboard there, you see there is also a great deal of propaganda by the government of the day trying to sell its 120-train proposal.

I have raised these issues and put forward this amendment dealing with the abolition of the Southern Cross Station Authority in the hope that the government would withdraw and redraft the bill and bring back the provisions that relate to the Southern Cross Station Authority as a separate bill. The opposition is more than happy to deal with the other parts of the bill and let them flow through. I think, though, that part 8 of this bill needs very close scrutiny because it fits in very closely with some actions taken by the government recently that have been the subject of significant concern and have been written up in newspapers on a number of occasions. That concern relates to all documents associated with the Southern Cross Station Authority being placed at the Public Record Office and locked away from public view for 50 years.

**Mr Burgess** — For how long?

**Mr MULDER** — Fifty years. As I said, there were some articles written expressing real concerns about the way this issue has been handled by the government. One article was written by John Watson, a senior writer for the *Age*. He wrote:

Looking back after crossing Spencer Street from the railway station that once sensibly bore its name, it is hard to miss the state government poster and its massively lettered message: ‘We’re buying 120 new trains and trams (it’s part of the plan.)’

This advertising would have been paid for by the state government to the Southern Cross Station Authority with the funds then flowing on to Industry Funds Management and back through to the union superannuation funds. It is a lovely deal if you can strike it like that — a lovely deal for Industry Funds Management.

He goes on to say:

My first thought, having endured the routinely late train that adds 3 or more hours to my weekly commuting time, was that I hoped that achieved more than previous hideously expensive elements of the plan, starting with the Southern Cross station, a disturbingly monumental and ineffective government response to the problem of late and unreliable trains. The government is apparently so proud of that part of the plan that transport minister Lynne Kosky has locked away all documents concerning the \$700 million station project for 50 years.

That would have to raise real concerns in the community. It certainly raises concerns with the opposition. Why on earth would you lock documents that relate to the building of a railway station away for 50 years unless you had something very sinister to hide? We are really concerned about this. It ties in with the abolition of the Southern Cross Station Authority, and the fact that the staff will then be moved off in different directions within different departments. A lot of questions need to be answered in that regard.

Further the article states:

But back to the billboard, which is at least twice the size of any of the score of commercial propaganda posters for shoes, clothing and home ware that adorn the otherwise astonishingly drab facade of the neighbouring DFO shopping complex. For such a big advertisement, the content is minimal — two sentences against a lightly clouded blue sky. The visual meaning? Your guess is as good as mine.

Given that it’s your money and mine that pays for this state propaganda, I’m disappointed with such a massively literal, witless effort.

Who paid for this? We, the Victorian taxpayers, paid for it — and we are continuing to pay for it. If you look at that billboard you will also find not far from it a myki discovery centre. Who is paying for it? We are paying

for it — Victorian taxpayers are paying for it, once again. It is a totally useless piece of infrastructure sitting down there; it is not utilised for anything. It sits there as an absolute embarrassment to the government of the day, alongside this ridiculous billboard that we are also coughing up for.

The article goes on to say:

We paid for this?

...

Then the disquieting thought struck: I've seen this sort of message ... associated with a man who had a five-year plan or two himself. From 1931: 'Millions of qualified workers for the 518 new factories'. From 1932: 'Railway workers keep up the fast pace'. (Now in today's Victoria, that would be ironic.) Stalin also had a thing about trains and propaganda.

That is what it is getting to, and that is what journalists are writing about this deal done by the government of the day in relation to the Southern Cross station development. We are very concerned. I would trust that the government would take the bill away and look at the amendments. I am happy enough for the provisions relating to other issues we do not have concerns with to be pushed through. But I believe these documents should be retrieved from the Public Record Office and that as part of the debate the government should explain to the people and the Parliament why it was necessary to lock away a set of documents relating to a simple piece of infrastructure development in Victoria for 50 years. The Premier would be about 105 by the time those documents finally see the light of day. It is an absolute scandal that it has got to this.

We are not pointing the finger at anyone in the private sector about this; those in the private sector do business with governments on a day-to-day basis and if they are smart enough to outsmart the government, that is the way it is. But the government of the day has a responsibility to protect the public purse. It has a right to do everything in its power to ensure that the deals it does are in the best interests of the community and the taxpayers and that the taxpayers get value for money.

I have looked through some of the provisions in the bill relating to the abolition of the authority. Clause 8 inserts proposed section 120(2)(d) and (e), which state that nothing:

- (d) is to be regarded as giving rise to any remedy for a party to a contract or an instrument or as causing or permitting the termination of any contract or instrument because of a change in the beneficial or legal ownership of any asset, right or liability;
- (e) is to be regarded as causing any contract or instrument to be void or otherwise unenforceable;

We are not sure what role the Southern Cross Station Authority played in some of the documentation that has been locked away. I hate to see authorities set up for no cause; I hate to see them sitting there if they are not providing a service to the people of Victoria. But on this issue the key players down there need to be brought to account — with the documents, with an explanation, and with the Department of Treasury and Finance and the Minister for Public Transport coming to this Parliament and explaining exactly what this contract means and exactly what changes or modifications have taken place with it.

The original concession period was for 30 years. The documents are to be locked up for 50 years. Has the concession period been extended by 20 years? I do not know. None of us knows the answer to that. We do not know the answer to that because we cannot see the documents. These issues are crucial to the position of this state and its finances as we move forward. No government should have a right to hide documents that relate to taxpayer expenditure away from the public for a period of 50 years. There has to be something sinister here: there has to be something terribly wrong, otherwise the government would never have gone down this pathway of hiding away this type of documentation from the people of Victoria.

It is an absolute disgrace that over a long period the development has been subject to a host of disruptions and delays. There were issues with delays to the project when the contractor, Leighton Contractors, took action against the government. The government was forced to fork out somewhere in the vicinity of \$32 million because of delays to the project and contamination issues on the site. There was then the ridiculous situation whereby the former Minister for Transport had Thomas the Tank Engine down at Southern Cross station, where balloons and all sorts of paraphernalia were handed out. No-one turned up and no-one was really interested. In hindsight you can understand, given how this project has proceeded and where we find ourselves today as a state, why it is of huge concern.

It is interesting to look at the change of ownership. You would have thought that the change of ownership would be reflected on the government's [www.partnerships.victoria.gov.au](http://www.partnerships.victoria.gov.au) site. But on 30 March 2009 the site still showed the private sector partner as Civic Nexus consortium, comprising the following partners: ABN Amro, Leighton Contractors, Daryl Jackson Architecture, Nicholas Grimshaw and Partners, Honeywell Limited, and Delaware North Australia. It makes no mention whatsoever of the current owners of the site. Members of this house

should be concerned that those changes are not reflected on the government's website.

