

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE ASSEMBLY

FIFTY-SIXTH PARLIAMENT

FIRST SESSION

Wednesday, 29 October 2008

(Extract from book 15)

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

By authority of the Victorian Government Printer

The Governor

Professor DAVID de KRETZER, AC

The Lieutenant-Governor

The Honourable Justice MARILYN WARREN, AC

The ministry

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

Legislative Assembly committees

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

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

Joint committees

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Heads of parliamentary departments

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

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

Parliamentary Services — Secretary: Dr S. O'Kane

MEMBERS OF THE LEGISLATIVE ASSEMBLY

FIFTY-SIXTH PARLIAMENT — FIRST SESSION

Speaker: The Hon. JENNY LINDELL

Deputy Speaker: Ms A. P. BARKER

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

Leader of the Parliamentary Labor Party and Premier:

The Hon. J. M. BRUMBY (from 30 July 2007)

The Hon. S. P. BRACKS (to 30 July 2007)

Deputy Leader of the Parliamentary Labor Party and Deputy Premier:

The Hon. R. J. HULLS (from 30 July 2007)

The Hon. J. W. THWAITES (to 30 July 2007)

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

Mr E. N. BAILLIEU

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

The Hon. LOUISE ASHER

Leader of The Nationals:

Mr P. J. RYAN

Deputy Leader of The Nationals:

Mr P. L. WALSH

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

¹ Resigned 6 August 2007

² Elected 15 September 2007

³ Resigned 2 June 2008

⁴ Elected 28 June 2008

⁵ Elected 15 September 2007

⁶ Resigned 6 August 2007

CONTENTS

WEDNESDAY, 29 OCTOBER 2008

BUSINESS OF THE HOUSE

Notices of motion: removal..... 4273

NOTICES OF MOTION.....4273

PETITIONS

Schools: Catholic sector4273

Rail: Glenrowan.....4273

Essendon Airport: future.....4273

Kyabram research station: future.....4274

CONSUMER UTILITIES ADVOCACY CENTRE

Report 2007–08.....4274

PARLIAMENTARY DEPARTMENTS

Reports 2007–08.....4274

DOCUMENTS4274

MEMBERS STATEMENTS

Warrambool Coast Guard: funding4275

Kyeema air disaster: 70th anniversary.....4275

Melbourne Victory Women.....4275

Police: Loch Sport.....4276

Glendal Primary School and Mount Waverley

Primary School: leadership programs and facilities4276

Gas: Mount Macedon supply.....4276

Greenhills Primary School: spring fair.....4277

Schools: walking bus program4277

Goulburn River and Ranges Spring Festival4277

Verney Road School: early education program.....4277

Hillsmeade Primary School: art show.....4278

Payroll tax: apprentices and trainees.....4278

Water: charges.....4278

Cr John So.....4279

Rail: passenger seating.....4279

Do Care Geelong Cooperative Ltd.....4279

Technical and further education: teacher salaries4280

Badminton: Australian under 15 carnival.....4280

Lowan electorate: community activities.....4280

Caroline Springs College: Lakeview campus4281

Caroline Springs: 10th anniversary4281

Frankston-Flinders Road, Bittern: pedestrian crossing4281

St James Anglican Church, Ivanhoe: centenary4281

Manufacturing: government strategy.....4282

MATTER OF PUBLIC IMPORTANCE

Government: performance.....4282

STATEMENTS ON REPORTS

Public Accounts and Estimates Committee:

*budget estimates 2008–09 (part 3)...*4301, 4303, 4305

Public Accounts and Estimates Committee:

report 2007–08.....4302

Outer Suburban/Interface Services and

Development Committee: local economic development in outer suburban Melbourne4304

PROFESSIONAL STANDARDS AND LEGAL

PROFESSION ACTS AMENDMENT BILL

Statement of compatibility.....4306

Second reading 4307

QUESTIONS WITHOUT NOTICE

Alfred hospital: trauma surgeon 4309

Rail: regional and rural freight lines 4310

Budget: surplus 4311

Housing: regional and rural Victoria 4311

Minister for Industry and Trade:

conduct.....4312, 4313, 4315

Mental health: government initiatives..... 4313

Justice: government initiatives 4314

Housing: government initiatives.....4315

PUBLIC ADMINISTRATION AMENDMENT BILL

Statement of compatibility 4316

Second reading4316

HEALTH SERVICES LEGISLATION AMENDMENT

BILL

Statement of compatibility 4318

Second reading 4321

STATE TAXATION ACTS FURTHER AMENDMENT

BILL

Statement of compatibility 4323

Second reading 4326

DANGEROUS GOODS AMENDMENT (TRANSPORT)

BILL

Second reading 4328

Third reading 4331

ASBESTOS DISEASES COMPENSATION BILL

Second reading 4331

RACING AND GAMBLING LEGISLATION

AMENDMENT BILL

Second reading 4334, 4367

Third reading 4375

GAMBLING LEGISLATION AMENDMENT

(RESPONSIBLE GAMBLING AND OTHER MEASURES) BILL

Second reading 4340

EDUCATION AND TRAINING REFORM FURTHER

AMENDMENT BILL

Second reading 4347

Third reading 4367

DISTINGUISHED VISITOR 4358

STALKING INTERVENTION ORDERS BILL

Second reading 4375

ADJOURNMENT

Auburn South Primary School: funding..... 4377

Energy: retail market..... 4378

Ambulance services: Horsham station..... 4378

Victoria University: boatbuilding programs..... 4379

Planning: Glenelg..... 4380

Graffiti: Frankston and Casey..... 4380

Roads: Bass electorate 4381

Canterbury Road, Blackburn South: safety 4381

Rail: Ferntree Gully station..... 4382

Small Business Mentoring Service: funding 4382

Responses..... 4383

Wednesday, 29 October 2008

PETITIONS

The SPEAKER (Hon. Jenny Lindell) took the chair at 9.34 a.m. and read the prayer.

Following petitions presented to house:

BUSINESS OF THE HOUSE

Schools: Catholic sector

Notices of motion: removal

The SPEAKER — Order! I wish to advise the house that under standing order 144 notices of motion 105, 106 and 204 to 219 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.

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.

NOTICES OF MOTION

By Mr K. SMITH (Bass) (219 signatures)

Notices of motion given.

Rail: Glenrowan

Ms GRALEY having given notice of motion:

To the Legislative Assembly of Victoria:

The SPEAKER — Order! I will ask the member for Narre Warren South to have a conversation with the party whip on the form of that notice of motion. It should more appropriately have been a members statement. It is an issue that has been raised over time, perhaps while the member for Narre Warren South has been away.

The petition of visitors, tourists and interested parties draws to the attention of the house that Glenrowan has not been included in the north-east rail revitalisation project.

The petitioners therefore request that the Legislative Assembly of Victoria include Glenrowan in the north-east rail revitalisation project for the purpose of re-establishing passenger services for the benefit of both residents and the tourist industry.

Further notices of motion given.

The inclusion would require the implementation of the following infrastructure developments:

Mr WELLER having given notice of motion:

1. alignment of the railway track past the existing station platform
2. establishment of a passenger platform to service the southbound track at the location of the original 1873 goods platform.
3. establishment of track linkage between the north and southbound lines.

The SPEAKER — Order! I will review that notice of motion. It may also have been something that should have been delivered as a members statement.

Further notices of motion given.

By Dr SYKES (Benalla) (188 signatures)

Dr SYKES having given notice of motion:

Essendon Airport: future

The SPEAKER — Order! Once again I think that notice of motion is more appropriate as a members statement.

To the Legislative Assembly of Victoria:

Further notices of motion given.

The petition of the citizens of Victoria draws to the attention of the house the intention of the Victorian Labor government to close Essendon Airport.

Dr SYKES having given notice of motion:

The SPEAKER — Order! I have great difficulty with the notices of motion from the member for Benalla this morning. I fail to see how a substantive debate could take place on those three separate notices of motion.

The petitioners therefore request that the Legislative Assembly of Victoria call upon the Victorian Labor government to abandon its misconceived policy which is a threat to the location and operations of the Victorian air ambulance, the police air wing, firefighting aircraft and other essential public and private enterprises as well as causing the

closure of an important facility for rural and regional Victorians commuting to Melbourne.

By Mr RYAN (Gippsland South) (46 signatures)

Kyabram research station: future

To the Legislative Assembly of Victoria:

This petition of residents of Victoria draws to the attention of the house the impending closure of the Kyabram research centre as a result of a restructure of the Victorian Department of Primary Industries (DPI).

The petitioners register their opposition to the closure of Kyabram research centre, on the basis that it will result in direct and indirect job losses, and have serious ramifications for the schools and businesses, services and the environment.

The petitioners therefore request that the Legislative Assembly of Victoria rejects the DPI restructure and calls on the state government to keep the Kyabram research centre as a fully funded and functional DPI facility.

By Mr WELLER (Rodney) (28 signatures)

Tabled.

Ordered that petition presented by honourable member for Bass be considered next day on motion of Mr K. SMITH (Bass).

Ordered that petition presented by honourable member for Gippsland South be considered next day on motion of Mr RYAN (Gippsland South).

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

Ordered that petition presented by honourable member for Benalla be considered next day on motion of Dr SYKES (Benalla).

CONSUMER UTILITIES ADVOCACY CENTRE

Report 2007–08

Ms MORAND (Minister for Children and Early Childhood Development), by leave, presented report.

Tabled.

PARLIAMENTARY DEPARTMENTS

Reports 2007–08

Ms BARKER (Oakleigh), by leave, presented reports of Department of the Legislative Assembly and Department of Parliamentary Services.

Tabled.

DOCUMENTS

Tabled by Clerk:

Auditor-General:

Cases21 — Ordered to be printed
Private Practice Arrangements in Health Services — Ordered to be printed
Working with Children Check — Ordered to be printed

Building Commission — Report 2007–08

Crimes (Assumed Identities) Act 2004 — Report under s 31

East Gippsland Catchment Management Authority — Report 2007–08

Financial Management Act 1994:

Report from the Minister for Environment and Climate Change that he had received the 2007–08 report of Commissioner for Environmental Sustainability

Reports from the Minister for Planning that he had received the 2007–08 reports of:

Architects Registration Board of Victoria
Dandenong Development Board
Heritage Council of Victoria

Genelg Hopkins Catchment Management Authority — Report 2007–08 (two documents)

Goulburn Broken Catchment Management Authority — Report 2007–08

Growth Areas Authority — Report 2007–08

North East Catchment Management Authority — Report 2007–08

Ombudsman — *Whistleblowers Protection Act 2001*: Report of an investigation into issues at Bayside Health — Ordered to be printed

Phillip Island Nature Park Board of Management — Report 2007–08

Plumbing Industry Commission — Report 2007–08

Port of Hastings Corporation — Report 2007–08

Primary Industries, Department of — Report 2007–08 (two documents)

Professional Standards Council — Report 2007–08

Residential Tenancies Bond Authority — Report 2007–08

Sentencing Advisory Council — Report 2007–08

Sustainability Victoria — Report 2007–08 (two documents)

Victims of Crime Assistance Tribunal — Report 2007–08

Victoria Grants Commission — Report 31 August 2008

Victorian Catchment Management Council — Report 2007–08

Victorian Commission for Gambling Regulation — Report 2007–08

Victorian Curriculum and Assessment Authority — Report 2007–08

Victorian Environmental Assessment Council — Report 2007–08

Victorian Privacy Commissioner, Office of — Report 2007–08 — Ordered to be printed

Victorian Regional Channels Authority — Report 2007–08

Victorian Registration and Qualifications Authority — Report 2007–08

Victorian Urban Development Authority — Report 2007–08

West Gippsland Catchment Management Authority — Report 2007–08 (two documents).

MEMBERS STATEMENTS

Warrnambool Coast Guard: funding

Dr NAPHTHINE (South-West Coast) — The Warrnambool Coast Guard has 26 dedicated and enthusiastic volunteers. It has a new \$650 000 rescue vessel but not enough funding to put diesel in the vessel's tanks for training or essential rescue activities. The \$650 000 rescue vessel, which was delivered in May this year, has simply been left high and dry due to a lack of state government funding. The government provided \$540 000 for the vessel, leaving local volunteers with a bill for \$110 000. In addition, neither the Brumby Labor government nor Marine Safety Victoria has provided any funding to pay for the diesel, which costs \$3000 every time the vessel is filled up, or other basic operational costs, leaving the vessel high and dry and the community unsafe, particularly those using the waters off Warrnambool and the south-west region.

In the current economic climate it is impossible for local volunteers to raise \$110 000 plus the operating costs of this vessel. Urgent action is needed by the state government to fix this problem and get this much-needed coast guard rescue vessel on the water

and saving lives before the busy summer season ahead. It is unfair and unreasonable that these dedicated volunteers are being asked to raise \$110 000 plus operating costs, as well as donating their time to participate in training and rescue activities to keep people safe.

Kyeema air disaster: 70th anniversary

Mr MERLINO (Minister for Sport, Recreation and Youth Affairs) — I rise to honour the 18 lives lost 70 years ago in the *Kyeema* air disaster. On 25 October 1938, 14 passengers and 4 crew left Adelaide on board the Australian National Airways DC2 *Kyeema* bound for Essendon Airport, but in thick fog the aircraft crashed into the side of Mount Dandenong. One of those killed on board was federal MP, Charles Hawker, a World War I veteran and former minister. The crash sent shock waves through the then Lyons federal government and devastated the South Australian wine industry, which also lost three prominent winemakers in the crash. The tragedy forced the government to overhaul aviation safety. A new Department of Civil Aviation was formed and a new air traffic control system was developed, which had ramifications around the world.

On Saturday I had the privilege of joining family and friends of those lost and many from the local community at a commemoration service held at the site. I would like to pay tribute to the work of Macarthur Job, who authored a book on the disaster, Pat Hogan and the Mount Dandenong Historical Society, who worked extremely hard to raise awareness of this event, and also the young people from the Australian Air League and the cubs and scouts who took part in the service.

Seventy years on the *Kyeema* air disaster still carries extremely significant meaning for both the Dandenongs and Australia's aviation heritage.

Melbourne Victory Women

Mr MERLINO — I would also like to congratulate the Melbourne Victory Women's team on its first ever match — a 2 to 0 triumph over the Central Coast Mariners on Saturday. The team gives the many thousands of football fans in Victoria the chance to support our very own team of elite female football stars. All those who turned up or tuned in on Saturday saw football every bit as skilful and enthralling as the Victory men — only the women managed to win.

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

Police: Loch Sport

Mr RYAN (Leader of The Nationals) — October is Community Safety Month, but it is little solace to the people of Loch Sport. My constituent Lisa Timms reports that at Loch Sport the local community has just been informed that the trial police posting in the town has been downgraded by Victoria Police rather than being upgraded to a permanent posting. This situation is compounded by the fact that the existing arrangements are all the more precarious because they depend upon the Wellington Shire Council's willingness to continue to provide a vehicle, through a leasing-swap arrangement, to enable the police to have a presence in the town at all.

This is entirely reflective of what I otherwise see around Victoria as I tour this great state. It is entirely reflective of the fact that we simply do not have enough troops on the ground. Again and again when you ask serving police officers in their police stations within our different communities around Victoria, they will tell you incessantly there are just not enough troops on the ground.

I call on the Victorian government, and the Minister for Police and Emergency Services in particular, to address this issue as a matter of urgency. I do so particularly on behalf of the people of Loch Sport. We as a community battle hard on their behalf to get a police presence into Loch Sport. It is not the fault of the local police, who are trying to service the town from Sale. The fact is the government is not providing enough resources in the town. It is another sorry reflection of its inability to govern properly.

Glendal Primary School and Mount Waverley Primary School: leadership programs and facilities

Ms MORAND (Minister for Children and Early Childhood Development) — Last week I visited Glendal Primary School in Glen Waverley to participate in its leadership program. I congratulate principal Deborah Grossek and teacher Jon Taylor on the great program they are running for the school's year 6 student leaders. The students have been taking an after school leadership course through term 2 and, in addition, have completed whole-day leadership training days, along with students from other schools, once a term. The program has focused on issues such as leadership role models, the qualities of a good leader, effective discussion and engaging with different points of view. I was very impressed with the students participating in the program. They showed great maturity, humility and quiet confidence — all attributes

of a good leader. They asked me great questions that showed a deep understanding of leadership attributes. While there I was able to inspect the results of the newly completed stage 2 of the rebuilding program being undertaken at this great school. Stage 2 includes seven classrooms, a library and a new art room. It all looked absolutely fantastic.

This \$4.3 million investment is another example of this government's investment in education facilities across Victoria, including another rebuilding project under way in Mount Waverley Primary School, another great school in my electorate providing outstanding education for the children in my community. The school has been providing education for children in the Mount Waverley community for over 100 years, having recently celebrated its centenary.

Gas: Mount Macedon supply

Mr CLARK (Box Hill) — Labor promised to bring natural gas to towns across Victoria, but for many the reality has been vastly different. Not only have many families had to pay substantial sums to have natural gas connected, but gas will often only be connected in an area if one resident is prepared to accept legal responsibility for the entire cost and then collect the funds from other residents. Mr Peter Crowhurst of Mount Macedon originally sought to have a gas mains extension installed for 45 local residents. He collected signatures from virtually all of those residents. He was quoted \$161 000 for the project and asked to sign the quotation acceptance and then collect the \$161 000 within 30 days. This was virtually impossible, and Mr Crowhurst had to scale back the project. Eventually he was able to arrange through AGL and SP AusNet for 12 residents to have gas connected for a total cost of just over \$6000. This installation is now nearing completion.

I congratulate Mr Crowhurst on what he has been able to achieve through his enormous hard work and perseverance, but it should not have had to be that hard. First and foremost, the government should be honouring the promises it made to install natural gas. Secondly, when residents seek to have gas installed there needs to be a much simpler mechanism for residents to commit to a project. It is unfair and unreasonable to expect one resident to accept liability and provide payment on behalf of all residents. Residents should each be able to make separate payments. It may also make more sense for residents to deal directly with a gas distribution business rather than having to work through a retailer. We have heard a lot of talk from the government about providing natural

gas, but this experience shows yet again that it has failed to deliver.

Greenhills Primary School: spring fair

Mr HERBERT (Eltham) — I rise to congratulate the Greenhills Primary School on another terrific spring fair, which occurred last Sunday. This year's fair took on a special significance as the school got to celebrate the beginning of spring in its brand-new building. After watching the new building take shape over the past year or so, many excited young students moved into the building this term. This terrific new \$4.5 million addition to the state's educational facilities will ensure that Greenhills Primary School will continue to provide top-class, excellent education for many years to come.

On the weekend the school opened the new building for tours for the local community — not just the school community, but everyone who lives around the school — as part of its spring fair activities. I joined one of those tours and was pleased to talk to many parents and older residents about the changes that have occurred in education over the last decade or so. It was plain to see that everyone who turned up to have a good look at this bright new building was incredibly impressed by the changes in education that have occurred and by what is now being offered to young people in this state. The spring fair was well attended and was a fun day for all. I congratulate the whole school community on another outstanding day at Greenhills Primary School.

Schools: walking bus program

Mrs SHARDEY (Caulfield) — The issue I raise today relates to the Brumby Labor government's hypocrisy when it comes to early intervention obesity programs. The government's decision to slash the funding of the hugely successful and popular walking school bus program and its refusal to fund existing programs beyond June is a huge disappointment to state primary schools, local councils and schoolchildren. With childhood obesity on the rise, the walking school bus program was targeted at primary school children and encouraged them to walk to school safely while getting regular physical activity and exercise. An estimated 52 councils and 198 schools were involved in this program, which operated 356 walking school bus routes and resulted in over 6500 children walking to school.

Recently schools and organisations were sent expensive glossy pamphlets and brochures promoting Walktober which aimed to encourage Victorian schoolchildren to walk to school on 22 October, one day of the year. The

promotional kits claimed, 'It's cool to walk to school'. Yet this same government has contradicted itself by slashing the walking school bus program and forcing local councils that want this valuable program to continue to pick up the funding shortfall after VicHealth decided to scrap the dollar-for-dollar funding arrangements with Victorian councils.