This is an issue that we have been concerned about for quite some time, and it needs to be scrutinised thoroughly. I would hope that the select committee that is being set up — it met either today or yesterday, when it put in place a chair and the rest of the committee — to look into the failure of the regional and metropolitan public transport network will have a very close look at this issue and pull aside some of the people who have been involved in these negotiations, including the people from the Southern Cross Station Authority, to ask them some very serious questions. This project plays an integral role in the delivery of train services for both rural and metropolitan Victoria, and given that both services failed dismally, particularly through the month of January, it is absolutely important that we do not find ourselves locked into some sort of deal in the future that will have a negative impact on our rail services here in the state of Victoria.

I will go to another issue — the matter of taxi licences, referred to in clause 3 of the bill. This clause deals with licences in general, but we have got an absolutely massive problem in Victoria with our taxi industry. It is in absolute chaos. We are inundated continually with emails from people who use the taxi service in Victoria and from drivers — and we have regular meetings with the operators. They have just seen an industry absolutely collapse under the government of the day. There has not been a minister in this government yet — neither the former transport minister nor the current public transport minister — who has taken a genuine interest in the taxi industry. As a result of that we have seen a decline in driver standards and a decline in the presentation of vehicles. We have an issue out there right now over which drivers have protested, to the point where we had a sit-down outside Flinders Street station.

Now we have an issue with the drivers facing the introduction of 530 new licences, most of those for drivers in and around the city. Some of them are for wheelchair-accessible taxis, and we understand we have to have those. We support the fact that they should be there, but there is no real mechanism in place to ensure that these licence-holders are actually going to pick up people in wheelchairs who need to be serviced by wheelchair-accessible taxis.

There is no doubt that the real issue is the price of 530 licences on the open market. What do you get for them? The cost is \$400 000 a licence. It is an absolute cash grab by the government, which has looked forward and said, 'We need a stack of money, we are

starting to have a battle. We have got to get money from somewhere; this is where we will go'.

I am not sure how on earth you can claim that issuing those licences is going to improve the industry. What it is going to do in the metropolitan area — in particular the introduction of the regular licences, not the green tops — is dilute the wage pool for the drivers who are out there now. It will make it more difficult and tougher for them. The roll-on effect from that is you have difficulty bringing quality people into the industry, and you end up with substandard drivers. That will have us continue to go down the pathway that we have been going down under this government with the taxi industry.

The bill deals with the issue of amendments to the Children, Youth and Families Act and with young offenders on the public transport network being directed to an educational program. That educational program is:

... a public transport education program that Victoria's courts can use as a sentencing option when dealing with public transport offenders.

It is called the Fare Enough program and it has been developed:

... in consultation with the Magistrates Court, public transport operators, community organisations and welfare agencies.

It has been designed to help people who could otherwise become caught in a cycle of offending and punishment to use public transport with a better understanding of the public transport system and their obligations when using it.

It is interesting to have a look at the course content: it spells out to young offenders how Victoria's ticketing system works. So our young offenders are going to get the run-down on myki. What a great course that would be — to sit down with a group of young people who have ridden the system without paying for a ticket and listen to how a government spent \$1.3 billion — —

**Mr Trezise** interjected.

**Mr MULDER** — You hate it, you know you hate it, and it hurts. And it is going to continue to hurt right up until the election. The government has spent \$1.3 billion of taxpayers' money on a ticketing system that does not work. The minister was trying to operate one of those machines, but she was caught out when it fell apart in front of her; if these young offenders tried to use that same machine, if they tried to put some of their money into it, and if they tried to get the reader to work out whether or not they had a valid ticket, the same thing would occur. What an absolute disgrace.

They could possibly run these courses down at the myki discovery centre at Southern Cross station because it is not being used for anything at the moment. When we have young offenders perhaps that building could be put to good use. You could give them a run-down on the ticketing system while you are down there, and make sure that the space we are paying for — I think it is over \$100 000 a year — is producing something for the state, because at the moment it is producing nothing.

Then there is the myki discovery truck, which I think is worth about \$1 million. We are not sure where it is parked now. It was hidden in a warehouse in Ballarat. I believe it has been taken back to Melbourne somewhere — —

**Mr Trezise** — It's in Geelong.

**Mr MULDER** — It has now gone to Geelong. That could be a mobile training course centre. You could drive that truck around into the country areas where you have young offenders and get them to visit that truck, to take on board some instruction on myki. This is what this course talks about: about the role of public transport as a community asset and people's rights to travel safely and comfortably.

If you were running the course, you would probably roll out something like the long-term rail asset renewal strategy that is supposed to provide for a safe and reliable public transport network and a safe and reliable rail network. What the young offenders would discover when they had a look through the document relating to that strategy is that the rail system is in an absolute state of decay. Why?

Firstly, we have not cleaned out the drains alongside the tracks. Secondly, we have been replacing the ballast at about one-third of the rate that has been recommended. Thirdly, we have been replacing the sleepers on the tracks at about half of the recommended rate. Fourthly, we have been replacing the rails at the rate of about 5 kilometres rather than 20 kilometres a year, as recommended, because the government believes that the rails will last about 306 years. The engineers say they will last about 75 years, which is why we have got the problem we have got today.

Then they could go to the document and also find out that critical points and crossings are being replaced at around 8 a year when the recommended rate is about 21 or 22 a year. So you could probably take a lot of young people through this document and they would probably get a very good understanding of why fare evasion is where it is today, why there is a level of disrespect out

there for the public transport network, why the public transport system is completely and totally unreliable and why you have the situation where so many people believe it is okay to travel on the public transport network and not pay.

You could go to the course and get to the part where they talk about the serious impact of fare evasion on revenue. I understand that within Connex's business plan it talks about the Metlink surveys that come up with the fare evasion figures and that Connex is saying they are totally unreliable and could not be used in any way, shape or form to establish the true level of fare evasion. On one hand we have the minister floating out information that says the government is getting on top of fare evasion with a training course for young offenders that deals with that issue and tries to turn them into good citizens who are prepared to pay, and on the other hand you have the operator saying no, it is not on top of it. The whole situation is bizarre.

There are a number of issues in the bill that the opposition does not have a huge number of concerns about. Some of them were spoken about at length, and some minor concerns have been raised. The issue I get coming back to me is the abolition of the Southern Cross Station Authority. My amendment deals with that issue, and I want the government to pick it up. We have the right to know what amendments have been made to the documents. The government should bring the documents into this house. It should explain by introducing a new bill that deals wholly and solely with the abolition of the authority so that the community at least will have an explanation of why these documents have been treated in such a secretive manner.

**Mr HUDSON** (Bentleigh) — We have just heard from the member for Polwarth an extraordinary contribution which had absolutely nothing to do with the bill. He went off on a journey of his own, looking for conspiracy theories and reds under the bed. Perhaps there are reds under the seats at Southern Cross station. The fact of the matter is that this is a very simple bill. It is a bill which in part transfers the powers of the Southern Cross Station Authority, which is currently the owner of the Southern Cross station site. The authority was set up by the government to own the land and oversee the development of the station.

That station is a world-class facility, yet it was continually mocked and pilloried by the opposition. The opposition did not support it. It did not like the Southern Cross station idea. It wanted us to keep the old Spencer Street station — the old brown toilet block. That was its vision of a gateway to Melbourne. It opposed what the government was doing to redevelop

the station. What we have done is deliver a world-class station that has won architectural awards and has been acclaimed as the new gateway for people travelling on trains from interstate and from regional Victoria into the hub of Melbourne.

What we did with the Southern Cross Station Authority was lease the land. The rail track infrastructure was leased to the director of public transport, who leased it on to Connex and V/Line so that trains could use that infrastructure. It was pretty straightforward. The remainder of the land, including the platforms, the retail outlets and so on, are leased to Civic Nexus under a 30-year lease agreement. What this bill does is transfer the rights, property and assets, debts and liabilities, and obligations of the Southern Cross Station Authority to the Secretary of the Department of Transport. It is actually coming back into public ownership. Maybe the member for Polwarth missed that point. It is coming back to the government; the government will own the station.

The lease arrangement — a very straightforward lease arrangement for the next 30 years — with Civic Nexus will continue. The company will manage the subleasing of the retail outlets within the station, and it will ensure that rail passengers are given access to the platforms. There is nothing complex about that. There is nothing sinister about that. There is nothing that is unusual about that, but somehow we have the member for Polwarth moving this lazy amendment saying that we should not consider this bill until the government agrees to the amendment moved by the opposition.

What will we be knocking out if we do not agree to this bill? What will we not be proceeding with? First of all, one of the things we will not be proceeding with if we do not agree to this bill is ensuring that authorised officers in this state have to be of good character and competent in relation to their job not only when they have their authorisation issued but also when it is renewed. What we are doing is introducing more rigorous requirements for authorised officers. But, no, what the member for Polwarth says is, 'No, we shouldn't worry about that. We shouldn't worry about having higher standards for authorised officers. We should defer this bill'. The member for Polwarth says we should defer the bill because he thinks that somehow what the government is doing is something untoward when in fact it is entirely straightforward.

We have a situation here where the government is introducing civil penalty provisions. What we are doing through this legislation is ensuring that, as our rail network patronage increases and private developers increasingly seek access to the rail corridor to undertake

construction works, those private developments do not impinge in any way on the rail network. If the member for Polwarth had his way, those civil penalties would not be brought in. If this bill is not passed, we could have private developers coming in and by their actions in undertaking developments on the rail network unreasonably interrupting or slowing down traffic on the network, and according to the member for Polwarth that would be fine.

What the government is doing is placing primacy on ensuring that whatever works are carried out there is no interruption to the metropolitan rail network; that there is an active disincentive for private developers to occupy tracks or carry out works that impede or delay public transport. By setting out penalties in contracts and access agreements we are making it clear that in any way a developer delays or interrupts the public transport system, it will be subject to penalties. I would have thought the opposition would welcome that.

We also have the issue of safety directions. We heard nothing from the member for Polwarth on the issue of safety directions. We know there is a huge number of interfaces between our rail network and level crossings, roads and overhead bridges. Quite often road managers need access to railway land to carry out maintenance and upgrading works. A typical example would be where VicRoads needs access to the road corridor to carry out preventive maintenance on an overhead bridge. That is a very simple request, but we have had situations where rail operators have refused access on what we would see as being fairly flimsy safety grounds.

Rather than letting construction works come to a halt and having private contractors incurring additional costs, or VicRoads, if it has contracted work to a private contractor, incurring additional costs, we are allowing the director, public transport safety, to intervene and make a decision about whether there are genuine safety grounds for rail access to be refused. On the basis of his amendment, the member for Polwarth would be very happy to have a continual stalemate in this area, which would affect the operation of our rail and road systems.

Let us have a look at something the member for Polwarth failed to mention completely — that is, the amendments to the definitions contained in this bill that reflect the fact that the government is now the provider of regional rail infrastructure. I wonder why the member for Polwarth did not mention that. I wonder why he did not want to mention regional rail. I can tell members why. It is because in 1999 the then Liberal-National coalition privatised the rail network. The tracks and the rolling stock were leased to Freight

Victoria, which was acquired by Pacific National. It was given a 99-year lease, which is as good as ownership. You gave the whole lot away; it was a complete and utter disaster. What a disastrous experiment that was. No wonder you did not mention that once in your speech. There was no provision for maintaining the network.

**The ACTING SPEAKER (Mr Ingram)** — Order! The member for Bentleigh, through the Chair.

**Mr HUDSON** — There was a huge underinvestment in the rail network. It fell into complete and utter disrepair to the point that the regional rail network was becoming dysfunctional. That meant we had lower train speeds, we had breakdowns and we had an increase in unreliability, and it was reaching the point of no return. What this government has done is salvage the network from the reckless vandalism of those opposite while they were in government. We have brought it back. We have invested \$139 million to buy back the track, and we have immediately begun investing in upgrades to those lines. We have committed \$53 million to upgrade the Mildura line, and of course any investment we make in freight lines will also benefit, over time, the passenger network in country Victoria.

I ask the member for Polwarth to go back to country Victorians and give them the two models to choose from — his privatised model, which let the whole system run down into complete disrepair, and the model pursued by this Labor government, which is investing in the regional rail network. You have continually run down every single thing we have done on regional rail. You canned the regional fast rail network, where we have got record patronage. The people of Traralgon, Bendigo, Ballarat and Geelong are praising the additional services and flocking to that service. You have got form on this. Your amendment is a complete and utter charade.

**The ACTING SPEAKER (Mr Ingram)** — Order! I remind the member for Bentleigh that he must refer to the Chair. I assure the member that I did not do those things he attributed to me.

**Mr WELLER (Rodney)** — It gives me great pleasure this evening to rise to speak on the Transport Legislation General Amendments Bill. It is an omnibus bill to amend taxi licence transfers, abolish the Southern Cross Station Authority, provide for access by road authorities undertaking roadworks to railway land and allow for young persons to be directed to undertake educational courses in lieu of being fined for public transport offences.

One of the main provisions of the bill is to abolish the Southern Cross Station Authority. As we have already heard, there has been a great deal of debate this evening about the Southern Cross station. Indeed the following reasoned amendment has been moved by the member for Polwarth:

That all the words after ‘That’ be omitted with the view of inserting in their place the words ‘this bill be withdrawn and redrafted to:

- (1) take into account any issues arising from the examination of all documents regarding the Southern Cross station development which, for this purpose, should immediately be made publicly available; and
- (2) retain the remaining amendments.’.

We have to ask: if this Labor government is an open and accountable government, why does it not support this amendment? If it were open and accountable, it would disclose all the papers relevant to the Southern Cross station development, and then there would be no dispute. I cannot understand why there has been a push back from the other side on this amendment.