I call on the Premier and the Minister for Health to take immediate action and reverse this profound lack of logic and reinstate full funding to the walking school bus.

Goulburn River and Ranges Spring Festival

Mr HARDMAN (Seymour) — I rise to congratulate the Seymour community members who organised the Goulburn River and Ranges Spring Festival over the weekend of 17 to 19 October. The weekend began with a breakfast on Friday morning, which was well supported by sponsors and community members. It continued on Saturday with the Tastes of the Goulburn, which has been a successful event for several years now and has been a finalist for a few years in its category in the Victorian tourism awards. This event was again well attended by businesses offering their quality local produce for tasting and purchase. The local fine music, wine and food and heritage train rides have continued to attract people in large numbers to Seymour, and this year's festival seemed to go exceptionally well.

On Sunday the weekend finished with more food and wine, and a very successful Seymour Cup was run. People enjoyed the quality facilities there and the great entertainment offered on the day. This year was the first time that all these great events were drawn together. Importantly, that meant they were able to attract better advertising dollars from local sponsors and were able to attract funding from Regional Development Victoria to help promote the event. Using that advertising attracted larger crowds to the events over the weekend. Congratulations to everybody who was involved in bringing the event together: the chamber of commerce, the agricultural and pastoral society and community members.

Verney Road School: early education program

Mrs POWELL (Shepparton) — I received a letter from Mr Charles Goodger, school council president of Verney Road School. The school is concerned about the future of its early education program and whether the program may be at risk of losing funding in the current reorganisation of early childhood services into the Department of Education and Early Childhood

Development. I am pleased that the minister is at the table, because the school has tried to find out if this important program will be retained but has not been able to gain any assurance. I urge the government to continue the funding for the program.

Verney Road School does a fantastic job and is one of six schools in Victoria to run an early education program for children with special needs. Over the past 20 years it has developed great collaboration with all organisations serving special needs children and their families. The Shepparton Early Childhood Intervention Committee has been formed to assist families needing access to more than one service when resources are stretched to the limit.

The Verney Road School education program offers specialised programs used by children who find preschool challenging, as well as intensive programs to ensure children are ready for school the year before they commence school. The school is vital to children with special needs, and the staff and teachers at the school are fantastic. I have been to the school on a number of occasions and seen firsthand the dedication of the teachers to the wellbeing of their students and the care and patience they show in dealing with them. The board takes a leadership role in the school, and it is now asking for this program to be funded or at the very least to get a response so it can seek alternative funding.

Hillsmeade Primary School: art show

Ms GRALEY (Narre Warren South) — It was a joy to visit Hillsmeade Primary School to view its annual art show. My guide was the school captain, Marissa Sullivan. She informed me in her extraordinarily articulate and happy manner that every student at the school has a piece of art on display. Picasso faces, Aboriginal art, cityscapes, patterned cats, totem poles, still-life fruit and even Sidney Nolan's Ned Kelly filled the long corridors of the school — they looked fantastic. The work was impressive, colourful, detailed, diverse and full of creativity.

The art show is a credit to the art teachers: Chris Charles, Rushiall Rajaram and Sean Taylor, who as the woodwork teacher gets the students to make their own frames for their artworks. It is evident that the students are receiving first-class tuition in the wonderful world of art. Michael Barnes from Zart Art is an invaluable supporter; the quality of the art materials is there for everyone to see. Principal Anne Nicholls and assistant principals Lyn Fyfe and Kieran Denver encourage students, staff and parents to participate in the art show. It is obvious from the way they talk about the artwork and the efforts involved in producing such a large

display that they are very proud of their school, and so they should be. Hillsmeade Primary School has just won first prize at the Berwick Show. Congratulations, Hillsmeade Primary School!

You can see the campus of the new Casey central secondary college from the Hillsmeade art room. Our young leader, Marissa Sullivan, has interviewed the new principal, Ian McKenzie, an experienced educator and innovator, and has decided to be one of the first students at the new school. With such a good foundation in education and quality leadership Casey central secondary college is sure to be a creative and successful place to go to school in 2009.

Payroll tax: apprentices and trainees

Mrs FYFFE (Evelyn) — A small business operator in my electorate employs 14 plumbing apprentices. He starts three or four new ones each year. The tough economic times is giving him cause to rethink his employment of apprentices, primarily because of this government's decision to scrap the payroll tax exemption for apprentices and trainees. As the employer rightly says, an apprentice, when allowances are made for school holidays et cetera probably only contributes 26 weeks work to the business each year.

When we have a skill shortage, when we have young people wanting to learn a trade, when we have an employer willing to put in the time and money into training these young people, why will this government not realise that the inclusion of apprentice and trainee wages in payroll tax is a disincentive to employers to put on any apprentice, even in good times. It is even more so in these tough economic times. I call on the government to admit it was wrong in 2003 and to remove payroll tax on apprentice and trainee wages. It is a disincentive to employers, it does not meet community needs and will lead to a very real shortage of skilled workers in the future.

Water: charges

Mrs FYFFE — I have also been contacted by constituents concerned about their water bills. Mr Alpeurto sent me an email saying that although his water usage amounted to only \$38.35, the actual bill totalled \$217.88. Mr Alpeurto, who is married with a child, lost his job on 15 October, and he is just one of many people who have come to us complaining about this.

Cr John So

Mr LIM (Clayton) — Next Monday evening some 400 prominent members of the Chinese community will congregate at a dinner to pay special tribute to Lord Mayor John So. The occasion is to celebrate his outstanding achievement as the longest serving and most popular lord mayor of this great city. His contribution to Melbourne is very significant as it was during his tenure that Melbourne was voted the most livable city in the world for three consecutive years. We should not overlook the fact that, unlike previous administrations, Lord Mayor John So's term has never been damaged by scandal, corruption, maladministration, infighting or public brawling. During his term Melbourne became the most attractive and popular destination for international students in the world, second only to London. We have seen the biggest growth in tourism, and Melbourne has experienced the largest share of immigration to Australia during his term. He has made Melbourne stand tall and proud internationally.

Lord Mayor John So is highly regarded and respected for his spirit of generosity and his generosity of spirit, so much so that he was voted the most popular lord mayor in the world. He is universally loved for his ready accessibility to ordinary people and his demonstrated capacity to respond to the unceasing demands on his time by people and community groups from all quarters. He is deeply admired for the dignified and humble way he conducts himself.

Rail: passenger seating

Mr MORRIS (Mornington) — I read with great interest the report in the *Sunday Herald Sun* that it is proposed to rip more than 8000 seats out of Melbourne's trains. The suggestion from the operator was particularly amusing. Apparently it is about easier access to carriages. It has nothing to do with trying to squeeze more people into trains like sardines. In the words of the Minister for Public Transport, this is 'an innovative response to unprecedented passenger growth'.

According to Connex, people will put up with standing. If you are travelling from Richmond, Footscray, Kensington or Clifton Hill, you might be prepared to put up with standing for a little while.

The DEPUTY SPEAKER — Order! Or Oakleigh!

Mr MORRIS — Or Oakleigh, as the Chair interjects. It is bad enough that people have to do that, but if Mornington Peninsula residents who travel into

the city — and there are many of them — are lucky enough to get a seat on the way into the city, and that is not guaranteed, they will almost certainly have to stand on the way home. So some people have more than an hour each way standing up. How many government members and how many ministers would be prepared to put up with that sort of unnecessary discomfort day in day out?

To add insult to injury, the parking at Frankston station has been so badly managed that if you are not at the station well before 6.30 a.m., there is no parking available. People are forced to drive in further, and of course the consequences of that are more congestion and the train being full when they get on. They have then got 50 minutes of standing up — just for the privilege of parking their car. It has taken a while, but the chickens born of this government's neglect of the outer metropolitan area are finally coming home to roost.

Do Care Geelong Cooperative Ltd

Mr TREZISE (Geelong) — On Monday, 20 October, I had the pleasure of attending the annual general meeting of the Do Care Geelong Cooperative Ltd. For the information of the house, Do Care Geelong is a great community organisation, the volunteers of which provide social support to older people in the Geelong area. These terrific volunteers are to many of their elderly friends a lifeline to companionship and the outside world. The services they provide include home visits, home library services and activity groups that are designed to encourage older people to participate in the activities within their wider community.

Do Care started in Geelong nearly 30 years ago with a dedicated band of 20 volunteers; this figure increased to 225 volunteers in 2008. As members would appreciate, as people grow older they can, through circumstances, also grow isolated from their community, from family and from friends. It is important that these people remain connected with other people and with the local community in which they live. Do Care and its volunteers provide that important connection.

I take this opportunity to congratulate the board of directors for the dedicated guidance and leadership they provide to Do Care along with their full-time staff members, and of course above all I commend all those dedicated Do Care volunteers who provide a wonderful service and friendship to many elderly people across the Geelong area. A job well done!

Technical and further education: teacher salaries

Mr TILLEY (Benambra) — Yesterday, Tuesday, 28 October, approximately 60 TAFE teachers made a representation at my Benambra electorate office expressing their anger at and frustration with this arrogant Brumby Labor government's failure to address the pay differential between state school teachers and TAFE teachers by simply providing them with pay parity. Unfortunately I was unable to meet with them as the Victorian Parliament was sitting later in the day. All this is happening at a time when Victoria is suffering skill shortages, as has been acknowledged in a significant admission by this government, which by sitting on its hands for nine years has truly failed to secure the future prosperity of the state of Victoria.

The government has no vision. It is nothing more than reactionary and sets its goals low — and it still fails to achieve them. To cover these failings it spends money hand over fist on self-promotion, advertising and spin. Day after day it is publicly in denial, and it fails to accept responsibility. Victoria has had enough. This government has been set a mandate to govern for all of Victoria, and yet it chooses to live in the past, attempting to rewrite history. The last Liberal-Nationals coalition was the only government in almost three decades to truly get Victoria moving again by investing in infrastructure and building for Victoria's future.

On Friday I will be meeting with a local delegation to discuss the issues facing Victorian TAFE teachers. I hope their goodwill can endure long enough to stop them crossing the Murray River into New South Wales.

Badminton: Australian under 15 carnival

Mr NOONAN (Williamstown) — I rise to congratulate the Western Suburbs Badminton Association on the outstanding success of the 2008 Australian Under 15 Badminton Carnival, incorporating the Val Nesbitt Trophy, which it recently hosted at the Altona Badminton Centre from 30 September to 4 October. The Victorian government is a proud supporter of this event, which is an important fixture on the Australian badminton calendar, showcasing the best junior players and teams from across the country.

I was kindly invited to attend the opening of the carnival and welcome the many participating teams from across Victoria and Australia. I was also able to acknowledge the many friends, families and volunteers involved in the staging of this event, ably led by the local event directors Pat Daw and Ron Gray.

This year's carnival was highlighted by some superb performances from our local teams. In fact our Victorian teams finished first and third respectively, underlining the strength of the sport in this state. In the Regional Teams Challenge, our very own Western Suburbs Buccaneers staged a great come-from-behind win to defeat the Badminton Academy of Victoria, 5 to 3. The Western Suburbs Pirates also finished a creditable fourth.

Given that Victorians account for over 50 per cent of all nationally registered badminton players and that the Western Suburbs Badminton Association is the largest in the state, I think it is fair to claim that the western suburbs of Melbourne are the powerhouse for badminton in this country. The Val Nesbitt Trophy honours the lifelong contribution of a woman who has devoted much of her life to the great sport of badminton.

Lowan electorate: community activities

Mr DELAHUNTY (Lowan) — The Lowan electorate, while under the influence of drought, is still a great place to live and to visit. This is because of our greatest asset — our people — and the events and activities they organise to improve our health and wellbeing. The Lowan community is resilient and innovative, and this has been recognised by some state awards. The first is Hamilton's Top of the Town Charity Ball 13-member committee winning the 2008 regional achievement and community award for the 2007 ball, which raised \$182 000 for the Western District Health Service. Also at these awards the Awakenings Festival won national recognition for its 10-day event, which is Australia's only regional disability arts festival and brings over 10 000 visitors to the Wimmera, with over 800 performers involved in 51 events. The Awakenings Festival was created 13 years ago and involves a great partnership between the community, Wimmera UnitingCare, 350 volunteers and many sponsors.

An event I was privileged to attend with my wife Judie was the performance of *Cats*, put on by the Horsham Arts Council. This was indeed a first-class show. The costuming and stage sets were outstanding, as was the depth of talent shown by the performers. The Horsham Arts Council has a strong reputation for producing quality shows, and *Cats* did not disappoint.

A couple of weeks ago we also attended Casterton Memorial Hospital centenary celebrations, and I have with me the centenary booklet of the history, reflections, photos and stories covering the first 100 years of wonderful health care given to the

Casterton and district community. Congratulations to all these and many other organisations in the Lowan electorate for the great things they do.

Caroline Springs College: Lakeview campus

Ms KAIROUZ (Kororoit) — I had the pleasure of attending the official opening of the state-of-the-art \$11.8 million Lakeview campus of Caroline Springs College by the Premier on Tuesday, 14 October. Lakeview campus is part of the Caroline Springs College, a kindergarten to year 12 government school and home to more than 2300 students across three campuses. Lakeview campus is the third of the four planned campuses of Caroline Springs College and offers excellent modern educational facilities for students in years 10 to 12. I congratulate the Premier and the Minister for Education for rebuilding the education system and ensuring that all children have access to excellent education. I congratulate the school council, principal, college director and the Melton Shire Council for entering into a successful partnership with the Brumby government. This is another example where the Brumby government has delivered to young Victorians access to the best education and the best start for their future.

Caroline Springs: 10th anniversary

Ms KAIROUZ — On another matter, I attended a celebration for Caroline Springs 10th anniversary. Caroline Springs is an ongoing success story. It is one of Melbourne's fastest growth areas, and it is where Victoria's best community, recreational and educational facilities are available. But this has not happened by accident. It has required careful planning and support by the government, land developers and council. I congratulate the residents of Caroline Springs for providing a real sense of community and making Caroline Springs a great place to live.

Frankston-Flinders Road, Bittern: pedestrian crossing

Mr BURGESS (Hastings) — A tragic accident in Bittern recently took the life of a local elderly gentleman when he was hit by a car whilst crossing busy Frankston-Flinders Road. Wallace O'Toole was 82 years old and a long-time Bittern resident. Mr O'Toole was struck by a car whilst attempting to access the Bittern train station, up a steep incline adjacent to Frankston-Flinders Road. He had crossed this busy arterial road from the Bittern general store opposite, and with no pedestrian crossing, Mr O'Toole was forced to take his chances, with tragic consequences. Many members of my community have

asked me to approach VicRoads to have a pedestrian crossing constructed across this busy roadway. The response from VicRoads states:

VicRoads has previously assessed this site and found that it does not meet the warrants for a signalised pedestrian crossing.

This response is totally inadequate, not only because of the death of Mr O'Toole at the location, but also because this site is the location of the Bittern Sunday market, which attracts many hundreds of people every Sunday. Congested roads and heavy people traffic accessing both the market and the general store make this area a minefield to navigate. These dangers are magnified by the presence of a Country Fire Authority brigade, a primary school and a kindergarten in the immediate vicinity.

VicRoads has become an ideologically driven club that acts as a law unto itself. It does not consider the views or expertise of those people within the community intimately involved with the dangers under consideration. Such an attitude is, of itself, a danger to our communities and must change. Many near tragedies have narrowly been avoided at this location, and for VicRoads to simply state that it does not meet its criteria for the installation of a pedestrian crossing is insulting to the residents of Bittern and the family of Wallace O'Toole.

St James Anglican Church, Ivanhoe: centenary

Mr LANGDON (Ivanhoe) — On Sunday, 19 October, I had the great honour of attending the centenary celebration of St James Anglican Church in Ivanhoe. The foundation stone at St James was laid on 21 October 1908 by the Governor of Victoria, Sir Thomas Gibson Carmichael, such was the significance of the occasion. St James Anglican Church was born from St John's Church of England in Heidelberg, which was the third church established in the Melbourne diocese in 1853.

The Ivanhoe area owes a great deal to St James, not only for its services to the community as a church, a place of worship but also as an educator of our young. Through St James church, Ivanhoe Grammar and Ivanhoe Girls Grammar schools were established. St James's third vicar, Reverend Sydney Buckley, became the principal of Ivanhoe Grammar in 1919. St James has also supported numerous government schools.

St James church has had 14 vicars since 1908. The current vicar, Reverend David Bassett, and his three immediate predecessors, Reverends John Clarke,

Edward Smith and Howard Dillon, participated in the magnificent service — as also did Mrs Joan Shilton, the wife of Jack Shilton, vicar from 1965 to 1977. The Right Reverend Bishop Stephen Hale also participated in the centenary service.

Today I wish to record in Parliament my appreciation of all that St James Anglican Church Ivanhoe has done for the community over the past 100 years. I pay tribute to all its vicars and the St James community for their dedication, faithfulness and spiritual support and guidance over a centenary of service to the area.

Manufacturing: government strategy

Mr WELLS (Scoresby) — This statement condemns the Brumby government for its failure to release its manufacturing policy — something it had promised to do 26 months ago. The ANZ said the manufacturing sector is experiencing — —

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

MATTER OF PUBLIC IMPORTANCE

Government: performance

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

That this house condemns the Labor government for its failure to plan for Victoria's future, particularly in relation to economic management, manufacturing, health services, policing and infrastructure.

Mr WELLS (Scoresby) — During the last nine years of the Labor government we have been through a period of wealth and prosperity created by the Howard federal government, but the key question for the Brumby government is: what has it done to plan for the future? The second key question is: what has the Brumby government done with the billions and billions of dollars and taxes it has collected during the last nine years of wealth and prosperity created by the Howard government?

The Brumby government does not plan for the future; it is reactionary. It listens to Neil Mitchell in the morning; it reads the *Herald Sun*, the *Age* and the *Australian*; and then it goes into a caucus and says, 'We need to be able to do this or fix that'. It does not plan for the future.

The federal government has a future fund, which I understand, considering the state of funds, is doing

extremely well. The only fund this Labor government has is a slush fund; that is the only thing it is planning for the future. It does not plan for the future.

I turn to a number of facts. When the previous government was in office the budget was \$18 billion; now the budget is \$37.676 billion. The budget has doubled in that time. This government talks about record spending on health and other sectors, but it never talks about the record amount of tax it is collecting.

Let us look at GST. How ironic that GST is the one item that Labor opposed. It was anti-GST. Even the current Premier was totally opposed to GST. What a bunch of hypocrites! GST figures indicate that when it was first introduced it was \$5.5 billion; now it is up to \$10.281 billion. You do not hear Labor criticising GST any more, do you?

Let us look at some other taxes. During the previous government land tax was \$378 million — —

An honourable member interjected.

Mr WELLS — You should be writing these down.

The DEPUTY SPEAKER — Order! I ask the member for Scoresby to speak through the Chair.

Mr WELLS — Of course, Deputy Speaker. Now the land tax is \$1.05 billion.

Mr Nardella interjected.

Mr WELLS — The member for Melton thinks that is fantastic, so it will be passed on to the landowners in this state. Stamp duty in the previous government was \$1 billion; now it is \$3.737 billion, so it has tripled, almost quadrupled. Payroll tax — can you believe it? — was \$2221 million under the previous government. Now it is \$4 billion. What a great incentive for small business to expand in this state — when you have payroll tax going from \$2221 million to \$4 billion!

Let us go to another factor. Let us look at the debt. Labor cannot manage money. Not only can it not plan for the future but it cannot manage money. The debt was down in 2002 — because of the previous Stockdale pay-down plan it was \$3.5 billion in 2002. Now, can you believe it, it has ratcheted up, and in 2012 it is going to be \$23 billion. I bet you not one Labor member in this chamber could identify what debt is associated with what project. Not one Labor member would be able to identify the tagging process for that debt. Yes, Labor members talk about so-called record expenditure on items A, B and C, but they never talk

about the record amount of tax receipts with which they are bleeding Victorians dry.