This amendment should be adopted so that the public of Victoria can know what the deal is at the Southern Cross station and so that we can all move forward supporting that and knowing that, rather than waiting, as the member for Polwarth has quite rightly pointed out, until the Premier is 105. Indeed by then I will be close to 100 myself.

**Ms Beattie** — That will be next year!

**Mr WELLER** — You are probably right. We have to make sure that this government is open and accountable and that we all have those values. I am surprised that members on the other side do not have those values of accountability to the public of Victoria. They should be disclosing all that is behind this bill.

While the amendment relating to the transfer of taxicab licences is a technical amendment, we must remember that this government has form on taxicab licences. We have seen it allow the transfer of hire car licences from Ballarat to Echuca, undermining the value of taxi licences in my area. Many taxidrivers have come to me from Rochester, Echuca and Kyabram complaining about the hire car licences that were transferred from Ballarat to Bendigo. There was no proper process, and now these hire car licensees are doing work in the Kyabram, Rochester and Echuca area and undermining the value of taxidrivers’ business. It may well be that we will no longer have taxi services in Echuca, Kyabram and Rochester, because when the hire cars

take the cream off the top of the work, the taxi businesses in those towns are no longer viable.

The bill also talks about amending the Rail Corporations Act in relation to access to rail land and safe arrangements for the conduct of works on rail land. I find this quite intriguing. I am a member of the all-party Road Safety Committee, and we have had an inquiry.

**Mr Trezise** — All powerful!

**Mr WELLER** — I stand corrected by the member for Geelong, and indeed by the members for Lara and Polwarth, who are my colleagues on that all-powerful Road Safety Committee, which has held an inquiry into safety at level crossings. What did that inquiry find? That inquiry found that there is a backlog of some 20 000 incidents at different — —

**Mr Trezise** interjected.

**Mr WELLER** — It was 20 000. I will make it clear for the member for Geelong, who may have been asleep during our inquiry when it was pointed out that there were some 20 000 incidents.

**The ACTING SPEAKER (Mr Ingram)** — Order! The member for Rodney should not take up interjections. He should keep his comments on the bill.

**Mr WELLER** — Through you, Acting Speaker, there are some 20 000 outstanding issues when it comes to safety. Included in these are safety issues with V/Line, local government, VicRoads and a couple of others as well. What we have to remember is that it is probably not access that is the problem, and I support that issue of access being resolved in this bill.

**Mr Eren** interjected.

**The ACTING SPEAKER (Mr Ingram)** — Order! The member for Lara should not interject in that manner.

**Mr WELLER** — For the benefit of the member for Lara, we need to have a commitment in finances as well. It is because of the finances that these jobs are not getting done. V/Line does not have the finances, and VicRoads does not have the finances. Who funds VicRoads? The Victorian state Parliament funds VicRoads. We lack a financial commitment from the government. While it says that it supports safety through this bill, there has been no support for safety by putting funding behind it.

As recently as 11 March I brought to the attention of the house the Road Safety Committee's report on level crossings and highlighted that there were these 20 000 outstanding issues across many areas. We must make sure that the government not only gives access to rail land but also gives a financial commitment to safety, because that is probably more the reason for the backlog than access to the sites and safety while working at those sites.

The member for Bentleigh talked about the Kennett government selling off the railway lines. What the member for Bentleigh failed to realise is that the Bracks and Brumby governments have been in power for 10 years and that they have had record income. For 10 long years they have had record income and they have had the power. What have they done? Nothing. They have had the time, they have had the power and they have had the money, and they have done nothing. As I said previously, the 20 000 outstanding issues of safety on railway lines in Victoria — it is in excess of 20 000, actually — are evidence that this government has not been prepared to address the issues of safety on railway lines and public transport generally in this state.

The member for Bentleigh spoke about the regional rail network and the regional rail upgrade. What he failed to tell us about was the regional rail upgrade blow-out in cost. It is another example of this government being unable to handle major projects.

**Mr Nardella** interjected.

**Mr WELLER** — The member for Melton says that because I am mentioning the blow-out of the management of the system — —

**The DEPUTY SPEAKER** — Order! The member for Rodney should know not to respond to interjections, and the member for Melton should know not to offer them.

**Mr WELLER** — There is an issue that needs to be addressed. The blow-out on the cost of these rail projects proves that this government cannot manage major projects. We heard of one railway line that was meant to cost \$90 million but ended up costing around \$900 million. I am not exact, but that is the approximate figure. It is a tenfold blow-out of the budget. The government cannot manage major projects. It is no wonder there are around 20 000 outstanding safety issues.

**Mr Nardella** interjected.

**Mr WELLER** — I am not making this up. The member should pay due respect to the Chair.

**The DEPUTY SPEAKER** — Order! The member for Rodney should direct his comments through the Chair. The member should not respond to interjections.

**Mr WELLER** — I will take your good advice, Deputy Speaker. The bill will allow the Children's Court registrar to refer juvenile offenders to education courses. The registrar lacks full judicial powers, which is not so bad, but will be able to refer offenders to programs such as Fare Enough, which will educate them in the value of paying their fares and the benefit of paying their fares when on public transport.

This is an omnibus bill. In summing up, if the government is open and accountable, as it says it is, it should support the amendment so people know what the deal is at Southern Cross station.

**Mr TREZISE** (Geelong) — I am pleased to speak in support of the Transport Legislation General Amendments Bill 2008 because it highlights the Brumby government's commitment to public transport in Victoria, specifically the rail system, as compared to that of the Liberal opposition, which through the 1990s, when in government, did nothing but sell the rail system. It sold the Geelong system to its mates in Geelong, and it was the Bracks and Brumby governments that had to undo that mess and buy back the public transport system.

**Business interrupted pursuant to standing orders.**

## ADJOURNMENT

**The DEPUTY SPEAKER** — Order! The question is:

That the house do now adjourn.

### Land tax: increases

**Mr WELLS** (Scoresby) — I wish to raise a matter for the Treasurer, or in his absence the Minister for Gaming, who is at the table. I refer to land tax. As members are aware, the land tax slug of the Brumby government that has hit the small businesses of this state has been an absolute and utter disgrace.

The action I am seeking is for the government to re-examine the reintroduction of the 50 per cent cap which it scrapped a few years ago. The 50 per cent cap on land tax was a safety net which ensured that the land tax bill would not increase by more than 50 per cent in any one year. The rate was well known so when businesses received their land tax assessment they knew it would be 50 per cent and no greater.

I go to one example, the Brumby's Bakery in North Carlton which has been trading since September 1997. It is a well-known and popular small local business. The business employs four full-time staff, two part-time staff and a further seven casual employees. Most of the casuals are secondary and tertiary students. Unfortunately, due to the increased land tax bill, the employer in this business will have to start laying off some of the casual employees and he will have to do the work himself, working longer hours, because he can no longer afford the land tax.

The land tax for 2008 was \$955 based on a property valuation of \$555 000. The bill in 2009 has increased from \$955 to \$5535. The value of the property has increased to \$1.32 million.

**Mr Robinson** — A billion!

**Mr WELLS** — A million dollars. It explains why the members of the Labor Party backbench do not understand what small businesses are going through. Members opposite do not understand. The land valuation has increased and members opposite say that is great, but how does the business operator get extra profit and revenue in his business on a weekly basis? Members opposite do not get it. It is costing the business owner \$106.44 every single week to pay his land tax. To do that the employer will have to put off casuals, which the backbench of the Labor Party seem to support. Members opposite do not understand.

### Jet skis: safety

**Ms GRALEY** (Narre Warren South) — The matter I raise is for the attention of the Minister for Roads and Ports and concerns jet skis, particularly the reckless behaviour of some who operate them. I ask that the minister consider introducing additional safety measures regarding the use of jet skis as part of the review of the Marine Act.

It is clear that stupid and rude behaviour occurs not only on roads but also on beaches. The government must ensure that our beaches are family-friendly and safe venues for the enjoyment of everyone. It is with great concern that I read in the newspaper some weeks ago that police caught more than 1200 boat and jet ski users behaving recklessly on the water last summer, putting the safety of the public at risk.

My concerns further grew when I was at a beach on the Mornington Peninsula — and I know that members of both sides of the house enjoy the peninsula. Increasing numbers of people are going to the peninsula. I read that the opening of EastLink has increased tourism

patronage this summer. With Peninsula Link on its way — well done the member for Frankston; more good news today from the Labor government — visitations are sure to grow.

When I was at the beach I was most concerned that young children having a good time jumping off their old boards, little kids playing in the shallows and people swimming laps were going to be collected by the speeding jet skis. I estimate that only 80 metres out from shore a jet ski was roaring around not only threatening swimmers but also upsetting those who had just set out for a nice day at the beach. I confronted one of the people operating the jet skis when he burnt into shore to ask him to be careful of the people around him, but he was just not interested. People who go to the beach have the right to be safe and happy. I can say I felt neither, and like many I am fed up with this bad behaviour.

Jet skis can be fun. Jet skis can also be dangerous machines. I am aware of a young girl in my electorate who was injured last summer. Imagine what it is like for a young family to go to the beach only to have one of its members end up in hospital. As a government we must take action to ensure that people are protected from these machines on our beaches.

I understand the government is currently reviewing the Marine Act 1988 as part of a comprehensive review of Victoria's transport policy and legislation. There may be a case for introducing some new reform measures in advance of a comprehensive new marine safety act. I ask that the minister consider introducing additional safety measures as part of the review of the Marine Act. I look forward to a nice quiet day on the beach again soon.

### **Mallee environmental employment program: funding**

**Mr CRISP** (Mildura) — I raise a matter with the Minister for Agriculture. The action I seek is that the minister secure ongoing employment on three days per week for people engaged under the Mallee environmental employment program (MEEP). MEEP is run by the Mallee Catchment Management Authority (CMA) as part of Victoria's drought program. The program provides employment for drought-affected farmers, assists families with their finances and provides support through farmers working together.

It was reported on ABC radio on 23 March that the number of shifts has been cut. The Mallee CMA has cut employment from three days per week to two days per week to keep the program running until the end of the

financial year. Rumours abound about the reason for the cuts, including diversion of funds from the Mallee to the bushfire areas. Can the Minister for Agriculture assure those on the program that this is not the case? I understand that the Mallee CMA is seeking additional funding to maintain and reinstate the three-day program. I hope it is successful. Mallee families need three days employment per week, and the community needs the environmental work they are undertaking. These families have enough to contend with, because the program ends in June each year and is subject to a long reassessment of the continuing drought conditions, which means that the jobs are not reinstated until well into spring.

The minister needs to make a commitment to the Mallee families so they can continue to supplement their farm incomes during these tough times. Many of these families have been in touch with me and are concerned about the decline in their income and work hours. They are not paid a great deal; I understand it is \$23.36 per hour. This is not an expensive program for the benefits it delivers to our drought-affected families. This work needs to continue.

### **Environment: low-energy technologies**

**Mr PANDAZOPOULOS** (Dandenong) — I raise a matter with the Minister for Energy and Resources. I call on the minister to help businesses in my electorate invest in the development of new, low-energy technologies. The Dandenong area is a manufacturing hub of Victoria, and a lot of great initiatives are under way there, with businesses gearing up for a carbon-constrained future. Businesses are developing and offering for sale products which consumers want. They will help to improve our state and our planet and achieve our objectives in relation to reducing our environmental footprint.

However, investing in these new, low-energy technologies is a very expensive business. I have been approached in recent times by a number of businesses which say that unless some government assistance is provided, there will be limitations on the opportunities to develop some of these new technologies. The Brumby government has taken a lot of action in helping Victorian families reduce their energy consumption. A number of initiatives are available, such as the energy saver incentive, which is already making energy efficiency more affordable for Victorian families.

Many individuals are taking up these opportunities. We have one of the highest take-up rates of green power. People are electing to pay more to encourage utility providers to seek alternative power generation options.

Of course a lot of investment is being made to change the state's power mix and reduce Victoria's energy emissions. Only recently there was an announcement of \$100 million for a second large-scale solar power station, and today we have been debating the premium feed-in tariff, which is just one example of how we are leading other states in this area. Tomorrow the Parliament's Environment and Natural Resources Committee will advertise its new inquiry into how to get more renewable energy projects off the ground. I look forward to participating in that inquiry.

In these tough economic times, businesses are trying to do the right thing by providing new technologies for a carbon-constrained future, but they face limitations. Now more than ever assistance is really required. Businesses realise that developing these new technologies is good for the environment and that being good for the environment in business can also be good for business profitability and for jobs for the future. I call on the minister to assist businesses that are developing new technologies and to tell us how he intends to provide support for them in my electorate.

### **Rail: Sunbury line**

**Mr MULDER** (Polwarth) — The issue I raise is for the Minister for Public Transport. I call on the minister to immediately provide a full explanation to residents of Sunbury, Diggers Rest, Gisborne, Woodend, Kyneton, Castlemaine, Bendigo, Maryborough, Echuca, Kerang and Swan Hill about what will happen with their trains if the government's proposed \$270 million Sunbury rail electrification project proceeds. The minister is the sole shareholder in V/Line, which operates non-electrified trains to Sunbury and beyond. I am advised that the 2008–11 business plan for the suburban rail operator, Connex, states that until electrification is completed there will be the option of a bus shuttle to or from Sydenham, which is also known as Watergardens station.