When you read the *Age* or the *Herald Sun* you see that Labor members talk about the amount of money they are going to spend on a particular item to fix a problem, but they never talk about outcomes or how it is going to fix the problem. When it comes to spin and rhetoric the members of this government are experts. At the last budget they spoke about tax relief in the area of stamp duty, payroll tax and land tax. Is it not interesting when you look at the facts behind it? They said they were going to cut land tax from 2.5 per cent down to 2.25 per cent, but the reality is that they will collect an extra \$300 million, a fact they seem to forget in their spin and rhetoric.

Victorians pay the highest stamp duty of any state. While Labor members are out there talking about the need to get first-time buyers going and to move new housing lots along, they are bleeding them dry because of stamp duty. Although Labor said it was going to cut the threshold by 10 per cent, it will collect an extra \$900 million in stamp duty.

In payroll tax — and this is the one that really hurts small business at a time when it is looking for assistance — Labor said it was going to cut the rate from 5 per cent to 4.95 per cent, and we welcome that; do not get me wrong. However, Labor has not altered the threshold, and as a result of that it will collect an extra \$360 million. It was not tax relief at all; it was spin and rhetoric.

There is no planning for the future whatsoever. Look at cost blow-outs. Not only can Labor not manage money and not only can it not manage planning for the future but any sort of project it tries to deal with becomes a complete and utter shambles. EastLink, for example, was supposed to be a publicly funded road, but that was a blatant lie, and Labor will be punished for it at the ballot box. Labor could not get it right, and the people in the east are paying for that.

The shadow Minister for Public Transport will remind us that the regional fast rail project started off as an \$80 million project; now it is a \$919 million project. We keep asking the Labor Party, 'Where have all these billions of dollars gone — and these record amounts of taxation revenue?'

Part of the problem is that Labor cannot manage major infrastructure projects. EastLink was a shambles. Regional fast rail was a complete and utter shambles. Labor even said it was going to try to get private sector involvement, but no-one wanted to touch it. The

channel deepening projected started off at \$114 million and blew out to \$969 million with more costs to come. The myki smartcard project started off at \$494 million and is now at \$1.133 billion and climbing, and I am sure the shadow Minister for Public Transport will also want to talk about that. Labour could not even get right the extension of the M1 tollway West Gate Freeway upgrade. How incompetent is this government? It started off as \$1 billion and then went to \$1.39 billion. Why? Labour did not factor in that some of the work had to be done at night. You have to be kidding! When it comes to managing projects, Labor has no idea.

The DEPUTY SPEAKER — Order! I remind the member for Scoresby to address the Chair.

Mr WELLS — Thank you, Deputy Speaker, for your interest. I also want to point to the issue of general infrastructure. When it comes to per capita spending on general infrastructure — roads and bridges — Victoria has the lowest amount of infrastructure spending per capita of any of the states. That is a disgrace. We spend \$1386 per capita on roads and bridges and public transport extensions, which is less than any other state. No wonder we have problems getting our stock and freight from the ports and trains, and no wonder we have road congestion.

I turn to water infrastructure. Of all the states, Victoria spends the equal smallest amount of money on water infrastructure. South Australia is on \$70 per capita; we are on \$71 per capita. We are way behind all the other states. We do not spend money fixing problems in this state.

I turn back to my point: what has the government done with the billions of dollars it has gained in revenue to plan for the future and fix problems? One of the things that government members bleat about is the issue of health. We always hear about the record amounts of money the government is spending on health, but the fact is that we have the lowest number of beds per thousand of population of any state. Waiting lists are blowing out because we have the lowest number of beds per thousand of population at 2.4 beds per thousand.

Government members also say that education is their no. 1 priority. Talk about planning for the future! If you want to plan for the future to ensure that we have a smart state and are going to rebuild for the future, you would think that government members would stick to their idea of having education as their no. 1 priority, but the facts are that parents have lost confidence in the state public education system. Parents are dragging their kids out of the state public system and putting

them into the private system. You only have to look at the last lot of figures to see that. Is it not ironic that when the previous government was in office the equilibrium was pretty much the same?

On the 2007 figures there were 234 fewer students in government schools, but when it came to non-government schools there were an additional 4252 students. Parents in this state have lost confidence in the way the Labor government is handling education — and these are not our figures. Parents are voting with their feet and taking their kids out of the state government system and putting them into the private sector. You only have to look at Organisation for Economic Cooperation and Development figures for the teaching of science, mathematics and reading to see that we are the second lowest of any Australian state; only Tasmania is lower.

When it comes to our road system, how can the government talk about planning for the future? Our roads are becoming more and more clogged. We have the slowest trams in the world. The average speed of a tram is down to 15 kilometres per hour. On the subject of planning for the future to ensure we have a safe state, violence in this community is now at a record level, so I will use a term that members of the Labor Party love to use: it is a record. Violent crime statistics in this state are now at record levels, with around about 43 000 incidents of violent crime a year.

Then there is the issue of housing affordability. The reality is that this government talks about record population. That is a fact. We now have record taxation. That is also a fact. Total budget revenue has increased from \$18 billion to around \$37 billion in the term of this government, but government members cannot manage any major projects. Our health system has the lowest number of hospital beds per head of population. Our waiting lists have blown out to about 40 000. Our education standards have dropped. Our public transport system is now a shambles. And when it comes to water security — what water security? The Minister for Water could not even tell us the unit cost of water on the north–south pipeline. It was a simple, basic and elementary economic question, and he could not answer it.

Mr LANGUILLER (Derrimut) — Today is a very sad and shameful day. It is sad that there are children in the gallery who can hear members of the opposition reading their lies into *Hansard*. Members of the opposition are shameless. They should come into this house and apologise to the people of Victoria for the things they were responsible for during the seven dark years of the Kennett government. They should

apologise for closing hospitals and for sacking teachers and nurses. Instead they come into this place and register furphies, to put it nicely.

The member for Scoresby asked what the Labor government has done. The problem I have is that I do not have 2 hours to spend on debating this matter of public importance; I only have 15 minutes. As you would know, Deputy Speaker, we would need a long time to be able to mention some of the good things this government has done right across this state. For example, let me put on record that since 1999 the government has boosted recurrent funding for health services by 112 per cent. Effectively this means that this year alone the health system will treat 600 000 more patients than it treated in 1999. Victoria's hospitals admitted more than 1.35 million patients in 2006–07, which is 350 000 more patients than in 1999. Victoria's hospitals treated more than 2.25 million patients; they were either admitted to a bed or treated in emergency departments. Members of the opposition would not recognise these figures and they would not give credit to the government for achieving those results, let alone tell the truth to the people of Victoria.

We recognise that there is always much more to do. We would be the last government to come into this house and say that we have done everything that needed to be done. Of course that is not the case, and we want to do more. An additional 60 000 patients will be treated in emergency departments across the state. An additional 15 000 elective surgery patients will receive treatment. There will be 33 500 more outpatient appointments.

Members of the opposition have asked what the Labor government has done on a range of issues, but I will predominantly focus on health. Let us look at ambulance services. This year's budget delivered \$185.7 million to boost Victoria's ambulance services, which will include 59 new or expanded ambulance services in 48 towns across Victoria. By way of contrast, members of the opposition did not mention a single word about the crimes they committed against the people of Victoria. What did they do during those times, when members of today's opposition front bench were right in there with Jeff Kennett making decisions? They said to him, 'Get into the bastards! Give it to them, particularly in the western and northern suburbs of Melbourne'.

The DEPUTY SPEAKER — Order! I remind the member about the use of unparliamentary language.

Mr LANGUILLER — I withdraw. Between 1992 and 1999 the Liberal-Nationals coalition government slashed health services throughout Victoria. I will

quickly go through a list of hospitals closed by the previous government. They were Koroit, in 1993; Macarthur, in 1993; Clunes, in 1994; Elmore, in 1994; Mortlake, in 1994; Lismore, in 1995; Beeac, in 1995; Birregurra, in 1995; Altona, in 1996, Mordialloc, in 1996, Burwood, in 1996; and Essendon, in 1998. What an absolutely shameful track record on the part of the opposition and those opposite who were there with Jeff Kennett making those decisions. Today they have brought this matter of public importance to the house, but they have not got the decency to tell the truth.

Ms Richardson interjected.

Mr LANGUILLER — The member for Northcote has reminded me of the proposal to privatise the Austin Hospital. That was another one of the previous government's crimes in the health sector.

Between 1997 and 2000 some \$7 million were cut from community health and \$15 million slashed from country aged-care services. So much for caring about country Victoria and caring about their constituencies! Sadly both the Liberals and The Nationals were in there with Jeff Kennett making those dark decisions. As we remember, they sacked 3500 nurses. They ran down hospitals by investing only \$885 million in health service capital works for 1992 and 1999. This is a sad day for the people of Victoria, particularly those in country Victoria, because members of the opposition did not come in here and tell the truth.

In fact that is exactly what it should have done. It is more productive to tell the truth than to speak the nonsense put forward by the opposition. In building hospitals we have embarked on one of the largest capital works programs in history. We are in the process of investing \$4.7 billion. Compare that to the former coalition government which invested approximately \$1 billion between 1992 and 1999. I will say that again: \$4.7 billion against \$1 billion. I am glad the children have left the public gallery, because they heard fibs, untruths and even lies about what the government has achieved in Victoria.

There are additional budget initiatives that should be put on the record. A sum of \$100 million has been allocated to boost maternity services, and there is a \$233 million package to boost cancer detection, prevention and treatment as well as tackle preventable diseases such as obesity, heart disease and poor oral health. There is much more to be done; we have not done it all. On the one hand we have had to deal with the mismanagement of the previous government with its slashing and closing down of hospitals and schools and the sacking of nurses, teachers and doctors. On the

other hand we had to rebuild services to get them up to scratch and to get the state going and the economy moving. We had to govern for all Victorians.

The Leader of The Nationals is in the house. He is a good leader, but he knows well how upset people in country and rural areas were with the former government that he was shamefully associated with. We will be reminding Victorians of the hospitals that we have built or rebuilt and of the nurses we have employed to provide quality services for people in regional and rural Victoria and in metropolitan Melbourne. There is much more to be done.

We have an action plan, and we have a future. The opposition asked what our action plan was and what we intended to do for the future. I give the house the example of the redevelopment of the Royal Children's Hospital. There is no better example for our community in planning for our future health care than when we invest of the order of \$1 billion in the redevelopment of the Royal Children's Hospital. As a parent I know — as the great majority of parents know — of the great services the hospital provides. I have had the experience of my child needing to use the services of the Royal Children's Hospital. What a great hospital and a great bunch of doctors and nurses in that hospital.

Mr R. Smith interjected.

The DEPUTY SPEAKER — Order! The member for Warrandyte should cease interjecting. He will get the call when it is his turn.

Mr LANGUILLER — It makes me feel so much safer and happier to know that this government of Victoria is sympathetic, compassionate and economically responsible, and that it is growing the economy and sharing the benefits and dividends of the economy throughout Victoria and not governing just for the people of Melbourne. It is governing for every country town and every community in this state.

The investment in the Royal Children's Hospital project equals the amount the previous government spent on health and capital works in seven years of government. I refer to those new members who came into this place at the last election. What we are doing with the redevelopment of the Royal Children's Hospital equals what the former government did in health during its seven years of government. We are talking of just one capital works project and one investment. There is more.

The Brumby government is committed to providing safe and quality maternal health services for all Victorians. We know the number of women giving

birth, particularly in the metropolitan public hospitals, has increased by 14 per cent. It is a vote of confidence in Victoria. That the mums and dads of Victoria are deciding to have children means that notwithstanding the downturn in the economy, particularly in the last few weeks, they know there is a future under a government that is prepared to invest in those issues that are fundamental to the mums and dads of Victoria. The hospitals, schools and the infrastructure are setting the foundations for the growth of the whole economy. All those things matter to all Victorians.

The member for Scoresby asked, 'What has it done?'. You would think in debating a matter of public importance that the opposition would come into this house and apologise for what it did when it was in government. It should apologise for what it did in the past. The first thing you do — and perhaps I am coming at this from a Catholic point of view — is to recognise what you have done wrong, then you move on, you get things right and you act. Rather than coming into this house and apologising for what it did in the past, the opposition repeats a lie a thousand times in the hope that one day that lie will become the truth.

Opposition members do not tell you about the 12 country hospitals that were closed and the others that were privatised. They do not tell you that between July 1997 and 2000, \$7 million was cut from the community health budget and \$50 million was slashed from country aged-care services — the most vulnerable people in the community, particularly in regional and rural areas. They are the people in the community who contributed to the growth in the economy, who had everything to do with building hospitals and schools and working in the factories and on the farms. What did the former coalition government do when it came into office? It took millions of dollars away from those people; it closed their hospitals and closed the schools which were to give their children a future.

It is a shameful day for the opposition today. We thought we were coming into this house to hear some truths and to see what action plan it had for the future and how it would present itself as a genuine, sincere and credible opposition. But its members come into this chamber with hypocrisy and lies.

In relation to education services how can we forget that 178 country schools were closed? Let us go through it: 178 schools were closed compared to 25 state schools closed in the rest of Australia in the same period. Let us see what that has done. Nearly 2500 teachers were retrenched, and apprenticeships and traineeships were completely slashed. We look forward to the opposition coming clean. I certainly look forward to the

contribution to be made, I assume, by the Leader of The Nationals, whom we respect. We hope he will do what the Liberal Party does not do — come into the chamber and tell the truth on behalf of country Victoria and finally disassociate himself from the actions of the Kennett government, which were all about closing down hospitals, closing down schools, sacking nurses and sacking teachers.

What a shameful day it is for the opposition. It made me ashamed that its members came into this chamber and did not tell the truth on the record in front of children in the gallery. What a bad example it was for the children of Victoria that the opposition did not tell the truth.

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

Mr RYAN (Leader of The Nationals) — It is my great pleasure to join the debate on the very sensible and far-sighted matter of public importance proposed by the member for Scoresby. It is always a pleasure to follow the member for Derrimut, and it is lovely to hear him talking about rural and regional Victoria. Some would say the only time he has been there was when he got lost, but it was good to hear him give it a mention in passing.

This is an important matter for debate, because apart from the direct aspects that appear on its face, it touches on another issue that it is important to mention today — that is, the general issue of myth busting. One of the Labor Party's many myths is that the current difficulties faced by the people of Victoria are all someone else's fault. It is always someone else's fault. We have heard the Premier talking to us over the last few weeks in a rather convoluted manner about the fact that Victoria has tough times ahead but that essentially you can lay it at the feet of the global crisis. That is the general theme of what he has had to say.

Do not worry that when it comes to trains we have a transport system that is absolutely chaotic; that is the fault of population growth. When it comes to water and the appalling and disgraceful mismanagement of that issue by this government — this government that promised it would never pipe water from north of the Great Dividing Range and called the prospect of having a desalination plant a hoax — do not worry about the fact that we had a drought coming for years! That is what the government puts it down to — it is all about the drought. It all sprang out of the trees and took the government by surprise.

On issues of health we have got a health system that is running at absolute crisis levels, but that is all because we had a crook winter and we had more people coming into the system than could reasonably have been anticipated. It is always someone else's fault. When you talk about budget blow-outs, according to the government the real problem is that there were things we just simply did not anticipate, when the fact is that the government cannot manage money. It is hopeless at managing money, and that is bound up in this matter as well. It is always someone else's fault as far as this government is concerned, when really the core problem is that it cannot manage money. It could not run a pie shop. What we are seeing in Victoria now is the product of those two basic positions.

The simple fact is that, yes, these are challenging times, but that is being added to in degrees through the fact that not only can this government not manage money but it cannot plan and has not planned and it cannot deliver and has not delivered on the issues that are important for Victoria's future. One of the glaring examples of how the government has failed to live up to all the rhetoric it trots out is with regard to the Regional Infrastructure Development Fund and the way it is administered. This fund, which was supported by all of us in this chamber, has been absolutely mismanaged by the government, and now the government has been sprung by the Public Accounts and Estimates Committee (PAEC).

The simple fact is that the government has made promises to the people of Victoria, particularly in rural and regional Victoria, and not kept them. It has been sprung. It has significantly and very seriously underspent the Regional Infrastructure Development Fund. This is the flagship of what those opposite say they are going to do on behalf of rural and regional Victorians when in fact the Public Accounts and Estimates Committee — the all-powerful all-party committee chaired by a member of the Labor Party — has now sprung the minister responsible for the operation of this fund. What we are seeing, one fears, is a deliberate underspend on the part of this government, and it is not giving to the people of rural and regional Victoria that which has been promised to them so often.

Over the course of my budget responses throughout the years of the existence of this fund I have made a similar observation. I have tabled figures in this Parliament in the course of my responses to indicate that there has been an underspend basically around the notion that although the government has allocated amounts of money and approved projects, the actual spend on projects has been significantly less than the government has said it would be in its budgets. Now we can see it;

we have had the facts of it put before us in the course of evidence given by the minister to PAEC and in the committee's findings, which appear in its 80th report to the Parliament. I refer members specifically to page 102 of that report at paragraph 8.12, which says:

The government has approved \$585 million in funding to ... (RIDF) from 2000–01 to 2009–10. At 20 May 2008, the government had announced \$399.9 million —

let us round it up between friends and call it \$400 million —

for 172 major projects. In terms of actual expenditure —

and therein is the benchmark —

the RIDF had contributed \$272 million towards 105 infrastructure projects across provincial Victoria with a total investment value of more than \$754 million when additional leveraged funding from applicants is included.

It concludes:

To ensure that the total of the approved funding for the RIDF is to be utilised in the required time frame, the committee believes that the government will need to accelerate the number of infrastructure projects planned and commenced for provincial Victoria over the next two years ...

Will it what! The government has allocated \$585 million, it has actually spent \$272 million and it has got two years to go in a 10-year program. We have the member for Derrimut preaching to us about what a great job this crew is doing out in rural and regional Victoria. This crew has duded rural and regional Victorians for \$300 million plus. What I want to know from this government is whether it is actually going to spend in the next two years the amount of money it promised it would spend over those years. That is the key question. At page 122, the PAEC report goes on to state:

Given that the value of the total announced projects comprise some two-thirds of approved funding for the RIDF over an eight-year period from 2000–01 to 2007–08, the government will need to announce projects over the next two years ... that will account for one-third of the remaining approved funding.

This is going to be very interesting. I can tell members that the government has a track record it is going to have to take care of. When you look at the specific elements of this funding you see reference to the Small Towns Development Fund, which is a terrific story in context. I will give the house some figures. In 2003–04 the allocation to the Small Towns Development Fund was \$20 million. What has been spent is \$14 847 000. In 2005–06 the allocation was \$25 million. What has been spent is \$4 000 968 — a bit short of \$5 million. In 2006–07 the Small Towns Development Fund's drought allocation was \$5 million. The figure from

PAEC of what has been spent is \$245 765. In 2006–07 \$1 million was allocated to the Small Towns Development Fund bushfire halls category, and the spend was \$116 887.

But here are the toppers: the 2007–08 Small Towns Development Fund drought allocation for communities in desperate need that require money to be spent to keep themselves together and keep businesses going is terrific at \$5 million; the spend is zero, not a cracker. The 2007–08 Small Towns Development Fund Moving Forward II allocation is \$5 million; the spend — zero. The bottom line is that allocations out of the Small Towns Development Fund total \$61 million; the spend is \$20 178 989.

If you wanted to see a classic example of where the government has much to say yet does nothing, this is it. This is not only in terms of the management of the fund overall, not only by getting people to believe \$500 million will be spent in rural and regional Victoria and then underspending by around \$300 million, but also by telling people in small communities — the very same communities and people the member for Derrimut carped on about — it will spend \$60 million in relation to their welfare through the Small Towns Development Fund and end up spending \$20 million over the period to which the table I have referred to specifies.