The business plan goes on to acknowledge that performance in 2011 will be poor and refers to how, in the busiest peak hour, there will be 19 train movements in one direction. It states that passengers will be very aware of late running due to the larger number of V/Line services and states that the only opportunity to increase corridor capacity will be to stop V/Line train services at the boundary and transfer passengers. The minister must explain what this will mean for travellers on the Sunbury and Bendigo, Echuca and Swan Hill lines.

It sounds very much like *On the Buses* or shanks's pony. Travellers' lives may be turned upside down by

the continual late running of trains or replacement buses. Why have these northern suburban and northern Victorian residents not been told of this proposed disruption to their trains?

I place on record the abysmal performance of the minister's trains to Watergardens, Sunbury, Bendigo and beyond. Up to 9.8 per cent of trains to and from Watergardens ran at least 6 minutes late in February 2009, and there were 35 cancelled trains despite this line having a much lower peak hour frequency than some of Melbourne's other electrified rail lines.

As the minister should know by now, Sunbury residents are asking, if electrification is pushed through, how they will fit on already overcrowded Watergardens peak hour weekday trains. The minister owes Sunbury and northern Victorian residents a full and frank explanation as to what Labor has in store for them, and she should not hide behind her department.

### **Consumer affairs: Unity Loan Investment Company**

**Dr HARKNESS** (Frankston) — In these tough economic times it is essential that people do not fall victim to any of the many scams that are doing the rounds. With the global economic crisis we are now seeing evidence of further opportunities for fraudsters to ply their nasty and vicious trade on unsuspecting citizens.

The matter I wish to raise tonight is for the attention of the Minister for Consumer Affairs, who is at the table. It involves an email scam which is offering extremely low interest rate loans. The action I seek from the minister is for him to request that Consumer Affairs Victoria investigate the scam, of which I will give details shortly, and issue public warnings about it. This latest scam, like many others, comes to people via email and offers loans at 0.5 per cent for loan amounts of between \$5000 and \$100 million.

The first hint of this being a scam is the low interest rate supposedly on offer, but suspicion is also raised because the emails come from free email address services — in this case a Hong Kong Yahoo account. The contact point is a Dr Parker Anderson, purportedly representing the Unity Loan Investment Company with a Gmail email address.

The text of the email is as follows:

Good day,

Unity Loan Investment Company is offering out loans to the public with a very low rate of 0.5 per cent. We offer out personal and business loans. Are you in debt and you need an

urgent loan? Do you need a real estate loan? Do you need secured or unsecured loan? Need financing but don't know how to go about securing a loan? Contact us for help. Financing shouldn't be a mystery. We would love to fund projects at hand and offer personal loans as well to you, your firm/partners and clients. A loan process can be completed within a space of one week provided terms of loan contract is agreed upon. Look no further contact Unity Investment Loan Company today.

The email then requests personal information from the recipient.

In these tough economic times, there are many people who are seeking access to finance, whether it is for personal reasons or simply to keep a business afloat. But sadly — and we hear about these scams all too often — there are unscrupulous people willing to do whatever they can to fleece people who have fallen into financial trouble.

This email, I fear, is yet another example, although one which I have not seen before. It is for this reason that I draw it to the minister's attention, and I reiterate the need for it to be properly investigated by Consumer Affairs Victoria and for appropriate warnings to be issued as required to protect people from falling victim to it.

### **Kilmany UnitingCare: funding**

**Mr INGRAM** (Gippsland East) — The matter I raise is for the Minister for Consumer Affairs. The action I seek is for the minister and the government to increase the funding support and expand services for financial counselling in Gippsland East.

I have been approached by Kilmany UnitingCare, which provides a number of services through the East Gippsland and Wellington shire regions. The services they supply are part-time positions and they are not meeting the current demand which has vastly increased as a result of the global economic crisis. Generally there is a waiting list of up to one to two months, which is not desirable as many people only seek help when they have a number of final notices in their hands and their electricity is about to be cut off.

Kilmany UnitingCare provides a number of financial counselling services and other services across Gippsland, particularly in an area like the Gippsland East electorate, which has a lot of remote outreach services. The counsellors are based in Sale or Bairnsdale. They provide an outreach service to Orbost, Lake Tyers and Bairnsdale Aboriginal cooperatives.

There is a gap in the service to indigenous communities which is more evident since the withdrawal of

Anglicare financial counselling in June 2008. The financial crisis in the economy is leading to a sharp increase in demand for a range of services. Recently we had an issue with Centrelink's Australian Taxation Office financial counselling facility cutting back outreach services. Luckily we solved that one.

The action I seek from the minister is that he make sure these services are provided to those in need, particularly in the current conditions. Kilmany UnitingCare financial counselling provides free assistance to low-income and vulnerable consumers experiencing financial hardship or crisis. It provides information either face to face or by phone about rights and responsibilities in relation to debts, including loans, credit cards, mortgages, rent, fines and utilities. It provides support and advocacy for establishing affordable payment plans and budgets by negotiating with creditors. Many of these services are essential for people who do not have very high level of financial literacy. Advice is available about grants, concessions and other types of assistance, including the no-interest-loans scheme.

These services are absolutely essential, particularly with people losing employment and also given the current economic conditions, which have put pressure on many of these families because of the increased cost of living. I encourage the government to expand these services to ensure that organisations like Kilmany have the ability to deliver essential financial counselling. It is also important that we ensure that the range of different service providers have outreach services available for all people within my region.

### **Darley Park, Bacchus Marsh: facility funding**

**Mr NARDELLA** (Melton) — My adjournment matter is for the Minister for Sport, Recreation and Youth Affairs. The action I seek is for the minister to look favourably at funding the Darley Park netball and tennis development project.

Darley Park is in Bacchus Marsh, in my electorate, and is used by many on a daily and weekly basis. Over a long period of time many projects have been undertaken to upgrade facilities on the site, especially for our younger sportspeople.

The Moorabool shire, with the Darley tennis and netball clubs, is seeking a grant of \$60 000, with the Moorabool council contributing a further \$70 000 for this upgrade. The grant is for the reconstruction of three existing dilapidated tennis courts at Darley Park to create a multi-use surface for tennis and netball training and competitions in the area.

Darley Park is close to Darley Primary School. It is also central enough for many people within Bacchus Marsh and district to use the upgraded facilities for competitions. Sport is extremely important in our society and our community, and it needs to be undertaken safely. The upgrade will make sure the netball courts are safer than they are at the moment. It is also important for fitness, especially for our young people, but also for older people. To have facilities available to be able to play sport and keep fit is really important.

It is also important for the long-term development of these sports, especially netball. Netball is a fantastic game. A lot of young women play netball and the facilities are to be used by them. It is also about giving our young people the opportunity to socialise and to provide other activities rather than just sitting in front of the Xbox or the Wii playing computer games. Socialisation in sport allows young people to participate in sport, to undertake competitive activities or just to run around; it is extremely important that they be able to develop their skills.

The grants will assist in doing that. I congratulate both the sporting clubs and Moorabool council for their initiative in applying for the grants, and I ask the minister to look favourably upon those applications when they come before him in the near future.

### **Nepean Highway, Mount Martha: speed zones**

**Mr MORRIS** (Mornington) — The matter I raise this evening is for the Minister for Roads and Ports. The action I seek is that the minister facilitate as soon as possible the installation of a 60-kilometre-per-hour school speed limit and associated electronic signage on Nepean Highway, Mount Martha, opposite Balcombe Grammar School. By way of background, Balcombe Grammar School was established in January 2007 on another site with 34 students. Reverend John Leaver and his board, together with Evelyn Sayers and Matthew Dodd on the professional side, have done a tremendous job in establishing the school. The level of their success can be judged by the rapid rise in the number of students. Last year it was up to 168, and this year it is 394.

The school is currently prep to year 9 but is adding a level each year, so by 2012 it will be running at full strength. I congratulate the school on progress so far and particularly on the strong ties that have been developed with the Mount Martha community. The school is in a residential 1 zone. The Nepean Highway at that point is in effect the urban growth boundary, and

the land to the eastern side is green wedge and Briars historic property.

There is a long-held view that this section of the Nepean Highway should remain a semi-rural road. It is one lane each way, and it is important that the functionality be retained. Nevertheless, we have a growing school population, some members of which need to cross the highway to catch buses. Kids and cars travelling at 100 kilometres an hour are not a good combination under any circumstances, and a genuine risk exists at this location.

I do not want to give the impression that no action has been taken, because the growth in student numbers has triggered a condition of the development permit requiring the installation of traffic lights, to which the school is contributing substantially. That trigger has been met, and the lights are now being planned. As an interim measure VicRoads has also agreed to put in an 80-kilometre-per-hour speed limit, and the shire has agreed to assist with the construction of bus stops and link paths.

The officers concerned, from both VicRoads and the shire, have done a great job putting this together, and I thank them for that. Once the work is completed it will be a big improvement, but that is going to take some time. While the speed reductions to 80 kilometres per hour can occur quickly, the rest is going to take a while. In the interim the risk remains, albeit tempered by the reduction in the speed limit.

In my view 80 kilometres per hour is still much too fast. A kid who is hit by a car travelling at 80 kilometres per hour is probably going to suffer a fate similar to a kid hit by a car travelling at 100 kilometres per hour — that is, not a good one. Traffic needs to be slowed, and I seek the minister's assistance in bringing that about.

### **Peanut Farm Reserve, St Kilda: water conservation project**

**Mr FOLEY** (Albert Park) — I rise to bring a matter to the attention of the Minister for Sport, Recreation and Youth Affairs. I almost feel obliged to link this to bringing some matter to the attention of the member for Frankston, but no matter how I try to do it I am afraid I am going to have to break from the script, because I cannot find the right words to praise him in this contribution.

I wish the minister to take action to support the proposal currently before his department relating to the installation of a new irrigation and water conservation program to renourish the Peanut Farm Reserve in

St Kilda. The application was made by the City of Port Phillip, which manages this most-used reserve, to ensure that the ground will be able to cope with its extensive use across the year in the face of continued dry conditions, record drought and a growing community demand for the use of the facility.

The Peanut Farm, which is named after the original farming property and mansion in the St Kilda area that it was once a part of, is extensively used. This park is an incredibly well-utilised area, whether by the four cricket teams in the summer; the senior, junior and women's football teams in winter — the St Kilda City Football Club, the St Kilda City Junior Football Club and its nine teams, St Kilda Sharks Women's Football Club and the Sacred Heart Mission's RecLink program football club, the Hearts — the monthly farmers markets; or even the annual homeless memorial to homeless citizens who frequented St Kilda and have died in the previous year.

However, I need to declare an interest, as I am the goal umpire for the St Kilda City Under-9 Blacks, a team that uses this facility. This team has a particularly keen on-baller who shares my surname, and while he shows good ability in kicking off both feet, his judgement around handball and team participation needs a bit more work. I stress that this has in no way influenced my request to the minister.

The proposal before the minister is one that will see the installation of an underground irrigation system and a rainwater capture program for this area. I can testify firsthand that the playing surface has suffered greatly in recent years. With the combination of drier conditions, increased demand and the associated risk of injuries, this program is one particularly worthy of the minister's attention. I urge him to support the proposal currently before his department.

### Responses

**Mr BATCHELOR** (Minister for Energy and Resources) — The member for Dandenong has raised an important matter for me, and I thank him for raising it. He is clearly a great champion for small business in his electorate, and his concerns are another example of his hard work in that area. It is important to understand that the Brumby government recognises the important role that businesses have to play in reducing Victoria's carbon emissions.

A few weeks ago I visited Frontline Australasia's factory in Bangholme in the city of Greater Dandenong, where an important new investment in low-energy technology was on display. Frontline is using a new

welding tip in its component production process that increases its productivity but at the same time reduces greenhouse gas emissions. The technology was proudly developed in Victoria. It was made in Dandenong and supported by the Brumby government. MIGfast describes it as evolutionary, economical, efficient, extraordinary and environmental. The Brumby government investment came via the Centre for Energy and Greenhouse Technologies (CEGT), which is a government initiative designed to develop and demonstrate new sustainable energy and greenhouse gas reduction technologies. The welding tip was developed by MIGfast, which recently opened in Dandenong. The company already employs eight people and has sufficient room for expansion to meet existing and new customer demand for this energy-saving welding tip. This is not only good news for business and the environment but is also an example of jobs being created by the Brumby government.

I am holding up an example of the welding tip, as you can see, Deputy Speaker.

**Mr Ingram** — You're not allowed to use a prop, surely!

**The DEPUTY SPEAKER** — Order! The minister should be aware that props are not acceptable and can be captured by the Chair if necessary.

**Mr BATCHELOR** — You would make good use of this tip, Deputy Speaker, as has MIGfast in Dandenong. This product is only about 3 centimetres long, but it provides huge improvements for industry and the environment both here and potentially overseas. These tips can be used for robotic MIG (metal inert gas) and gas metal arc welding, for those who are technically predisposed, which are used in the automotive, whitegoods, defence and metal fabrication industries.

Compared with the current technology, the new tips can weld 50 per cent faster, last twice as long, use 30 per cent less energy and generate about 25 per cent less CO<sub>2</sub>. Taking all those factors into consideration, it truly is a great development. It uses less welding material, as you understand, Deputy Speaker, and by using less welding material it is able to save hundreds of metres of wire per robot per day.

If these welding tips were used by all MIG welding robots globally, you could just imagine the huge benefits to industry and the environment. It would save more than 70 000 tonnes of welding wire as well as 700 000 tonnes of carbon dioxide per year. That is the equivalent of taking about 175 000 cars off the road for

a year. This is just one example of the action that the government is taking to help make Victorian businesses more competitive and more environmentally friendly at the same time.