This is disgraceful conduct on the part of this government. It is why the matter of public importance raised by the member for Scoresby is absolutely right. This has nothing to do with global crises; it is all about this government failing to look after the people —

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

Mr HUDSON (Bentleigh) — Isn't it interesting to hear members of the opposition talk about infrastructure! The member for Scoresby's contribution to the debate was particularly interesting. When the member for Scoresby talked about the need to spend more money on infrastructure he simultaneously said the government is collecting too much money in land tax and stamp duty. He complained about the fact that we are increasing payroll tax; he complained about insurance taxes; he complained, in his contribution to the debate on the state budget in May, about police fines and about fees and charges; he even complained about the extra gaming machine levy on the super-profits of Tattersall's and Tabcorp.

The member for Scoresby complained about every tax the state government collects, but when it comes to the

state budget next year, with the economic downturn, what taxes will he nominate for cutting? What will he suggest the opposition puts forward as a real alternative? You can bet your bottom dollar that he will not be nominating any taxes, because he knows he cannot nominate any taxes for cutting without nominating where he would cut recurrent expenditure, infrastructure and services. He will not nominate specific tax cuts, because he knows he cannot.

The member for Scoresby also complained about Victoria's debt. He claimed that it is ballooning out of control. He claimed that Victoria is not only overtaxed but that its debt is out of control — that the government is allowing debt to run away. He complained that debt will increase. The fact of the matter is that Victoria's debt as a percentage of gross state product — —

Honourable members interjecting.

Mr HUDSON — This demonstrates the economic illiteracy of the opposition.

The DEPUTY SPEAKER — Order! It is getting a bit loud. The member for Bentleigh, without assistance.

Mr Wells interjected.

The DEPUTY SPEAKER — Order! I suggest to the member for Scoresby that if he would like to discuss with me or dispute my request of him to speak through the Chair, he can see me outside the chamber.

Mr HUDSON — Government debt in 2012 — the time frame about which the member for Scoresby complained — will be 2.9 per cent of gross state product (GSP), exactly the same as it was under the Kennett government. Tax as a percentage of GSP has been about 4.7 per cent over the last few years; it has not changed. If the member for Scoresby insists on using raw figures and not relating tax or debt to GSP, he does not understand the fact that in 2012 the capacity of the economy to pay will have increased.

The member for Scoresby complained about debt increasing, but what is this debt money being used for? It is being used to invest in infrastructure; it is driving our economic growth; it is being used to invest in skills for a productive workforce; it is being used to invest in hospitals for a healthier workforce; and it is being used to invest in public transport to reduce congestion on our roads and to drive our economy. The member for Scoresby said he is concerned about debt. Is anyone else out there concerned about state government debt? Are the credit ratings agencies concerned about Victorian debt? No, they are not; they have confirmed Victoria's AAA rating. Is Heather Ridout of the

Australian Industry Group concerned about Victoria's debt? No, she is saying that the state government should be raising more money at this time to invest in this critical infrastructure.

The opposition does not know what it is on about. It does not know whether it wants more services and more infrastructure or less taxes and less debt. It falls back on the tired old claim that the government is somehow wasting money, without specifying how it is doing so. Every single project is put out to competitive tender in the marketplace. Private firms can bid, whether it be to build the railway lines, to build the Royal Children's Hospital, to build the desalination plant or to build our roads — —

Honourable members interjecting.

Mr HUDSON — The 10 kilometres of electrification through to Craigieburn is an example. Is the opposition suggesting that these private companies are not putting in competitive bids for these projects? Is it suggesting that somehow these companies are colluding and coming up with uncompetitive bids for these projects that have been put out to the private sector?

Let us have a look not at what the Liberals say but at what they do. Let us look at what they actually spend money on when it comes to the crunch, when they have to commit a figure and put their dollars on the line. Let us look at the election commitment on hospitals in 2006. How much did the Liberals propose to spend on hospitals over four years? When they had to put a figure in the papers the Liberals proposed to spend \$155 million over four years on hospitals. What did Labor spend on hospitals in the last state budget alone? The government committed \$595 million to hospitals in the last budget.

What did the Liberals actually commit to public transport in their budget for their last election policy in 2006? They committed \$71 million to expand public transport lines and \$105 million for trains. We committed over \$500 million in the last budget alone. When it really comes down to it, when they have to commit some money and cut away the rhetoric, the Liberals are found wanting and are not able to make a commitment to provide the amount of money that has to be committed.

Let us have a look at public transport. We have committed \$612 million for 18 new train sets to come onto the system next year — and they will be on the system next year. Under your commitments at the last

election there would have been no new trains on the system last year.

The ACTING SPEAKER (Mr K. Smith) — Order! The member will speak through the Chair.

Mr HUDSON — There would have been none whatsoever. We have also built new track. We have committed \$115 million to the electrification of the Craigieburn line, including the completion of the Roxburgh Park station.

Honourable members interjecting.

The ACTING SPEAKER (Mr K. Smith) — Order! I would keep out of this if I were the minister. We have the member for Bentleigh on his feet.

Mr HUDSON — We have also delivered 1000 extra train services since 1999. The opposition — —

Mr Mulder interjected.

Mr HUDSON — Five thousand! The member for Polwarth talked about cancellations. He knows that the level of cancellations as a percentage of the total number of services is down in the order of 2 or 3 per cent. He knows that on the Frankston line alone there are 2500 services a month. The fact of the matter is that the opposition has no plan whatsoever to expand our public transport system, and that was shown in its election commitments in 2006. I bet that when the Victorian government delivers its transport statement at the end of this year we will yet again have all these complaints from the opposition saying that the government will not have spent enough on new railway lines and new roads.

But where will the opposition find the money to spend on this new infrastructure? It wants to reduce our borrowings, it wants to reduce our taxes and it wants to cut surpluses. That is what the opposition is all about. That is what it was on about under the Kennett government and that is what it did — it privatised the public transport system. It was such a mess that M<Trains handed back the keys after a few years because the opposition had so undercosted what it would really require to run the system. We had to inject \$1 billion extra into the system just to keep it on the rails at that time. We had to put more money in just to keep it going. Opposition members are full of rhetoric — and they would not really do it because they are not committed to it.

Ms ASHER (Brighton) — We on this side of the house wish the member for Bentleigh well in his very

earnest quest to become a minister in the reshuffle, which I believe is coming soon. In speaking on the matter of public importance I am delighted to support the member for Scoresby in condemning the Labor government for its failure to plan for Victoria's future. I note that everything is blamed by this government on something else — the population explosion, a global meltdown or something of the like. The reality is that the story of this government is a story of lost opportunity.

I want to concentrate my remarks on the issue of infrastructure, and in particular water infrastructure. Nothing illustrates this point more than that the government has wasted so many years in office without actually ensuring that Victorians have an adequate water supply, which after all is one of the responsibilities of the state government.

I refer at the outset to 2002, when the previous Premier identified water as one of the major issues confronting the government. An article in the *Age* dated 5 December 2002 says that the then Premier was going to have a dedicated water minister, Mr Thwaites, because Mr Bracks believed water would be Labor's key policy initiative in its second term. The *Age* article states:

Mr Bracks has privately argued that while Labor has made progress in health, education and public safety, water was the 'new no. 1 issue' for the government's second term.

The article states that water policy was also the centrepiece of Labor's campaign launch and featured in ALP advertisements. It is very clear — I guess this is even more damning — that the government, or certainly the Premier, knew there was a key problem in water in 2002.

I now refer to a ministerial statement delivered in this place four months later, on 10 April 2003, by the then Minister for Water, the Honourable John Thwaites. It is instructive to go over this ministerial statement, because such statements are drafted and are not made as speeches off the cuff. Ministerial statements are planned. They are drafted by ministers, and they are generally given only on something that is incredibly important. It is interesting to note that again there was a realisation by the then minister that there was a problem with water. He said in his statement:

The biggest long-term challenge facing our nation is securing sustainable water supplies for our future.

He went on to observe at that juncture:

... 273 of our towns are now on water restrictions; our reservoirs are at their lowest levels in more than a decade.

There was no shortage of understanding from the Premier and the Deputy Premier at that time that there was a problem. But what did the minister propose in 2003 by way of action in this ministerial statement? He went on to say:

The Bracks government has a fresh agenda for sustainable water management ...

We will meet the challenge by —

and he itemised four things —

protecting water flows in rivers, waterways and groundwater systems;

reducing our use of pure drinking water and greatly increasing the use of recycled and reclaimed water for irrigation, industrial and urban use ...

At least in that area of recycled water there is some possibility of an increase in supply. The third item was:

investing in efficient irrigation systems ...

The fourth item was:

better catchment management ...

They were the four issues identified by the previous water minister to meet this challenge. He then went on in his ministerial statement to say:

This session marks the first major steps forward with the introduction of five key bills ...

What were these five key bills going to do? They were going to establish the Victorian Water Trust Advisory Council, give the Essential Services Commission power to regulate price, make sure that the Victorian constitution was amended to keep water in public hands, protect Victoria's water rights for the Murray River in particular, and establish a new drinking water regulator.

Where was the increase in supply as one of the government's main actions? It is quite clear that this was a lost opportunity. Having identified water as a major issue facing the government, in the statement the minister did not go on to address the issue of supply. Indeed the minister made a few announcements in this statement. The first statement was that he was going to introduce a new permanent water-saving measure for Melbourne which banned the use of sprinklers during the day, banned hosing of driveways and introduced the use of trigger hoses for car washing. That was his major announcement in the first instance.

His second major announcement was that he would hold a series of community forums to showcase water-saving ideas from individuals and businesses. His

third major announcement was that the top 200 industrial water users were to develop water management plans, and lo and behold, in the next major announcement in this ministerial statement he said that he would be preparing a green paper.

So in his ministerial statement, as early in the government's second term as 2003, the minister said we have a huge problem with water. What would he do? He would introduce permanent water-saving measures, he would have a series of community forums, and he would write a green paper. Again, that is a completely lost opportunity in terms of announcing an increase in the supply of water.

Again I refer to the run-up to the 2006 state election when the Premier issued a further press release with the heading 'Melbourne's water future secured'. What was this? Was it an announcement of supply increase? No, of course it was not; it was an announcement of a comprehensive plan called the central region water strategy. The major policy the government took to the 2006 election in relation to water was for people to exchange the shower heads in their homes, and the water authorities were all given shower heads. Again there were no announcements about supply. In the 2007 budget there were again no announcements about supply. It was not until June 2007 that a 'plan' was announced which has as one of its features a desalination plant, previously described by the government as a hoax, and the north-south pipeline, which was against the government's election promise. Even under that plan, at page 17, it is quite clear that Melbourne would remain on water restrictions until 2013 if the previous three years of rainfall applied.

The Auditor-General then brought down his report indicating that the north-south pipeline process was not a rigorous assessment, and I note that recently the Mansfield branch of the ALP has come out against the pipeline. I also noted with interest that on Thursday, 23 October, another key person in government, Melbourne Water chairwoman, Sheryl Bagatol, came to the conclusion that the government's so-called late plan was not good enough. She is quoted as having said:

Victoria is undertaking major water augmentation projects, but it remains in the back of my mind that it may not be enough.

Notwithstanding that the minister said that this so-called plan would work for Melbourne for the next 50 years, the head of Melbourne Water does not believe that will be the case. In the same article Ms Bagatol is quoted as saying:

We will review the central region strategy again in 2012, and that gives us time to say, 'Here's our augmentation, let's have a look again, where we are and do we need to go again?'

All of Ms Bagatol's comments have indicated that this so-called plan released by the minister may not be enough. In a document released by the Department of Sustainability and Environment entitled *Augmentation of the Melbourne Water Supply System — Analysis of Potential System Behaviour*, it is very clear that the department itself has indicated that under certain scenarios this is not a 50-year plan.

Again we have a government entrenched with a very substantial majority. We have seen record taxation takes, as outlined by the member for Scoresby, but we have seen a government that has missed an opportunity. It actually identified water as the no. 1 issue in 2002. The 2003 ministerial statement did nothing other than announce a series of community forums, a green paper and permanent water-saving measures. The government did absolutely nothing in terms of supply, and it will stand condemned for having lost the opportunity to do something about augmenting Melbourne's water supply.

Ms THOMSON (Footscray) — It is an interesting matter we have before us today. It is a bit like a whole bunch of fishermen with a whole lot of lines in a river with not too many fish! There is absolutely no real reason why we should be debating such a meaningless matter. It is certainly meaningless to the people of Victoria. I thought I should do a little bit of research in relation to the Kennett years and the Liberals and coalition's time in government, so I had a look to see what industry statements might have been released by the Kennett government. There was one made in 1996 and another in 1999, which was obviously geared to the 1999 election. In those statements the Kennett government said that it had created \$7.6 billion of directly facilitated investment. That is what it created in its time in government from 1992 to 1999, as it reported it.

Labor, from 1999 through to 2008, has created \$23 billion of investment that has been directly facilitated by it in government. That equates to around 58 000 jobs. Since we came to government 446 000 jobs have been created in Victoria. That is interesting, but what is even more interesting is the impact our policies have had on rural Victoria, which is no longer regarded as the toenails of the state but is central to the strategies of this government in growing the whole of Victoria.

When we look at growth in rural jobs we see that around 17 000 jobs have been created and that

\$9.4 billion in investment has been facilitated. In the previous government's statement made prior to the 1999 election it said it would facilitate \$5 billion in investment over the next four years — that is, for the four years from 1999 — and that it would generate \$12 billion by 2010. Since 1999 we have facilitated \$23 billion investment directly, which well exceeds the \$12 billion target set by the previous government. We have well and truly exceeded — in fact almost doubled — the figure set by the previous government.

When you look at those two statements you see there is not much substance in them. But this government has set about looking at the industry sectors that we need to be supporting and look at developing statements that will enhance their opportunities to be successful. We all know we cannot create successful businesses as a government; that is not our job. Our job is to facilitate an environment that encourages businesses to be successful when they are well planned, well structured and well managed.

I had a look at a list of our industry statements that have provided substantial support for the way businesses can go about doing business. We have quite a list of them. They include *Growing Tomorrow's Industries Today*; *Victorian Automotive Manufacturing Industry 2001–2011 Strategic Plan*; *Building Tomorrow's Businesses Today*, a business statement of April 2002; and the innovation statement entitled *Victorians. Bright Ideas. Brilliant Future*. What a difference this government has made to innovative business, whether it be in biotechnology, technology more broadly or advanced manufacturing. Every industry sector accepts and agrees that we have done a lot to ensure that our businesses are being prepared for an economy that will be driven by technology and by innovation.

The list of statements also includes *Investing in Victoria's Future — The Victorian Government Action Plan for the Financial Services and Moving Forward — Making Provincial Victoria the Best Place to Live, Work and Invest*, which has been shown to be successful by the figures we are seeing of great growth in Victoria's regional and rural areas, in contrast to the fact that we have been suffering the worst drought on record. Hopefully I will get a chance to talk about water.

The list goes on. There are two statements on small business, including *Women in Business*, which is about helping people in the task of creating businesses that bring about the creation of jobs and good enterprise. The list goes on in relation to innovation and tourism. It demonstrates our commitment not just to making a grand statement but to making statements that are about

practical ways in which we will support industry to face the future. That is what we have to be about doing.

We heard a lot from the member for Scoresby — I think it was him, although it might have been the member for Gippsland South — in relation to taxation. I want to touch on taxation because this government has done a lot in relation to lowering the burden for business. In fact tax cuts that have been announced since 1999 total \$5.5 billion. Let us go through them. The Better Business Taxes package announced in April 2001 saw \$774 million of net tax cuts. The Building Tomorrow's Businesses Today package announced in April 2002 saw \$262 million in net tax cuts. The *Victoria — Leading the Way* statement made in April 2004 saw \$1000 million from tax cuts. The state budget for 2004–05 saw a further \$828 million in net tax cuts, the state budget for 2005–06 saw \$582 million in net tax cuts, and the state budget for 2006–07 saw \$700 million in net tax cuts. The 2006 state election commitments saw \$26 million in tax cuts. The state budget of 2007–08 saw \$498 million in tax cuts, and the state budget of 2008–09 saw \$1.06 billion in tax cuts.

These are significant tax cuts. When we talk about revenue increases we are referring to revenue increases based on a thriving economy. We all know that when the economy slows these are the very taxes, whether it be stamp duty or payroll tax, that will reduce. When we are talking about the economic circumstances we face now we are talking about a crisis that is being faced worldwide. That is what has been declared by leaders around the world. The Liberals' own federal leader says the same.

I will speak briefly on water. What was the Liberal plan for water? It wanted to dam the Maribyrnong. You have to be kidding! I cross the Maribyrnong River every day; there would be no water supplied from the Maribyrnong River. What was The Nationals plan? A new dam. Where? We are all waiting with bated breath to hear. Why would you build a new dam when there is no rain to fill the dam? Even when we are getting normal average rainfall it takes 10 years to fill a dam. There is no way that a new dam is the solution to our water shortage problems.

The answer is to build a desalination plant, to use recycled water, to encourage industry and domestic users to recycle their own water, and to build pipelines that link supply to ensure that we are dealing with the best opportunities and the best ways of supplying the whole state. That is a water plan. It is not about what is political; it is about what is in Victoria's long-term interests. This government is dedicated to ensuring that

we are planning for our long-term interests in health, in education, and in road and infrastructure development. It is about looking to the future for jobs and creating a place in Victoria for everyone to work, to live, to raise a family and to feel secure.

Mr MULDER (Polwarth) — It is an absolute pleasure to join the member for Scoresby in the debate on this significant matter of public importance, in that it relates to a condemnation of the Labor government for its failure to plan for Victoria's future, particularly in the area of economic management, manufacturing, health services, policing and infrastructure. It is important that the government, the opposition and the Victorian community start to think about and look at ways to insulate ourselves against the financial crisis that is happening on the international stage at the moment.

Mr Helper interjected.

Mr MULDER — We are going through a very difficult period and it will be tough as we move forward.

It is most important that we concentrate on one issue — that is, we need to ensure that the taxes that flow into the state government's coffers are circulated throughout the Victorian community. We have to make sure that the money we earn in this state and the taxes that go to this government are spent in this state.

I would just like to raise a manufacturing issue as it relates to my shadow portfolios of public transport and roads. I refer to the train procurement program for Victoria. This Brumby government has placed an order for trains to be built in France. I say to the member for Melton as he walks out of the chamber, that is in France. That particular work has now been subcontracted to a company in Poland, so the trains are now being built in Poland. That is an absolute and utter disgrace.

Later on this year, which will mark 10 years of Labor government, the Premier of this state will deliver Labor's fifth transport plan for Victoria. We had the train plan; we had the Linking Melbourne plan; we had the Meeting our Transport Challenges plan; we had the Eddington plan; and now, to mark 10 years of Labor, we will finally get the Brumby plan. There have been 10 years of inaction, fumbling, conning, getting the priorities wrong, budget blow-outs and declining services — hardly a record to be proud of. Yet the Premier says, 'Give us another crack. I'll try to get it right this time around, and I will roll out our fifth transport plan'.

The hypocrisy of this Premier knows no bounds whatsoever. His decision — made at the same time as Victoria is claiming the title of being the manufacturing capital of Australia — to send Victorian jobs overseas to France, to be then subcontracted on to Poland, is an utter and absolute disgrace. An Australian Associated Press NewsWire article of Sunday, 10 February 2008, states:

Union bosses have slammed the Victorian government's decision to award a \$360 million contract to build 18 new trains to a French manufacturer.

Those are the sorts of decisions we are getting. That gets back to my earlier point: our taxes that are collected by the Victorian government should be circulated back through the community. This Premier and this government should be supporting Victorian jobs. They should not be going down the path of shooting those jobs off overseas.

What amazes me more than anything else is that the decision was made despite the make-up of this particular government and the fact that many of its members have a union background. We know about those government members and their roles in the union. They used all the union members around them, trampled over the top of them and used their shoulders to elevate themselves up into this place. And as soon as they got here they forgot about the people they used to represent on the shop floor. That is why they all sat still, like dummies, like little mushrooms, when the decision was made to sell off manufacturing jobs and shunt them overseas.

I will list some of the government members with union backgrounds. The member for Mill Park was an organiser with the Australian Services Union; Kaye Darveniza, a member for Northern Victoria Region in the Legislative Council, was an organiser with the Health and Community Services Union; the member for Macedon was an organiser with the Victorian Independent Education Union; and also in this house the members for Albert Park, Derrimut and Williamson and the Minister for Sport, Recreation and Youth Affairs and the Minister for Roads and Ports, as well as in the Legislative Council Gavin Jennings, the Minister for Environment and Climate Change, Shaun Leane, a member for Eastern Metropolitan Region and Martin Pakula, a member for Western Metropolitan Region, were union representatives.

The list of members opposite who were union representatives goes on and on. Gayle Tierney, an upper house member representing my area, was state secretary of the Australian Manufacturing Workers Union, vehicle division. I wonder what she said when

the decision was made to shoot off these jobs overseas. I would guarantee that she sat there like a mushroom and said absolutely nothing. As I said, this decision is an absolute disgrace. The work was sold off to Poland when that work should have been done here.

When you look around you see that Queensland, New South Wales and Western Australia all have contracts with Australian manufacturers for trains to be built here in Australia. But the manufacturing state — Victoria — is shunting those jobs overseas. We have manufacturers here in Victoria capable of doing that work. We have the United Group, we have Siemens and we have Bombardier. What are they getting? They are getting the absolute scraps, while the real investment, the real jobs and the real money are being sent overseas.

A Queensland ministerial media statement states:

Premier Anna Bligh was at Maryborough today inspecting the latest in the new series of QR's urban trains currently under construction at the EDI Rail workshops.

That is what is happening in other states. It is not happening here in Victoria. The type of work that EDI is rolling out includes freight locomotives, freight wagons and passenger trains — all types of work associated with manufacturing. What do we get from our Premier? After shunting our jobs off overseas, the Premier made a call recently for Kevin Rudd to put in place some sort of framework for the manufacturing and procurement of rolling stock in Australia. This was our own Victorian Premier saying, 'It's not my responsibility. I want Kevin Rudd to make a decision about this, so that we can set up this procurement program'. The fact is that it is happening in Western Australia, New South Wales and Queensland, but it is simply not happening here in the manufacturing state.

Mr Wells — Embarrassing!

Mr MULDER — It is a complete and total embarrassment. An article by Jason Dowling in the *Age* of 22 October, headed 'Brumby aboard buying local bid' — I mean, what an absolute hypocrite! — states:

Governments would buy more Australian-made products under a plan being hatched to stem job losses haemorrhaging in the manufacturing sector.

Premier John Brumby has written to Prime Minister Kevin Rudd calling for a national approach to government purchasing policies and singled out buying new trains as one area where governments could do more to support local manufacturers.

Give us a break! This is an absolute embarrassment.

This government has been in office for 10 years — it will be 10 years at the end of this year — and the most the Premier can do when we are facing tough times is to ask Kevin Rudd to set up a manufacturing statement and policy for Victoria, because the government of the day simply has not delivered on that very important policy and issue facing our manufacturing sector. You only have to look at the problem this government has in prioritising its projects to understand what an appalling condition we are in. We all know about the issues relating to the fast trains and the poor old myki ticketing system. What an absolute embarrassment and disgrace that has been! The major infrastructure projects have not been rolled out; we have not gone near Cranbourne East or South Morang; and we have not delivered or even looked at delivering to Rowville that important piece of rail infrastructure. And yet we have this crazy myki system, which still has not carried a single fare-paying passenger. The government has seen a blow-out of \$350 million-plus, and it does not even know if it works — an absolute and utter disgrace.

The M1 project has seen another \$350 million-plus out the door in a cost blow-out because the government simply cannot control its projects. The old Metrail train control centre that was supposed to be delivered in 2001–02 has seen another massive cost blow-out, and the government will do only half the job when it does tackle it.

This government has an appalling record in relation to supporting manufacturing industry in Victoria. It has an appalling record when it comes to supporting and delivering the vital infrastructure that we need. The government's fifth transport plan is coming up — transport plan mark 5.

The ACTING SPEAKER (Mr K. Smith) — Order! The member's time has run out.

Ms GREEN (Yan Yean) — It is always a pleasure to join any debate on a matter of public importance. I would say I probably enjoy even more the ones that are proposed by members on the other side of the house, because they just live in a parallel universe. They forget what happened under their watch and seem to create a little fiction, a little fairyland, of what actually exists in this state.

The matter of public importance proposed by the member for Scoresby this morning demonstrates that those on the other side live in a little pixie land. They have this idea of a golden era when Victoria was the Liberal jewel in the crown and The Nationals were in the thrall of their city cousins, in tow with the Liberals, driving white cars around town. That is their objective.

What they want in life are the trappings of office and to not actually do anything; to neither face up to the challenges that exist nor genuinely serve and represent a community.

When the Liberals and Nationals were on the government benches we saw the exact opposite of what they are criticising this government for. The matter of public importance this morning refers to a failure to look to the future; however, it could not be further from the truth. I quote from this year's budget papers:

Since 1999, the Victorian government has invested over \$21 billion to deliver the biggest infrastructure program in Victoria's history.

I repeat: in Victoria's history. The 2008–09 budget forward estimates show the government will invest a further \$17 billion. That means an average of more than \$4 billion per annum in spending on infrastructure. I repeat, more than \$4 billion per year. When the coalition parties were last on the government benches, under \$1 billion — some \$900 000 — was spent on infrastructure. It was do as I say and not as I do.

The Victorian community can see the results of that investment in physical infrastructure. They can see the record levels of investment in our hospital system across the state — in Melbourne and in country Victoria. In my own area the Austin and Mercy hospitals form the largest public health infrastructure ever built in this country, not just in this state. The former coalition government was about to sell off the Austin off to the private sector and not invest in it. The Northern Hospital has been upgraded three times since we came to government in 1999. You can see it happening across the state. What did we see in health under the watch of the former coalition? We saw significant closures of country hospitals, nothing spent on their upgrades and the sacking of nurses and health professionals. Members of the former coalition government have an absolute hide to come in here and criticise this government on its health record.

Further on infrastructure, the Leader of The Nationals trotted out his usual ridiculous assertions in relation to the Regional Infrastructure Development Fund. I remind the house that RIDF was opposed at every step of the way by The Nationals. It was not something The Nationals thought up to benefit rural and regional Victoria; they did not think of it. When it was proposed they opposed it and have continued to oppose it every step of the way. The Leader of The Nationals has been wrong from day one about the benefits of the Regional Infrastructure Development Fund implemented by the Brumby and Bracks Labor governments, and 3278 days later he is still wrong. He was wrong on day one and he

is wrong now. He is lazy and ill-informed, and he tries to pull it every year.

This government has not cut funds to RIDF, quite the opposite. Since 2000 we have invested \$585.7 million in the fund. The nature of the investments in RIDF fluctuates. Some years it is lower than previous years; some years it is higher — it is pretty straightforward stuff — because the nature of the investments is large projects. The Leader of The Nationals has not been able to come to terms with the lag times in large investment projects. He continues to rehash old and incorrect arguments and claims that RIDF is underspent. He first made this claim in 2006 and referred the matter to the Auditor-General. It was investigated and dismissed by the Auditor-General, an independent officer of this Parliament, because of a misunderstanding of the figures by the Leader of The Nationals.

RIDF tends to fund larger infrastructure projects which require a delivery time frame longer than one year. In addition, as a prudent government, we fund on milestones — that is, instalments over the period of the project. That always means there is a lag between the approval of RIDF grants and the full expenditure from the fund.

To date we have approved \$427.5 million to be spent towards 209 major RIDF projects in regional and rural Victoria with a total project value of up to \$1.27 billion spent that would not have happened under the watch of those on the other side. I refer to projects such as \$5 million towards a new IBM information technology services centre at the University of Ballarat Technology Park, creating 300 new jobs; \$2 million towards the Goulburn Valley freight and logistics centre at Mooropna; and \$1.6 million towards the development of the Bendigo Chinese precinct. These RIDF projects have directly created thousands of new jobs in rural and regional Victoria.

I remind the house of the natural gas extension program. At the time when the Kennett government sold off natural gas there was no plan for an extension of natural gas or investment in natural gas. Bairnsdale had the line down the centre of town. How close is Bairnsdale to Longford? Was it about to have the gas connected? No, it was cut off at the knees. We actually provided the investment and the incentive to the private sector to do what the Kennett government should have planned to do. What did The Nationals do? They opposed this program. They will try and say that they are friends of it now, but they opposed it. Twenty-nine of the 34 towns have been successfully connected under the government's \$70 million national gas extension program, including one in my electorate in Hurstbridge.

This would never have happened under those opposite. The Nationals continue to say, 'That is not an appropriate use of funds' and 'People on the outskirts of Melbourne should not have had access to these funds'. The Nationals are absolutely wrong.

In this matter of public importance the opposition tries to say that we have not invested in policing and community safety. We have the safest state in this country. We know the others continue to talk it down, but we have invested \$400 million in rebuilding or refurbishing over 150 police stations and residences across Victoria, which is the largest ever police station building program ever in the state's history. This has provided fantastic workplaces for police to work out of — we are committed to good workplaces and well-equipped police — and it has also provided local jobs.

In my own electorate there is the Diamond Creek police and emergency services complex, a fantastic iconic building in the centre of town that houses our police, fire and ambulance services. There are brand-new police stations in Hurstbridge, Warrandyte and Eltham. There has never been a police station in Kinglake before, but there is now one servicing the community. It is the same story across the state.

I know that those opposite would like to live in that parallel universe where they drive around in those white cars, take the community for granted, say they are going to support the community, but close hospitals, sack nurses and police. We on this side get on with the job and continue to make sure that this state is the best place to live, work and raise a family.

Mr R. SMITH (Warrandyte) — I rise to speak on the matter of public importance (MPI) submitted by the member for Scoresby:

That this house condemns the Labor government for its failure to plan for Victoria's future, particularly in relation to economic management, manufacturing, health services, policing and infrastructure.

It is good to see an MPI come into this place which should serve to give the government a reality check, and I am grateful to the member for Scoresby for giving me the opportunity to place this government's failings on the record.

Labor cannot manage money. In the time I have been here I have never heard this government acknowledge its deteriorating performance or take responsibility for its failure to deliver basic services to Victorians. As gaps widen in every portfolio, this government has consistently blamed the former Kennett government

and the former Howard government for all of Victoria's woes, and now the Premier has a new scapegoat — the global economy. In recent comments he has indicated we are in for tough times, and there is little we can do to insulate ourselves from these times. The fact is that the government has comprehensively failed to plan for an economic downturn, and it is Victorians who are going to end up wearing the cost of government mismanagement.

This government has been the beneficiary of an economic boom over the past decade, and it really had the power and the opportunity to achieve anything with its record revenues and completely unprecedented power. But with all that money and with a virtual doubling of the budget, what do we actually have to show for it? We have absolutely no discernable improvement in services and we are left with a total public sector net debt that is forecast to exceed \$23 billion by 2012.

We can begin with the government's failings in the area of health as an example of its inability to adequately plan and budget. What we have got is a minister who quotes a lot of figures at us, talks about record amounts of money being spent and bombards us with all manner of percentages, but when it comes down to it, what has he actually delivered?

The *Your Hospitals* report that was released earlier this year shows us how poorly this government has actually done in the area of health. The report showed us that Victoria's hospitals failed to meet five out of nine benchmarks in key critical areas. It showed us that over 37 500 patients were on the elective surgery waiting list, over 85 000 patients waited for more than 8 hours in emergency departments before being transferred to a hospital bed, over 1200 less patients received their semi-urgent elective surgery than this time last year, and over 1400 less patients received their non-urgent elective surgery than this time last year.

When we look at the results of the individual hospitals it amazes me that we do not see government members standing up in this place highlighting the needs of their local hospitals. I have never once seen the members for Bendigo East or Bendigo West raising the fact that the Bendigo hospital failed to meet the government benchmark of transferring an emergency department patient to a bed within 8 hours, or of its continual failure to meet the government benchmark in treating non-admitted emergency department patients within 4 hours. I have never seen the member for South Barwon get up here and express concern that the Barwon hospital failed to meet four out of its nine benchmarks. The member for Dandenong does not

seem to mind that Dandenong Hospital has had over 2000 patients on the elective surgery waiting list in the past year, which is an increase of 206 patients since June 2007. Of course these figures do not even include the many thousands of patients who languish on the government's secret waiting lists.

It is not just the opposition saying this. Dr Doug Travis, the president of the Australian Medical Association Victoria, is quoted as saying:

Today's *Your Hospitals* tells us the number of Victorians missing out on clinically appropriate care is growing substantially ... This is unacceptable ...

Our hospitals are in crisis; we have a growing population coupled with a chronic shortage of nurses, doctors and beds to care for patients. We hear about the problems these shortages are causing every day.

He goes on to say:

I hope this is a wake-up call to the government that the system is at breaking point ...

I agree with Dr Travis and I hope the *Your Hospitals* report is indeed a wake-up call to the government.

Another area where this government has shown a complete dereliction of its duty to Victorians in inadequately planning and budgeting for the future is in the police portfolio. In this place it is increasingly proven to us that the minister is making his position the easiest job in government. He accepts absolutely no responsibility and consistently shows us that he is completely out of touch with the harsh realities that police are facing on the streets. Our police need more resources. No-one denies that, except for the government.

The results of a *Herald Sun* survey published in April show that 97 per cent of police surveyed believe there are not enough operational police to properly patrol the streets, roads or public transport. It also showed that nearly 30 per cent of those considering leaving Victoria Police are doing so because of a lack of resources. Added to that, the 2006–07 Productivity Commission report told us that Victoria spends less on police than any other state in the country.

Because the government has failed to budget for an adequately resourced police force we have seen a rise in violent crime. Despite reports on the nightly news each week of bashings and stabbings, this government's response has been completely inadequate, ranging from a badly executed lockout regime to the promise of military vehicles patrolling our city streets. My own electorate has not been immune to this increase in violence. Victoria Police figures released in August

show a 41.9 per cent increase in robbery and 38 per cent increase in aggravated burglary in the city of Maroondah. In the city of Manningham we see violent crime up 14.2 per cent.

The most telling data relating to the government's inability to understand cause and effect comes from documents recently obtained by the opposition under freedom of information legislation. These documents show that since 2003–04 there has been a decline in the hours police spend on patrol. The time spent on patrol by police has decreased by 21 per cent.

Mr Wells — How much?

Mr R. SMITH — Twenty-one per cent. It is no coincidence that there is an almost direct correlation in the rise of violent crime. In that exact same time frame, violent crime has risen by 18 per cent. The message to the government is pretty clear. If you put less police on the streets you are going to see a rise in violent crime.

The Police Association has tried to send a message to the government. It recently launched the Save Our Streets campaign in an effort to make this government listen. Its messages are simple. There are simply not enough police on the streets, and to ensure that our streets are safe we must ask the Brumby government to provide more front-line police. This government needs to admit there is a problem and adequately resource our police in order to see an improvement, and its current practice of implementing reactive measures is just not enough.

I move on to water. The failure of the government to invest in water infrastructure during its term is a classic example of the way this government operates. This government has pulled in over \$2.5 billion from water authorities since 1999, money that was supposed to be progressively invested in water infrastructure. In 2002 former Premier Steve Bracks said that water supply was to be the government's biggest challenge. What did the government do in its term from 2002 to 2006? Absolutely nothing. When the opposition included desalination in its policy for the 2006 election, it was roundly criticised. Yet on the realisation, post the 2006 election, that water supplies were dwindling, Labor made a number of hasty and ill-thought-out policy decisions, which it has found increasingly difficult to sell to Victorians.

We now have a project for a desalination plant, which will cost billions, will force Victorians' water bills through the roof and will require an enormous amount of power to run. We have the north–south pipeline, a project that is being increasingly discredited among a

range of people and community groups, including the Victorian Farmers Federation, Australian of the Year Tim Flannery and federal Greens leader Bob Brown. In a major embarrassment to the government its own members have spoken up, with members of the ALP Mansfield branch adding their voice in opposition to the pipe. This is yet another example of policy made on the run by those who have failed to adequately invest in Victoria's future.

I would like to move on to the issue of public transport. It was my son's third birthday last Sunday. Like many boys his age, my son is a big fan of Thomas the Tank Engine. Knowing how much he loves Thomas, my wife and I have been planning for his birthday for several months, buying an engine or two one week, a little extra track for his set the next, and spreading the costs over time, because it would have been quite expensive to buy the whole set at once. By the time my son's birthday came around we were able to give him a sizeable set to play with. What we did not do was wake up on Sunday morning and say, 'Oh my goodness, we haven't got anything to give him' and rush off to the shops to try to urgently find his presents all at once.

Do you see where I am going here, Acting Speaker? The government says it planned for the population growth, but it did nothing to plan for our public transport needs given that population growth. Our peak-hour commuters are jammed onto trains, the government has been forced to buy back trains it sold five years ago at an inflated cost and new trains are not expected for three or four years. There is a lesson to be learnt here — you have to plan for the future. As a result of planning and budgeting, I can say that my son has been able to take delivery of a number of new trains this year, while Victorians are still waiting for theirs.

There is simply no end to the examples of poor management and poor planning on the part of this government, and there is not time to cover all the failures across all portfolios, be it in mental health, gaming, the roads portfolio or manufacturing — the list goes on and on. Labor is not fit to continue to govern this state, and Victorians are becoming increasingly aware of that indisputable fact.

Mr NARDELLA (Melton) — The opposition today again demonstrates its laziness. It is not the A-team which has spoken today; it is not the B-team which has spoken today; it is F-troop which has come along and given its contribution in the form of the matter of public importance (MPI) before the house.

This is a weak MPI that goes nowhere. I will tell the chamber how opposition members got this MPI

together. The time is Monday morning; the shadow cabinet is huddled around a table in a small, darkened room, and its members are whispering to each other. Blackadder is around this table in this small room — the member for Scoresby. He is plotting and scheming — not for the leadership; he has moved on from that temporarily — but because he has to move an MPI and he is considering what it should be. With him in this darkened room he has Baldrick, the member for Polwarth, who says, 'I've got a cunning plan!' and suggests an MPI that says nothing.

We also have Bob — members might remember that in the *Blackadder* series Blackadder was in love with Bob. I am not suggesting that this is the case here at all, but Bob is in the room too — the honourable member for Brighton. Around the table also is Flash — woof! I do not know how 'woof!' will be expressed in *Hansard*, but Flash is at the table — the Leader of The Nationals. He adds markedly to the MPI before the house. Flash has gone all the way; he has added the word 'That' right at the start of the motion. That is how smart he is — woof!

That is how these economic illiterates have put together this MPI before the house. It demonstrates the mess they are in. They are lazy. They are not prepared to do any work. They come in here on a continual basis and tell untruths. Fancy coming in here and saying that this Labor government, which has put in \$4 billion a year, every year, since 1999 — when the previous Kennett government had been putting \$1 billion a year into infrastructure — —

Ms Green — Nine-hundred million!

Mr NARDELLA — Nine-hundred million, my honourable friend from Yan Yean has said. We are putting in \$4 billion a year into schools and hospitals, and we have put in 1400 extra police and 8000 extra nurses.

When it was in government the opposition sacked 7000 nurses and 9000 teachers. It closed 326 schools in Victoria, 178 of them in country Victoria. It closed six railway lines in the state, but we have reopened the line to Bairnsdale, upgraded the line to Mildura and reopened the line to Ararat. Now opposition members have the gall to come in here and put this facetious matter of public importance before the house, saying that we have done nothing.