In summary, the Brumby government has invested nearly \$30 million through the CEGT to help commercialise technologies such as this new welding tip. The member for Dandenong can be assured that the Brumby government will continue to invest in low-energy technologies designed to help Victorian businesses continue to prosper in a carbon-constrained future.

**Mr ROBINSON** (Minister for Consumer Affairs) — I will address first the matter raised by the member for Frankston who once again in a fearless and heroic manner has advocated for his constituents, this time in relation to a nefarious email scam going around, and has asked that I refer this matter to Consumer Affairs Victoria and I certainly will do that.

One of the things we continue to emphasise to Victorians in the age of the internet is that as much as that age brings all sorts of benefits to consumers, it also brings risks, one of which is that they are much more easily contacted by people who would seek in an unscrupulous manner to fleece them of their hard-earned cash. As the member for Frankston has mentioned, the offers that seem too good to believe almost certainly are too good to believe. I want to commend him for his continuing advocacy. There would be few members in the house who would raise more matters pertaining to consumer protection than the member for Frankston, so I commend him for his good work.

The best message that members like him can put out in the interim is to simply continue to warn constituents that there are real risks in responding to emails like this. Much as we might disbelieve that people could be taken in by offers like this, they regularly are.

Scammers are often based overseas in countries with far less strict oversight on consumer protection and affairs. They generate emails like this on a daily basis by the million, and only a very small percentage of people actually need to respond for them to make a very good living out of it. I will pass that matter on to Consumer Affairs Victoria in the manner that the member has requested, and I will pass its advice on to him in due course.

The member for Gippsland East raised a matter in respect of financial counselling, and I think it was in relation to the Kilmany UnitingCare organisation. He

was kind enough to raise this with me an hour or so ago. I have not been able to get hold of some of the background material on financial counselling, but I am happy to make some more of that available to him. He is not the only member to raise this general issue. I know the member for Narre Warren South has also been a very strong advocate of services in her area.

I will start by advising the member for Gippsland East that Victoria is widely recognised as having the best structured and resourced financial counselling sector in the country. That does not mean we rest on our laurels, but we certainly are widely regarded as having the best model. We acknowledge that it is under great pressure, but I think the system we have is still better than the system that constituents across the state border from the member's electorate would encounter.

We have done a number of things, and I will just run through them quickly to inform the member for Gippsland East. Last year we consolidated the forward funding for financial counselling. In the past some had been drawn from the Community Support Fund and some from the department, but we felt that it was better to consolidate that funding around a departmental appropriation going forward so there is greater security in the sector. We have also undertaken an exercise of reconfiguring the way that program is delivered, in order to generate more service hours in the funding that is provided, and that is a step in the right direction.

I can advise the member that the federal government entered this space for the first time last year. The Productivity Commission's report on consumer policy matters suggested for the first time that the federal government should get involved in this space, and that is certainly something we have been taking up with it since. Ultimately we would like the federal government to be offering partnerships with the states to fund this in a more constructive manner. I should also say that the \$10 million the states received last year was a one-off appropriation. I think it was the first time that the federal government had done that, and it was divided among the states.

That money has complemented the funding base in this state, but we would like it to do more, particularly as the federal government has now accepted through the Council of Australian Governments (COAG) process that the credit powers will be transferred from the states to the commonwealth. We say that as a matter of course with that transfer the responsibility to do more to provide for financial counselling services quite properly increasingly rests with them. That is not us moving away from it but saying that we need a joint

partnership. We will continue to pursue the federal government on that.

I have separately indicated to a number of industry representatives that we are conscious of the demand growth in the sector and that we need to respond to that. I cannot divulge what the government will do in the lead-up to the budget, but the member for Gippsland East would understand that I realise the pressure that the sector is under.

I will say two other things. Some time ago the member for Lara raised with me the circumstances of companies when they announce downsizings and the circumstances that workers in their 40s or 50s may find themselves in when they leave their employer with a fairly large retrenchment package. If I recall correctly, the member for Lara drew attention to that and suggested that the people in that situation were not under immediate financial pressure but might find, by dint of making a bad investment decision at that point in time, that they ultimately came under great financial pressure. Through the member for Lara the government worked with Consumer Affairs Victoria to develop a new service where employers who are in that position of announcing lay-offs may be able to access financial counselling services in a block and make that available to employees. I think that is a step in the right direction, and it adds a little to the service provision model that we have.

I might also say with respect to one of the issues that the member for Narre Warren South raised with me a while ago that one of the problems in this sector — it is not always about money, although I accept that the funding issue is paramount — is also about ensuring there is a sufficient supply of people ready to work in the sector. Until recently, with unemployment being at record lows, it has been very hard to attract new counsellors into the field. I think I am correct in saying that the member for Narre Warren South raised the issue with me last year about a service provider in her area who actually had the funding in place but could not replace the person who had left. That is a chronic weakness within the sector.

We are conscious of that and are working towards trying to develop some programs that will lay out counselling as more of a career option for people. That will hopefully in the longer term address the problems that both the member for Narre Warren South and, I think, the member for Gippsland East have alluded to.

I would be happy to discuss this matter further with the member for Gippsland East, particularly his reference to indigenous service provision. He alluded to that, and

I am not aware of the circumstances in that area, but I would be happy to talk to him. Perhaps on a future visit to the area I might even arrange with him to meet some of the service providers. I would be happy to run through some of these steps with them in due course.

The member for Scoresby raised an issue for the attention of the Treasurer in regard to land tax, particularly the re-examination of the introduction of a cap. I will pass the matter on.

The member for Narre Warren South raised an issue for the attention of the Minister for Roads and Ports regarding the reckless behaviour of jet ski riders. She is seeking new controls on irresponsible riders, and I will pass that matter on.

The member for Mildura raised an issue for the attention of the Minister for Agriculture regarding ongoing funding for the Mallee environmental employment program, and I will pass that on.

The member for Polwarth raised a matter for the attention of the Minister for Public Transport about the need for advice to a number of communities about future rail services. That matter will be passed on.

The member for Melton raised an issue for the attention of the Minister for Sport, Recreation and Youth Affairs regarding a funding request from a local sports organisation, the Darley Park football and netball facilities at Bacchus Marsh. I will pass that matter on.

Similarly, the member for Albert Park raised an issue for the attention of the Minister for Sport, Recreation and Youth Affairs regarding an application by the City of Port Phillip for new water conservation measures, and I will pass that matter on.

Finally, the member for Mornington raised an issue for the Minister for Roads and Ports requesting action on a 60-kilometre-per-hour speed limit zone on the Nepean Highway near a local school. I will certainly pass that matter on.

**The DEPUTY SPEAKER** — Order! The house is now adjourned.

**House adjourned 10.43 p.m.**