Opposition members criticise us for spending budget money on infrastructure, for making the decision to construct EastLink, for making the decision to modernise irrigation in the food bowl and for bringing

forward the construction of the Wimmera–Mallee pipeline, yet they have the gall to come in here and say that we have been doing nothing. It is because members of the coalition are lazy. They do not go out into their own electorates or visit any of their schools because the people in those electorates and at those schools remember the seven dark, long years under the Kennett government when the only thing that the Liberals and Nationals did was close schools down.

We are different; we actually build things. We are building a desalination plant, building the north–south pipeline, reopening railway lines, putting in new services, employing additional nurses and teachers and providing the infrastructure to build our community, yet members of this lazy opposition come in here today and say that we are not doing anything, that we are not spending money and that we are economically irresponsible. How can we be economically irresponsible with a \$1.4 billion budget surplus in the last financial year? This is the economic illiteracy of the member for Scoresby, who is sitting there laughing like the hyena that he is. He does not understand the basic tenets of what a shadow Treasurer should do and of what policy and decency are all about.

Let me remind the house of a grubby political stunt pulled by the member for Scoresby. He claimed political interference in an investment decision made by the Victorian Funds Management Corporation to invest in one of Victoria's biggest banking institutions, Members Equity. Members will remember when he came into this house and almost caused a run on a bank in a move that outraged the financial sector. He is economically irresponsible. He comes into this house not understanding the responsibility of opposition and what it means to be a member of Parliament. He came in here and made wild claims that nearly caused a run on a bank simply to make a political point. If that had not been stopped by us, it would have caused runs on further banks. The member for Scoresby has come into the house today with that on his conscience.

I turn to The Nationals, the other half of the coalition, the marriage of two parties that has occurred. The Nationals members need to come into this house, not slink and sleaze off into the sunset, and answer one question: where are they going to build their dam? Which part of Victoria are they going to flood? Will it be Licola? Will they flood poor old Ralph Barraclough at Licola? How are they going to justify it? If they do not support our water plan and the north–south pipeline, how are they going to justify taking water from Gippsland? How are they going to justify damming the Otways, if that is their plan? How are they going to go to the south-west of the state and say to the people

there, 'We are going to start flooding your towns and rivers like there is no tomorrow'? But worse still, how can they come in here and ask us to put everything else on hold — the \$4.9 billion water plan, the north–south pipeline and the desalination plant — and cause Melbourne to go into severe restrictions whilst they are playing around with the livelihoods of Victorians and Melburnians.

This opposition has no policy other than to oppose, and it has no solution for the future. That is one of the things I put to the house today: until members of this opposition put their thinking caps on and do some hard work to determine out what positions and policies they should take to the next election, and until they work out some figures within their own little darkened room in the shadow cabinet, they will not be credible. They can come in here and ask questions of us about what we were doing, but when the questions are asked of them they will have to have solutions and answers to the questions they are posing for themselves. The first question for members of The Nationals is which part of Victoria are they going to flood. Where are they going to put the dam that will affect so many lives in Victoria? We all want to know that.

Mrs Victoria — What about Melton?

Mr NARDELLA — There you go. The member for Bayswater says 'Melton'. What a disgrace. She thinks it is a joke, but it is not for the people in communities that are being threatened by the opposition with being flooded.

Mrs VICTORIA (Bayswater) — It is always a pleasure to follow the misguided and very loud ranting of the member for Melton. I rise to join my colleagues in condemning the Brumby Labor government for its failure to plan for Victoria's future, particularly in relation to economic management, manufacturing, health services, policing and infrastructure. For an outer-eastern suburbs MP, this topic is an absolute gimme. There was so much I could have written that I did not know where to start.

I will start with infrastructure and specifically with public transport, which is an issue near and dear to my heart. A very big company in my electorate, Siemens, has publicly borne the brunt of the Brumby government's neglect. At the time of the train braking disasters we were informed that the brake failures were caused by faults in the Siemens trains. I have it on very good authority that the problems were not caused by the brakes but by the infrastructure. People might ask how that works. What about the fact that infrastructure is not being maintained well enough? You only have to be a

little clever to work out that rail infrastructure needs to be maintained — and flat. If brakes are applied on lines upon which there is little contact point, the brakes are not going to grip. Is that the fault of the brakes or is there a problem with the tracks used by the trains?

It is a pity that we have had to apportion blame to large international companies and shame them into thinking that they have done something wrong when this government will not take into account the problems its lack of maintenance has been creating. The government has been covering up its neglect at the expense of others, and it is a real slap in the face for industry. Even more of a slap is the fact that local manufacturers were not awarded the new train contracts — \$400 million of manufacturing went overseas when the work could have been done right here in Victoria.

Not only is Victoria losing an awful lot of jobs — a fact which has been in the newspapers a lot over the last few months — but Victoria is the only state to record a fall in its full-time workforce over the last year. Even Tasmania was able to create nearly 9000 jobs while Victoria went backwards. We hear daily about industry losing jobs, but what about the 1999 election promise made by the Australian Labor Party to extend the Burwood Highway tram to Knox City? That was yet another empty promise made by an opposition that was desperate at that time. Now the government is desperate because it is clinging onto the hope of winning the 2010 election. I relish the next two years.

The fact the Minister for Industry and Trade is currently taking an indefinite break unfortunately does not change the activity level in his portfolio. The Victorian public has been promised a manufacturing plan for more than two years to give guidance in this area. This is so important to the economy of our state, but we have nothing at all to show for it. Just today the *Age* revealed that a National Australia Bank survey found that conditions in Victoria are the worst for doing business on mainland Australia. We should hang our heads in shame about that. It is typical Labor rhetoric, full of hot air and promises, but it falls short on delivery every single time.

While talking about falling short, let us look at the issue of water. At the last election the opposition said that desalination was not viable. Former Premier Bracks slammed the idea, saying it was environmentally disastrous. The then water minister, John Thwaites, claimed that recycling was a much preferred option. What on earth did they do when it came to EastLink? Do not get me started about the lies the Labor Party told on that one. The Labor government absolutely failed the Victorian public by deleting the water collection

infrastructure under EastLink to save a few dollars. There was supposed to be a pipe running right through the middle of EastLink, but it was taken out to save money. That would have allowed businesses to use recycled water instead of drinking water. It is an absolute shame.

More than 40 Liberal Party policies have now been adopted by the Bracks and Brumby governments since the last election. How long will it be until these people admit that dam building is not whimsical? It should be a major part of a multi-pronged approach to long-term water supply for our state. Those opposite ridiculously ask if the coalition will make it rain! This is not rocket science. Weather is cyclical and eventually it will rain consistently again. Perhaps the self-professing Einsteins opposite will be able to do the sums on this one. When it rains, which it will, if you put two buckets out to collect water, do you not catch twice as much water as if you only have one bucket out? Is that primary school maths? Victoria needs a government with vision and foresight, not a bunch of puffy-chested bullyboys who blow their own trumpets and waste taxpayers money on spin instead of building infrastructure for the benefit of our generation and future generations.

I want to finish by talking about Labor's failure to plan for Victoria's future when it comes to policing. I have been looking at the attitudes of various governments to crime prevention and the role police play around the world. This is another one of those no-brainers. Developing a rapport and trust between very young kids and law enforcement officers helps prevent crime. Why on earth would you divert police from a schools program where they can have a positive influence on many young lives? Prevention is better than cure; it does not matter what portfolio area you are looking at.

In Knox we have three part-time youth resource officers for the whole local government area of Knox! They have been directed not to spend time in schools. Diversion programs are great, but we must build the rapport. Why police have been taken out of schools is beyond belief. Clearly the minister has dropped the ball on this — perhaps not just on this one! The minister is allowing bureaucrats who care more about implementing half-baked policies than the long-term impact of their actions on future generations to dictate to him. Our front-line operational police numbers are down by 30 per cent in some outer-east areas. This is reflected in the amount of police on stress leave due to fatigue and frustration. All police want is to make our streets safer. They cannot do it effectively under the current misguided policies of a minister who is well out of his depth.

During former Liberal governments the police academy took new squads of 50 recruits every two to three weeks. These are facts that cannot be disputed. The 50 new recruits every two to three weeks should be compared with the two squads of 20 recruits per month under this government. The government should do the maths! Unfortunately it is not good at maths. That is approximately a 50 per cent less intake. When they leave the academy after approximately six months they have two years in the probationary constable training program, so they are not fully sworn in for two years! We are already behind in serving members and it is only going to get worse.

Where do I start with the member for Derrimut? He said today it is a sad day for Victorians. I say this is a sad government regime for Victorians. The ramifications of this government will be felt by our children long after this government and its members are turfed out on their sorry, ineffective backsides. This government has no plans for the future. It has failed Victorians and it still has two more years to further denigrate the state. I hate to think what will happen over the next two years. I shudder at the thought, but I really look forward to bursting their over-inflated egos and bubbles when Victorians make their choice in 2010.

Mr KOTSIRAS (Bulleen) — I rise to support the comments of the member for Scoresby in this matter of public importance. We have had nine dark years of a Labor government which has achieved absolutely nothing. It has had all the power and all the money, but it has spent it on its mates and its members. The government has done nothing for Victoria. It has simply spent money to buy votes. If you look very carefully, you will see that all the government has done is to make sure it spends money in areas where it can buy votes, in marginal seats, but it has not looked after all Victorians. Government members have proven that they are Labor first and Victoria second. We have had nine dark years of a Labor government. Its members keep on forgetting what happened under the Cain and Kirner years. They have ignored that period.

The ACTING SPEAKER (Mrs Fyffe) — Order! The time set aside for the matter of public importance has expired.

STATEMENTS ON REPORTS

Public Accounts and Estimates Committee: budget estimates 2008–09 (part 3)

Ms ASHER (Brighton) — I wish to make some comments on part 3 of the Public Accounts and

Estimates Committee (PAEC) report on the 2008–09 budget estimates tabled at the regional sitting two weeks ago. I want to particularly draw the attention of the house to a table on page 213 which looks at funding for water projects announced by the Minister for Water. The data has been provided to the committee by a combination of the Department of Sustainability and Environment (DSE) and Melbourne Water. I wish to pick up two items on this table in particular, the Melbourne–Geelong pipeline and the eastern treatment plant upgrade.

The first element I wish to raise as part of my commentary on this chart is that the cost estimate given to PAEC is \$120 million, including \$20 million from the state government. But I want to draw to the house's attention that the initial cost estimate released by the government was in fact \$80 million — had the DSE and Melbourne Water been more up front. The Auditor-General in his document called *Planning for Water Infrastructure in Victoria* made the following observation:

The most up-to-date cost estimate is \$120 million ... The earlier DSE estimate was based on a less detailed design.

I would not want either the committee or the house to think that this represented an initial costing proposal. It is in fact a blow-out which has already been identified by the Auditor-General.

I also want to make reference to the eastern treatment plant upgrade column in this chart. With an estimated completion date of 2012, the figure provided to the PAEC is \$300 million. That figure has also been the subject of a blow-out. When this project was first announced in 2002 by the then Minister for Environment and Conservation, Sherryl Garbutt, her press release of 6 March 2002 stated that:

In December 2001, Melbourne Water applied to EPA Victoria for approval to undertake a \$170 million upgrade of the eastern treatment plant at Carrum.

When that project was announced in 2002 the cost was \$170 million. It is interesting to note that the tender for the design and the cost of that project were not even advertised until 30 April this year, six years after the project was first announced.

I also want to draw attention to a press release from the Minister for Water on 18 June 2008 referring to the fact that this is a \$300 million project. That was the figure provided to the Public Accounts and Estimates Committee. However, that figure has already blown out since the PAEC was presented with that information. Budget information paper 1, tabled recently in the house, at page 15 clearly indicates that the eastern

treatment plant upgrade has now blown out to \$322 million, so I hope the PAEC is provided with updated information by the Department of Sustainability and Environment and Melbourne Water. It is interesting that the PAEC was provided with a document which was released in October 2008, by which time the project had blown its budget, as is usually the case with Labor's projects.

I also want to deal with a reference on page 214, and I thank the committee for this information, because the committee refers to the budget treatment of private sector funding for water projects and the fact that some of the projects are going to be delivered by PPPs — public-private partnerships. The committee makes the observation that only the direct state investment portions appear in the budget papers. The committee goes on to make a point that we in the opposition have been making for a long time, which is:

The committee is concerned that the nature of the funding arrangements ... for major projects be clearly identified. Partial recording of project costs has the potential to lead to confusion in relation to total costs and agency responsibilities.

I urge the government to accept that recommendation. It needs to be made clear which component is part funded by the state and which component is funded from some other source, be it water authorities or the private sector.

Public Accounts and Estimates Committee: report 2007–08

Mr STENSHOLT (Burwood) — I wish to speak about the annual report of the Public Accounts and Estimates Committee 2007–08 which was tabled earlier this month. This report covers what has been quite a busy year for the Public Accounts and Estimates Committee (PAEC). The member for Benalla, who is in the chamber, is a member — —

Mr Delahunty — And a good member.

Mr STENSHOLT — He is a good member. He works very hard and is positive, as are all members, I hope. Nine reports were submitted to the Parliament this year, including several which were in a number of parts. The budget estimates report, as members would be aware, is in three parts. We had exactly 100 meetings over the year, 29 of which were private meetings, and there were 64 public hearings. The Public Accounts and Estimates Committee (PAEC) has had the Premier, all ministers and the Presiding Officers go before it. There were seven audit subcommittee meetings.

The annual report indicates that the responsibilities of the committee cover three areas. First of all, there is the public accounts function, which looks at reviewing the financial and performance outcomes. The member for Brighton talked about the report which was recently tabled at the sitting in Gippsland. It is a far more comprehensive report than it used to be. It reports against the state government's plan *Growing Victoria Together*, under its various headings, as indeed does the Auditor-General in his annual plan. It covers such areas as the national reform agenda, productivity, tax expenditures and concessions. It looks in far more depth at these areas than has been done before. The committee also reviews the reports of the Auditor-General, and we now have a follow-up program, including public hearings, in that regard.

I have already touched on the estimates functions in terms of public hearings with the Premier and the ministers and reporting on that and making sure that the discussions with the ministers are tabled in Parliament while the budget is still being considered in at least one house of the Parliament. The third area is the auditing function, which recommends the appointment of the Auditor-General and independent auditors, and also considers and reports on the budget estimates and the annual plan of the Auditor-General's Office. It appoints people to conduct the performance and financial audits of the Auditor-General's Office.

This annual report covers the report of the independent performance audit of the Auditor-General. Members who have been here a while may recall that there were some issues with the performance of the Auditor-General's Office in the past, and the PAEC in the previous Parliament was quite concerned about the management of the office, but this time the performance auditor found a marked improvement in the office, which is very well managed. The members of the PAEC were very pleased with that and decided that a follow-up review of the performance auditor's report of the Auditor-General's Office is not required this time. They are quite satisfied. The performance audit is done every three years.

As recorded at page 34, as chair of the Public Accounts and Estimates Committee I note with some concern that there was a leaking of a committee report. The report of the budget estimates, part 3, was leaked to the press prior to its presentation in September 2007. An article in one of the newspapers highlighted a minority report. With great regret I had to initiate an inquiry into this, and all members of the committee and staff provided written advice or statutory declarations that they did not leak the report. It is a regrettable instance that something that might provide short-term political

advantage detracts from the integrity of the parliamentary process. It is a regrettable breach of parliamentary privilege. It is incumbent on committees to provide their reports to Parliament and not to the press in the first instance.

I note there was a further leak to the *Stateline* program last Friday of a letter between the Auditor-General and me as chair of the committee. I asked Josephine Cafagna of the ABC to return to the Public Accounts and Estimates Committee the letter leaked to her. It is a regrettable instance, and I find it most unfortunate.

Public Accounts and Estimates Committee: budget estimates 2008–09 (part 3)

Dr SYKES (Benalla) — I wish to comment on the Public Accounts and Estimates Committee report on the 2008–09 budget estimates, part 3. I commence by congratulating the staff on an outstanding effort in pulling together this report and, as the previous speaker has said, many other significant reports during the year. I would also like to acknowledge the strong leadership of the chair of the committee. I believe as a committee we are working to progressively improve the accountability of the government of the day, which currently manages a budget of around \$37 billion.

I wish to make comments on three or four areas. The first area is the overall transparency of reporting, the second is drought assistance, another is the DPI (Department of Primary Industries) staffing levels, and then a school update program and the rail freight network. I notice the Minister for Public Transport is at the table, and I would like to put on record my thanks to her for recently announcing the upgrading of the Oaklands–Benalla railway line so that our grain freight will be able to be transported to Melbourne.

I move now to the transparency of reporting. One of the key findings of the committee, finding 8.8, which is at page 101, states:

The committee remains of the view that the budget papers should show a more comprehensive picture of funding to regional and rural Victoria including ...

It further states:

... it is now timely for the preparation of a specific budget paper on regional and rural Victoria as from 2009–10.

This is important to me, my Nationals colleagues and those who represent rural Victoria. Often we hear the government saying that it governs for all Victorians, but when its funding allocations are dissected, you find that the money that is said to be 'committed to regional Victoria' often goes to provincial cities and not to the

smaller communities in rural areas. It will be pleasing to see the government implement this recommendation and enable full and more transparent reporting.

I will also look at the issue of allocations versus expenditure, which is picked up in key finding 8.12 and is dealt with at page 122. This was covered at length by the member for Gippsland South. In essence \$585 million has been allocated to the Regional Infrastructure Development Fund and only \$272 million has been actually expended. This raised questions about the ability of the government to honour its commitment to fully expend that money in the term of this government.

I turn to look at drought assistance measures. Regrettably the budget estimates were done on the assumption that the drought was ending and funding assistance measures were cut back substantially. That is referred to on page 118 of the report. The government's own data at that time — in April — and for months following that show that the drought was continuing. In fact the Minister for Agriculture produced April rainfall figures highlighting rainfall deficits, and the DPI's figures in June reaffirmed that. It was absolutely appalling for the government to assume the drought was breaking and not fund it adequately until October this year.

At page 79 the report contains a very interesting observation on the part of the committee with regard to DPI staffing. In finding 5.4 the key comment is that the number of executives at DPI has risen by more than 20 per cent. I repeat that the number of executives at DPI has risen by more than 20 per cent. That has happened at a time when the department has cut grassroots jobs by 70, closed research centres and is relocating or proposing to relocate people from the Snobs Creek hatchery and reducing the service delivery to country Victoria. You have to question the government's ability to manage.

I will quickly move to the school plan, which is mentioned at page 198 of the report. The reality is not one brass razoo has been used to upgrade schools in the electorate of Benalla as part of that plan. Myrtleford Secondary College is being amalgamated to become a P-12, which is working very well, but it desperately needs new buildings. Similarly Mansfield Secondary College, which provides an excellent education under very trying conditions, is desperately in need of new buildings. I call on the government to honour its commitment to govern for all Victorians.

Outer Suburban/Interface Services and Development Committee: local economic development in outer suburban Melbourne

Ms GREEN (Yan Yean) — It with great pleasure that I commend the report of the Outer Suburban/Interface Services and Development Committee into local economic development in the outer suburbs. I was delighted to be appointed to the committee in this term of Parliament as its objectives and work are the most relevant of those of any committee to my constituents in Yan Yean, where my family and I live. I think it was a great initiative by government in the previous Parliament to establish this committee to look at matters of importance to people who live in the interface local government areas. As a member representing the outer suburbs one of my strongest objectives is job creation in the local area. I am passionately committed to it because having a job locally means people can spend more time with their families and spend less time and money on work-related transport. It also delivers a better outcome for the environment.

I want to thank my fellow committee members for their collaboration on this report. Committee work is one of the great joys I have had as a member of this place. You will never hear the media reporting on it, but it really is a very collaborative process and gives us an opportunity to share and work across party lines. It is quite rare that we do not come up with outcomes on which there is universal agreement. I particularly want to acknowledge the work of the chair, the member for Keilor, who is also a member representing the outer suburbs; the deputy chair, the member for Bass; the member for Kilsyth, representing the outer suburbs; and members of the other place, who are all interface MPs. I want to make a special mention of the member for Melton for his very detailed work on this report and for sharing my passion for life and economic development in the outer suburbs.

The committee is blessed with having a fantastic professional staff, including the executive officer Sean Coley; research officer Geoff Russell, who has unfortunately left the committee, and we were very sad to see him go; and our administrative officer, Natalie-Mai Holmes, who has also stepped up into a research role and wrote one of the chapters in the report.

The report would not have been possible without the generosity and commitment of the 140 witnesses who took the time to make submissions to the inquiry. In particular I wish to acknowledge the staff and the councillors of the nine local government areas that

hosted the committee for local hearings and the many community members and businesses who took the time to meet with the committee at those times.

It is an extremely comprehensive and detailed report. In fact it is probably one of the largest reports I have seen tabled in my time in this place. It contains 171 recommendations. I particularly draw the attention of the house to chapters 5 and 6, because they look forward to what the committee believes are opportunities to make improvements that will strengthen local economic development, particularly in Melbourne's interface areas.

The report looks at planning, focuses on private and public transport and the provision of non-transport-related infrastructure; it considers what is working now and what might work in the future. It also looks at information and communications technology, and that is something I have campaigned on very strongly, because the lack of a broadband service can be real barrier to local economic development. The report also looks at the future for industry sectors such as tourism and agriculture, and it has to be at the forefront of all of our minds that 20 per cent of Victoria's agriculture product derives from the Port Phillip Bay region, primarily the outer suburbs.

In short, this is a fantastic and detailed report. It will take a lot of time for members to get through, but I encourage them to read it. I am very proud of the work of this committee because it really takes its responsibilities to the outer suburbs seriously. I am sure the government will take the time to provide an equally detailed response to the 171 recommendations. I commend this excellent report to the house.

Outer Suburban/Interface Services and Development Committee: local economic development in outer suburban Melbourne

Mr MORRIS (Mornington) — I also want to make a few comments about the Outer Suburban/Interface Services and Development Committee's *Inquiry into Local Economic Development in Outer Suburban Melbourne* report tabled in the house last month. As the member for Yan Yean said, this report addresses many of the issues faced by the outer metropolitan area and, I might add, the interface councils.

The report revolved around seven terms of reference. I do not intend to read them all, but essentially it focused on the effectiveness of existing local programs, the potential to identify the barriers to economic development, incentive arrangements, assistance from council, local economic development and ways in

which government at all levels could encourage economic development. Another term of reference was aimed at attempting to identify export-based operations, and do we not sorely need the development of export-based operations, not only in the outer metropolitan area but right across the state? The last term of reference was to identify new and emerging sectors. This is essentially all good stuff. As the member for Yan Yean said, the inquiry produced 171 recommendations, and I agree that it is certainly a most comprehensive report.

I particularly commend the work of my colleagues, the deputy chair of the committee and member for Bass; the member for Kilsyth; and in the other place a member for Northern Metropolitan Region, Matthew Guy. I commend them particularly for the balance they brought to the report because it is an issue that concerns all of us who represent outer metropolitan areas. We have to have economic development and we have to have people in jobs, otherwise there is not much point in any of us being here.

One of the things that is clear from the report is the woeful state of infrastructure generally on the metropolitan fringe. Whether we are talking about roads to deliver raw materials or take away the finished goods in business, or roads or transport services simply to provide access for people to get to work, lack of infrastructure is a particular barrier to economic development and to jobs.

The report contains a number of recommendations relating to public transport. Most of the metropolitan fringe is confined to inadequate and not terribly frequent bus services. If you are travelling into central Melbourne, there is access to trains from most suburbs, although as I mentioned in my members statement today, there are certainly some problems with that, including even whether you can sit down or not. But in terms of the metropolitan fringe, public transport services are essential. They are not necessarily needed there to the same level as they are available in many of the inner suburban areas, but they are a basic need.

Education is another area covered in the report, and I welcome the recommendations on the TAFE sector. There are also recommendations relating to the big picture, and I think it is recommendation 66 in the report that talks about a needs assessment for the whole of the outer metropolitan area in terms of current and future transport needs. That would be an enormous undertaking, but it is a very important part of developing the network.

There are a couple of things I want to quickly comment on from a local government perspective. As we have seen in the last few days, councils and communities need to be vigilant about their role and keeping their identity because if they are not vigilant they will get run over by this state government, and the efforts to change the Local Government Act in the last few days have highlighted that difficulty.

Of the first 19 recommendations in this report some 15 require the involvement of the Municipal Association of Victoria. Many of the subsequent recommendations require action by individual councils. The involvement of local government is always welcome; it is an essential part of this sort of process. But many of these recommendations simply mean that local councils are implementing state policy; they do not have a say.

Of considerable concern to me are a couple of recommendations relating to the green wedge areas. It concerns perhaps siting schools in green wedge areas or the softening of green wedge boundaries; not so much the urban growth boundary but the potential for agribusinesses in green wedge areas. Local government is not named as having a part in any of those decisions. Councils need to be involved, and they need to be involved in a meaningful way.

I welcome the report. It highlights the government's neglect of the metropolitan fringe. I look forward to a fully funded government response to the recommendations.

Public Accounts and Estimates Committee: budget estimates 2008–09 (part 3)

Mr FOLEY (Albert Park) — I rise to comment briefly on some of the important issues associated with the implementation of the national reform agenda that are detailed in the Public Accounts and Estimates Committee (PAEC) *Report on the 2008–09 Budget Estimates — Part Three*, which was released earlier this month. Chapter 3 of that report deals with the transformational issues associated with the Council of Australian Governments reform agenda and productivity improvements in Victoria. Besides dealing with the practical side of linking economic reform to social and community outcomes, the COAG reform agenda promises to continue to transform the federation's role. It has particular focus on areas of health, water and regulatory reform across the broader productivity agendas.

The report highlights that the national reform agenda offers real reform outcomes in the areas of water supply, climate change, infrastructure spending,

housing affordability, homelessness, justice for indigenous Australians and productivity improvements. It is in regard to the last area of productivity improvements that the PAEC report also refers to a number of human capital opportunities in the areas of education and training and early childhood development. Overarching these major issues is the whole new model of federal and state financial relationships that will reinstate the approach of partnership and mutual responsibilities for these areas between the states and the commonwealth.

I will focus my brief comments on one area that the PAEC report touches upon and, in particular, on the complex relationship that exists between the opportunities that all these areas bring together and regulatory reform. It is the relationship between regulatory reform, climate change, infrastructure and economic opportunity for the state that I seek to focus my comments.

In this regard I am indebted to the piece of work currently being undertaken by the Victorian Competition and Efficiency Commission (VCEC) in its review into environmental regulation in this state, with particular attention under its terms of reference to identifying the opportunities and burdens that environmental regulation brings. That links directly with the items addressed in the PAEC report in regard to the national reform agenda.

As both the VCEC inquiry and the PAEC work show, there are great opportunities to be had in this area. Regulatory reform in the area of climate change needs to be seen as an opportunity rather than a threat. It is an opportunity to position Victoria as a leader internationally in the field of carbon-constrained economic activity and, in particular, the areas with renewable energy opportunities. It is an opportunity to set, as the community demands, high minimum standards on constraints on carbon production and on achieving climate change goals and, in so doing, to identify that the rewards for industry and investment above these enforceable minimum standards need to be had due regard to.

In this regard it is the Environment Protection Authority's Victorian environment and efficiency resource plans model that is the best practice you will find in the world. This is an opportunity to promote new industries and high-skilled areas of manufacturing that have the added benefits of being decentralised and regionalised with both a domestic focus and a large export potential, as the entire world community increasingly grapples with the challenges of climate change. This is perhaps also an opportunity for

regulatory reform to underwrite technological and market opportunities as the reform seeks to position us appropriately in this regard.

I will briefly wind up by pointing to the fact that the areas of greatest opportunity in facilitating reform in this area are to be found in regulatory reforms in network connections, technical standards, systems models, control systems and land-use opportunities. If governments are to act to deal with the challenges of climate change in a way that the community clearly supports, we will have to deal with the opportunities for a new high-skilled economic future, and it is in this regard that the background of the financial crisis that is currently besetting the global markets — the worst for some 80 years — offers us both opportunities and challenges. I look forward to being part of a government that grasps these opportunities.

PROFESSIONAL STANDARDS AND LEGAL PROFESSION ACTS AMENDMENT BILL

Statement of compatibility

Mr HULLS (Attorney-General) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities, I make this statement of compatibility with respect to the Professional Standards and Legal Profession Acts Amendment Bill 2008.

In my opinion, the Professional Standards and Legal Profession Acts Amendment Bill 2008, as introduced to the Legislative Assembly, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The bill amends the Professional Standards Act 2003 to facilitate a national framework for the mutual recognition of professional standards schemes (PS schemes) approved under nationally consistent professional standards legislation (PSL) of each state and territory. The bill allows members of occupational associations who are covered by a PS scheme in another state or territory, to practise under that scheme if that scheme is authorised for operation in Victoria. The bill sets out various requirements that must be satisfied before an interstate scheme can operate in Victoria. As PSL is largely consistent, but not uniform, legislation across jurisdictions, the bill aims to equally apply the provisions of the Professional Standards Act 2003 to Victorian-based and interstate-based schemes in so far as this is possible. The bill also makes a minor amendment to the statutory review provision in the Professional Standards Act 2003.

The bill amends the Legal Profession Act 2004 to clarify the role of the legal services commissioner following the Court of

Appeal ruling in the case of *Byrne v. Marles and Anor*. The bill amends the Legal Profession Act to clarify that at the time of notifying an Australian legal practitioner or law practice of a complaint, the commissioner is not required to provide them with an opportunity to be heard or make a submission as to how the complaint is to be dealt with. It also amends the Legal Profession Act to clarify that the commissioner is not required to give a complainant, a law practice or Australian legal practitioner an opportunity to be heard or make a submission before determining whether or not to dismiss a complaint summarily. The amendments will apply to a complaint made on or after commencement of the Professional Standards and Legal Profession Acts Amendment Act 2008.

Human rights issues

1. *Human rights protected by the charter that are relevant to the bill*

The amendments to the Professional Standards Act 2003 do not engage any human rights protected by the charter. The amendments to the Legal Profession Act 2004 do not engage any human rights protected by the charter, in particular the right to a fair hearing, as the complaint-handling system is not a civil proceeding.

Conclusion

In my opinion, the amendments to the Professional Standards Act 2003 and to the Legal Profession Act 2004 do not engage any rights protected by the charter.

ROB HULLS, MP
Attorney-General

Second reading

Mr HULLS (Attorney-General) — I move:

That this bill be now read a second time.

A. Amendments to the Professional Standards Act 2003

Victoria enacted the Professional Standards Act 2003 as part of the national tort law reforms with the specific objectives of improving professional service standards and limiting the occupational liability of professionals in certain circumstances. This was aimed at helping stabilise professional indemnity insurance premiums for service providers. In return for conferring a benefit of capped liability for members of participating professional associations, the legislation also protects consumer interests through requirements for members to hold satisfactory levels of insurance, implement risk management strategies and to establish complaints and disciplinary procedures.

The Victorian act is largely based on the New South Wales Professional Standards Act 1994. Similar legislation, based on the New South Wales act, is now in effect in all other states and territories. While professional standards legislation is mainly consistent

across jurisdictions, the legislation is not a national uniform law. Accordingly, there are certain variances in the legislation in each jurisdiction. However, under the intergovernmental Professional Standards Agreement 2005, the commonwealth and state and territory governments are committed to administering professional standards legislation in a harmonised manner wherever possible. This includes measures such as constituting the professional standards council of each state and territory with the same expert panel members to ensure consistent decision making across all jurisdictions and prescribing a uniform fee structure for participating associations across jurisdictions.

This bill implements a decision by the Standing Committee of Attorneys-General in 2007 to amend professional standards legislation in all states and territories to enable the mutual recognition of a professional standards scheme approved under the professional standards legislation of another jurisdiction. The bill also makes other minor amendments to the Victorian act.

Under current professional standards legislation the process for professionals to obtain capped liability outside their home jurisdiction is inefficient, involves duplication and is costly. Occupational associations would be required to apply for a separate scheme in each jurisdiction in which their members practise and members could be required to pay, in an extreme example, up to eight sets of annual fees under eight state and territory acts if they were to practise under a professional standards scheme in all states and territories.

Facilitating mutual recognition of schemes provides a common-sense and a more seamless approach to the national framework of professional standards legislation. Mutual recognition will cut the red tape currently facing professionals who seek to rely on the cover of their home scheme when providing services in other jurisdictions. The amendments should also benefit consumers of those services who may otherwise face higher transaction costs as professionals factor the extra costs into their service charges. These amendments recognise that members of occupational associations often provide cross-border services.

A key aspect of the mutual recognition framework agreed to by the Standing Committee of Attorneys-General is that a scheme, once approved by a council under the relevant legislation of a jurisdiction, will not automatically take effect in another jurisdiction. As a result, the model amendments set out various requirements that would apply to a Victorian scheme that intends to operate in another jurisdiction

and equally to an interstate scheme before it can effectively operate in Victoria. This is intended to ensure that liability caps or professional standards established under Victorian schemes operating in another jurisdiction or interstate schemes operating in Victoria are appropriate for the relevant jurisdiction.

The bill provides for a number of processes including:

where a Victorian scheme expresses an intention to operate in another jurisdiction, the Victorian council must not only consider the matters set out under the Victorian act, but also any other matters that a council of another jurisdiction would have to consider under the corresponding legislation of that other jurisdiction;

where an interstate scheme intends to operate in Victoria, the minister must authorise the publication of that interstate scheme in the *Victoria Government Gazette* and this will be subject to certain requirements under the Subordinate Legislation Act 1994 including that an interstate scheme, like a Victorian scheme, can be subject to disallowance by Parliament;

where a person is, or is reasonably likely to be, affected by a Victorian or interstate scheme, they can challenge the scheme for want of compliance with the Victorian act in the Supreme Court, except in relation to the contents of an interstate scheme (which the court would need to assess against the corresponding law of the jurisdiction in which that interstate scheme was prepared);

the Victorian council may, on application by the relevant occupational association, on its own initiative, or on the direction of the minister, prepare an instrument terminating an interstate scheme in Victoria.

The bill also provides that section 5 of the Victorian act, which excludes certain types of claims, such as personal injury claims, from the application of the act (and thus from a Victorian professional standards scheme), also applies to an interstate scheme operating in Victoria, notwithstanding that the corresponding law of the other jurisdiction in which the scheme was prepared would allow the scheme to apply to those types of claims.

The bill applies section 54 of the Victorian act, which prohibits a person subject to a Victorian scheme from contracting out of the act, to a person subject to an interstate scheme operating in Victoria, notwithstanding that contracting out may be permitted by the

corresponding law of the other jurisdiction which applies to that interstate scheme.

The amendments to sections 5 and 54 are intended to ensure that the Victorian law applies equally to members of occupational associations that are the subject of Victorian-based schemes prepared under the Victorian act and to members of interstate occupational associations that are the subject of an interstate scheme whilst practising in Victoria.

Finally, the bill includes amendments to extend the statutory review period set out in the act. Currently, the Victorian act requires the minister to review the act as soon as possible five years from the day on which the act received the royal assent to determine whether the policy objectives of this act remain valid. The bill amends the section to provide the review is to be six years from the day on which the act received the royal assent. This amendment is necessary given that Victorian professional standards schemes approved under the act have only commenced in 2008. To conduct a review of the legislation within 12 months of schemes commencing would not allow sufficient time for any substantive data to be gathered or any meaningful assessment to be made of the effectiveness of the act and its policy objectives.

Further, due to current discussions between commonwealth, state and territory governments concerning the possible commencement of a national review of professional standards legislation in all jurisdictions over the next 12 to 18 months, it would be prudent for the Victorian review to be undertaken in the context, and to be informed by the outcomes, of a national review.

B. Amendments to the Legal Profession Act 2004

This bill also makes certain amendments to the Legal Profession Act 2004 to clarify that the legal services commissioner is not required to seek submissions from legal practitioners at the pre-investigation stage of the complaint handling process.

These amendments are in response to a recent decision of the Court of Appeal in the case of *Byrne v. Marles and Anor*. The court ruled that the commissioner had denied a practitioner natural justice when the commissioner did not give the practitioner the opportunity to make submissions at the pre-investigation stage of the complaint handling process.

This decision is not consistent with the policy intent of the Legal Profession Act 2004 which was to create a

consumer-friendly, efficient and cost-effective complaint handling system.

The effect of the decision is that the commissioner must now allow all practitioners to make submissions prior to the commencement of an investigation on issues such as whether the commissioner should categorise a complaint as a disciplinary complaint or civil dispute, or exercise the commissioner's powers to summarily dismiss a complaint. This has an adverse impact including that:

the commissioner may be perceived as biased in favour of practitioners by providing practitioners (and not complainants) with the right to make submissions on complaints and in making a decision whether to accept a complaint or dismiss it without reference to the complainant;

practitioners may make full submissions on the content of the complaint rather than the preliminary issue of how the commissioner should deal with it, in effect rehearsing their arguments for later;

the complaints handling process will take longer, have an adverse impact on efficiency and will be more costly;

the process will not add value to the system, as practitioners are already given the right to make full submissions as part of the investigation of a complaint.

Accordingly, the bill provides for two amendments to the Legal Profession Act to clarify the original intentions of the provisions:

an amendment to section 4.2.8 to clarify that, at the time of notifying a practitioner of a complaint, the commissioner is not required to give a practitioner an opportunity to make a submission as to whether to treat a complaint as a disciplinary complaint, civil complaint or both;

an amendment to section 4.2.10 to clarify that the commissioner is not required to give a complainant or practitioner an opportunity to make a submission before exercising his/her powers to summarily dismiss a complaint.

These amendments will not be retrospective. Thus the *Byrne v. Marles and Anor* decision will stand with respect to that case and to any other complaint lodged prior to the commencement of these amendments.

I commend the bill to the house.

Debate adjourned on motion of Mr CLARK (Box Hill).

Debate adjourned until Wednesday, 12 November.

Business interrupted pursuant to standing orders.

Sitting suspended 12.59 p.m. until 2.06 p.m.

QUESTIONS WITHOUT NOTICE

Alfred hospital: trauma surgeon

Mr BAILLIEU (Leader of the Opposition) — My question is to the Premier. I refer the Premier to the Ombudsman's extraordinary report into issues at Bayside Health and to his damning findings that Mr Kossmann exploited his position of power and influence at a vast cost to taxpayers. I ask: given that the government recruited, fast-tracked, travelled the world with, supported and promoted Mr Kossmann as one of its top medical advisers, who is it in this government who will actually take responsibility and be held accountable for this massive incompetence and mismanagement?

Mr BRUMBY (Premier) — The government welcomes the Ombudsman's report into Bayside Health and the conduct of Dr Thomas Kossmann in his capacity as head of the trauma unit at the Alfred hospital. As honourable members know, the report makes very serious findings, and it makes a number of important recommendations.

I want to make it clear in answering the question asked by the Leader of the Opposition that there are some matters which I am able to refer to in my answer and other matters to which I cannot. It would be totally inappropriate to canvass some issues as there are still a range of other investigations and inquiries that are ongoing. These include investigations by Victoria Police, the Medical Practitioners Board of Victoria and Medicare, as well as a number of court actions. Given that those investigations are under way, it would be quite inappropriate to provide a daily running commentary on these matters. It is important to allow the process which Bayside Health undertook through its peer review and the process of the independent Ombudsman to run their course.

I say in answer to the Leader of the Opposition that I am pleased the Ombudsman has confirmed in his report that the proper processes have been undertaken. I am pleased he has confirmed that the current team at Bayside Health acted appropriately once this issue was brought to its attention. A number of recommendations

were made in the Ombudsman's report that are directed to the health minister and to the finance minister, and recommendations have also been made to a number of agencies, including Bayside Health, the TAC (Transport Accident Commission) and the Department of Human Services (DHS).

Mr Baillieu — On a point of order, Speaker, the Premier is debating the question. For 12 months this government has avoided all questions about this issue. The question was: who is responsible?

The SPEAKER — Order! There is no point of order. The Premier is not debating the question.

Mr BRUMBY — In relation to the recommendations — —

Honourable members interjecting.

The SPEAKER — Order! The Premier will not be shouted down. I warn the member for South-West Coast.

Mr BRUMBY — In relation to the recommendations which have been made to the Minister for Health, all of those recommendations have been accepted and will be implemented, with letters going out to all relative agencies today. With respect to the recommendations made to the TAC, Bayside Health and DHS, again, all have been accepted, are being implemented as current practice or are in the process of being implemented.

Rail: regional and rural freight lines

Mr HARDMAN (Seymour) — My question is to the Premier. I refer the Premier to the government's commitment to make Victoria the best place to live, work and raise a family. I ask the Premier to inform the house of recent government announcements on investments in country rail and how these investments will support the economy and jobs.

Mr BRUMBY (Premier) — Our government is certainly committed to a sustainable and competitive country rail sector. Over the last year we have seen an unprecedented number of investments which have been made in our country rail and freight system. Honourable members would be aware that we paid \$133.8 million and bought back the country rail network which had been sold off by the former Kennett and Nationals government. We bought it back for \$133.8 million. We have put \$73 million into upgrading the Mildura line in partnership with the federal government. Recently we announced \$501 million for the north-east corridor in partnership with the ARTC

(Australian Rail Track Corporation) and the federal government.

Once we regained control of the track, having purchased it back, we commissioned an independent rail freight network review which, as the house knows, was led by a former deputy prime minister, Tim Fischer. That review was released in December last year. We responded immediately to his report. We provided a \$21.4 million rail freight support package in February, we announced \$43 million to upgrade the gold lines, and I am delighted to confirm for the house today that at community cabinet last week I announced, with the Minister for Public Transport, a further \$38.7 million investment in five silver lines across our state.

I think it is fair to say that the response to this throughout the region was extraordinarily positive. It is a fantastic announcement for the region, particularly given the difficult times that the Wimmera-Mallee in particular is facing. The flow-on from this announcement was immediate. AWB Ltd announced it would invest more than \$1 million in silos on the Ouyen–Murrayville line. This year AWB Ltd, ABB Grain and GrainCorp have committed eight trains for the harvest, and Genesee and Wyoming, Pacific National and El Zorro have all entered agreements with customers to transport grain freight from regional Victoria to the ports on rail.

We are very pleased to be working hand in hand with the grain industry in relation to this matter. I said that this announcement, which I made with the Minister for Public Transport, was well received, and I just want to advise the house of some of the commentary. The *Sunraysia Daily*, on its front page of 21 October, has an article headed '\$38m rail win'. A Mildura councillor, Vernon Knight, chairman of the Alliance of Councils for Rail Freight Development, described this as 'fantastic news'. He also said:

From an alliance perspective this is fabulous ...

We applaud the Premier for fast-tracking the implementation of recommendations included in the Fischer report ...

Honourable members interjecting.

Mr BRUMBY — We are opening up lines; we are refunding lines; we are not closing down lines like the former Kennett Liberal-Nationals government.

The SPEAKER — Order! I suggest to the Premier that he should not respond to interjections. I ask members of the opposition not to attempt to shout down ministers while they are answering. I have mentioned

the member for South-West Coast already this afternoon. I will not do so again unless I use standing order 124.

Mr BRUMBY — Cr Knight went on to say:

It is a fabulous local outcome for communities along the Mallee track ...

Victorian Farmers Federation president Simon Ramsay said:

This is an excellent announcement which acknowledges the important role that rail freight plays in supporting farmers and the agricultural sector ...

I think one of the VFF members in the area referred to the silver lines announcement as the 'silver lining' for the region. The Yarriambiack chief executive, Ray Campling, said:

We were elated, quite a few farmers were quite emotional, they were visibly affected ...

That is from the *Wimmera Mail-Times*.

As I have said, in aggregate if you look at the investment which is occurring in rail freight across the state, if you take into account the north-east, the gold lines, the silver lines, the Lascelles investments and what we are doing at Dynon, you see that close to \$1 billion of investment is occurring in rail freight in our state. This is the biggest investment in decades. It is happening under a Labor government. In terms of the timing of these projects, when we are facing a huge international financial crisis, when there are more economic uncertainties than we have seen for some decades and when we are facing unprecedented climatic challenges, to have these investments occurring, generating hundreds of jobs and building the sustainability of country Victoria, these are the sorts of things government should be doing. These are the sorts of things which our government is doing. These projects could only have been delivered by a Labor government.

Budget: surplus

Mr RYAN (Leader of The Nationals) — My question is to the Premier. I refer the Premier to the September quarter National Australia Bank (NAB) business survey reported today in the *Age* as showing that Victoria was 'the worst place to do business in mainland Australia', and I ask: given that this survey has found that Victoria has the lowest business confidence in mainland Australia, will the Premier now guarantee that he will meet his election promise to maintain the budget surplus at 1 per cent of revenue?

Mr BRUMBY (Premier) — Let me say firstly in relation to the question from the Leader of The Nationals that if you look at the NAB forecasts and the Victorian Employers Chamber of Commerce and Industry survey earlier this week, all the issues referred to in the VECCI survey are to do with international and national issues.

Honourable members interjecting.

Mr BRUMBY — You can read it! Inform yourself! It was all in the press yesterday, but you can read it yourself. In terms of the state's position, we are in a position where our economic fundamentals are very sound. We have a strong budget position. We have a net debt position today which is around 1 per cent of gross domestic product compared with more than 3 per cent when we came to government. We have quadrupled infrastructure spending. We have cut WorkCover premiums by 45 per cent over the last five years. For medium-sized businesses we have the most competitive business environment on land tax and payroll tax of any state in Australia. You put all of those things together, and when I was asked yesterday on radio 3AW in my regular interview with Neil Mitchell whether the budget would remain in surplus, I confirmed it and said, 'Yes, it would'.

Housing: regional and rural Victoria

Mr TREZISE (Geelong) — My question is to the Minister for Regional and Rural Development. I refer the minister to the government's commitment to make Victoria the best place to live, work and raise a family, and I ask: can the minister update the house on the incentives that are available for new homebuyers in regional Victoria?

Ms ALLAN (Minister for Regional and Rural Development) — I thank the member for Geelong for his question. As the member for Geelong knows, there has never been a better time to buy a new home in regional and rural Victoria. That is because the Brumby Labor government and the Rudd Labor government are backing the economy and backing provincial Victorian communities with record support for first home buyers. The record support this government has been giving to provincial Victoria from day one has continued, and we are seeing results. More than \$10 million in new investment in regional communities has been facilitated by this government, and that has been able to deliver more than 17 000 new jobs in regional Victoria. At the same time we have seen the unemployment rate drop to record lows, boosting local communities. People are voting with their feet, and more and more people are choosing to live in provincial Victoria. In fact over the

past nine years more than 92 000 people have chosen to move to provincial Victoria.

Why would you not want to move to provincial Victoria? It is a great place to live, work and raise a family thanks to the sustained investment by this government in the things that matter — things like health and education — and in areas such as road and rail transport and vital regional infrastructure. We have made it a very attractive place for people to move to. Of course there is the Make it Happen in Provincial Victoria campaign, which promotes provincial Victoria directly into Melbourne, encouraging more people to make the shift.

However, we are not resting on our laurels. As members of the house will recall, the May state budget provided for the first time a new \$3000 regional first home bonus, taking to \$15 000 the support from the Brumby government for people wanting to buy a new home in provincial Victoria. Now, following a call by Victoria's Premier for the federal government to do more to stimulate the housing market and to support Australia's economy, the Rudd Labor government is providing an additional \$14 000 to assist people to buy a new home. This brings federal and state Labor government support to first home buyers — people wanting to buy a brand-new home in provincial Victoria — to \$29 000. That is a whopping \$29 000 going directly to people buying a brand-new home for the first time in provincial Victoria.

Honourable members interjecting.

Ms ALLAN — It was \$29 000, and you will not get this level of support from any government in any other state or territory in Australia.

Honourable members interjecting.

Ms ALLAN — I know we are not to respond to interjections, but I cannot help referring to stamp duty cuts that were made available in this year's budget as well, which make it even more attractive for people to buy a house-and-land package in provincial Victoria. On top of being able to help first home buyers in provincial Victoria, this initiative is going to drive critical job growth in the building and construction industry at exactly the time the industry needs it the most and at the same time help thousands more Victorians with that extra assistance to buy their brand-new home.

There has been strong support for this assistance. The Housing Industry Association, the Master Builders Association of Victoria and the Real Estate Institute of Victoria have all supported these initiatives, and they

have been welcomed across regional Victoria. We have seen the *Geelong Advertiser* talk about 'Grants a huge boost to the region'. Even the *Kilmore Free Press* talked about 'The time to buy'.

Unfortunately not everyone supports this great initiative that is assisting regional Victorians to buy a new home. At budget time there was one voice that wanted to scrap the Brumby government's new \$3000 support initiative. That voice was from a member for Northern Victoria Region in the other place, The Nationals' own Damian Drum. Just as the Liberal Party pays no attention to The Nationals, the Brumby and Rudd governments are getting on with — —

The SPEAKER — Order! The minister is to come back to the question.

Ms ALLAN — The Brumby government, in conjunction with the Rudd government, is taking action to create jobs and to make regional and rural Victoria the best place to live, the best place to work and the best place to raise a family and buy a brand-new home.

Minister for Industry and Trade: conduct

Mr McINTOSH (Kew) — My question is to the Minister for Police and Emergency Services. I refer to my question to the minister yesterday, which sought details of discussions between the minister and his chief of staff, and to the minister's complete failure to address the question of when and what his chief of staff knew prior to 13 October about the Victoria Police investigation into a government minister, and I ask: was the minister's chief of staff aware prior to 13 October this year of the Victoria Police investigation into a government minister — yes or no?

Mr CAMERON (Minister for Police and Emergency Services) — I will go over this again for the benefit of the honourable member for Kew. When we dealt with this a few Mondays ago, as I told the member, at about quarter past 5 or so the Premier rang me up. I had my chief of staff and some other senior staff in, and I told them that the minister for manufacturing was going to be making a statement and standing aside because there was an investigation. I told them that this should be treated like any other police investigation and that it was not a matter where any questions should be asked, notwithstanding that there would be a lot of people wanting to know a lot of information. They said, 'Yep, that is fine', and they got on with their business.

Honourable members interjecting.

Mr Mulder interjected.

The SPEAKER — Order! The member for Polwarth is warned.

Mental health: government initiatives

Mr LANGDON (Ivanhoe) — My question is to the Minister for Mental Health. I refer the minister to the government's commitment to make Victoria the best place to live, work and raise a family and for everyone, and I ask: can the minister update the house on how the government's initiatives in mental health are delivering on that commitment?

Ms NEVILLE (Minister for Mental Health) — I thank the member for Ivanhoe for his question and for his very strong interest in mental health care. This government has an excellent record in caring for people with a mental illness and an excellent treatment system to back it up, with more mental health beds per capita than any other state in Australia. We also treat 9000 more mental health patients every year than the previous government, and we have increased funding by 95 per cent since 1999. This has seen the employment of additional nurses, doctors and community-based mental health workers right across the state — workers who we know are critical to the delivery of quality mental health care.

We are immensely proud of our workforce and the vital role its members play in delivering the highest quality care to those in our community with a mental illness. We know that government has an important part to play in ensuring the supply and support of our mental health workforce, and we are supporting a host of initiatives which result in the recruitment, development and retention of a strong, sustainable workforce. I refer to initiatives like the funding of more than 400 postgraduate nursing scholarships and the establishment of 70 specialist mental health graduate positions.

We have established education and training clusters to improve workforce quality within the specialist mental health system, and we have funded a mental health major as part of the undergraduate bachelor of nursing course. We are also funding five additional academic positions, located at Goulburn Valley, Eastern Health, Peninsula Health and the centre for psychiatric nursing at Melbourne University. We are providing critical leadership to ensure that work practices in Victoria remain on the cutting edge.

We are also implementing a statewide dual diagnosis program to improve the capacity of our clinical and

mental health services to support people with co-occurring drug and alcohol problems. This year's budget also provides a \$128 million boost for mental health on top of the \$472 million Council of Australian Governments mental health package that continues to roll out over the next few years to 2011. As a result of this additional investment we are putting in place a range of new initiatives that will enable us to provide improved services for families and those who have a mental health issue, as well as increasing awareness in our community of mental health and wellbeing issues.

These initiatives include \$16.8 million for new integrated children's and youth services to help identify mental illness earlier among young people; \$10.4 million for a 24-hour-a-day, 7-day-a-week statewide mental health telephone information and referral service for Victorian families; \$5.5 million for an improved triage system to ensure patients are directed to the most appropriate services and support; \$6.6 million for postnatal screening initiatives for new mothers; and \$34 million in funding for capital works at Ballarat, Dandenong and Heidelberg Repatriation hospitals and to build new prevention and recovery care services.

These budget initiatives alone will result in over 200 new jobs coming on line over the next four years. This is on top of the hundreds of jobs that will be provided during the capital works program. We are also rolling out our new enterprise bargaining agreement commitments, with more mental health workers — 60 new workers — across our hospitals and on our community mental health teams. We have focused on getting the right services to people at the right time delivered by a dedicated and highly qualified workforce. Unlike those opposite, who support nothing and stand for nothing, we will continue to ensure that Victorians, their families and carers who are living with mental illness get the services and support they need.

Minister for Industry and Trade: conduct

Mr McINTOSH (Kew) — My question is to the Minister for Police and Emergency Services. I refer to my previous question and the minister's failure yet again to address the question of his chief of staff's knowledge of the Victoria Police investigation into a government minister. I note that my question was not about when the minister advised his chief of staff of the Premier's call on 13 October, but was a simple question requiring a simple answer. I ask: is it not the fact that the minister's chief of staff was aware prior to 13 October of the Victoria Police investigation into a government minister?

Mr CAMERON (Minister for Police and Emergency Services) — My chief of staff has never told me that. I think what the opposition is trying to get at is that because my chief of staff was a policeman for a long period and has been involved with the chief commissioner's office that he may have information. My chief of staff was employed on the basis that he would be a chief of staff and that any sensitive police information was something that would never be asked for and would never be provided. I have accordingly never asked. That is the arrangement between him and me and the arrangement between the chief commissioner and my chief of staff, because the chief commissioner had to give him leave.

The honourable member for Benambra is silent on this issue. Why is he silent on this? It is because he knows the rules that apply to police. The Leader of The Nationals is quiet. Why? It is because as a lawyer he knows the rules about these sort of things. My chief of staff has never told me that.

Justice: government initiatives

Mr STENSHOLT (Burwood) — My question is to the Attorney-General. I refer the Attorney-General, who we all know is a good family man, to the government's commitment to make Victoria the best place to live, work and raise a family, and I ask: will the Attorney-General update the house on how the government is keeping its commitment to updating and modernising Victoria's justice system through the proposed reforms to reduce the cost of justice and change the way disputes are resolved.

Mr K. Smith interjected.

The SPEAKER — Order! Before calling the Attorney-General I ask the member for Bass to cooperate while the Attorney-General answers his question. If the member for Bass has a question, he knows he can stand in his place at the appropriate time.

Mr HULLS (Attorney-General) — I thank the honourable member for his question. A survey conducted by the Department of Justice last year showed that 35 per cent of Victorians are embroiled in civil disputes each year — and that does not include disputes involving those members opposite! Further, the survey showed that in 12 months 37 per cent of small businesses were also involved in at least one dispute, costing the sector \$1.8 billion in both time and money. That is why the government is committed to reducing the cost of justice and changing the way disputes are resolved. These are key themes of the

second phase of the justice statement, which is this government's vision for the Victorian justice system.

Of course we have already done a great deal to tackle these issues. In the civil arena we have allocated \$3.7 million to judge-led mediation, which will be an Australian first; \$6.2 million to expand community-based ADR (alternative dispute resolution); and \$5.8 million to divert non-family violence intervention order applications. In the criminal sphere we are reducing delay through committals reform, a sentence indication scheme, improvements to the Office of Public Prosecutions, a modernising of the evidence and bail legislation, the conducting of the most sweeping review of our criminal law framework ever undertaken and, might I say, the allocation of an unprecedented \$198.3 million in this year's budget to target court delays.

The justice statement mark 2 champions two new themes. The first is reducing the cost of justice, and the second is creating a unified and engaged court system. As recommended by the Victorian Law Reform Commission, we will enable judges to better direct proceedings to prevent abuse of process, we will explore pre-litigation protocols that encourage ADR prior to litigation and we will expand regional ADR, industry ombudsmen and neighbourhood ADR schemes. We will also develop a consolidated Victorian courts act to provide statutory provision, consistent structure and streamline procedures while a single criminal list could see resources pooled and systems streamlined.

The second phase of the justice statement, justice statement mark 2, aims to make every wheel in the justice machine run more smoothly by speeding up processes, reducing costs and delay and enabling judges to better seize control of litigation. As the DPP (Director of Public Prosecutions), Jeremy Rapke, said in a speech given on Monday night:

The days of counsel being permitted to run their cases with minimal intervention by the presiding judicial officer must surely have ... passed.

I might say that many have welcomed the speech given by Jeremy Rapke, and I am certainly one of those. I note that after justice statement 2 was released the shadow Attorney-General said he did not support it but that he does support the views of the DPP expressed in the speech he gave on Monday night.

I also support the thrust of the speech given by the DPP on Monday night, when he said that there needs to be a cultural change within the law and that he welcomes — he said this in his speech — many of the initiatives in

the justice statement mark 2 that are aimed at addressing delays as well as cultural change. We as a government will certainly get on with driving the revolution taking place within the justice system whilst we leave the member for Box Hill to try to mediate the dispute he seems to be having with himself.

Minister for Industry and Trade: conduct

Mr McINTOSH (Kew) — My question is to the Premier. When did the Premier’s chief of staff or his office first learn that Victoria Police had advised the Presiding Officers of the Parliament about an investigation into a government minister?

Mr BRUMBY (Premier) — I thank the honourable member for his question. I understand in relation to the matter that was just raised in the honourable member’s question that both the Speaker and the President have made public comments regarding that matter already. They are informed confidentially by police as part of the protocol the Parliament has in place with Victoria Police, and they are confidential arrangements.

Housing: government initiatives

Mr FOLEY (Albert Park) — My question is to the Minister for Housing. I refer the minister to this government’s commitment to make Victoria the best place to live, work, house people and raise a family, and I ask: can the minister update the house on how the government is investing in public and social housing and how this is ensuring that all Victorians have access to safe, affordable, secure housing?

Mr K. Smith interjected.

The SPEAKER — Order! The member for Bass might like to leave the chamber if he feels such.

Mr WYNNE (Minister for Housing) — There is only one side of this Parliament that is committed to a strong and viable public and social housing sector — and it is not that side. That is why I was delighted to join the member for Albert Park and the federal Minister for Housing, the Honourable Tanya Plibersek, in making a recent announcement in the member for Albert Park’s electorate, where we launched a \$22 million investment in housing for low-income and homeless people. A total of 70 housing units have been constructed at the Enfield and Barkly streets, St Kilda, site — a magnificent site where we renovated a very old and historic building and built a wonderful set of new units at the back — and a 19-unit development in Ormond Road, Elwood, which was delivered in a partnership between our government, the City of Port Phillip and the Port Phillip Housing Association.

As you know, Speaker, none of this would be possible without the record investment made by the Premier in the last budget of \$510 million in public and social housing, the biggest investment ever made by a state government. This builds upon the really excellent work that the department of housing has done in the 2007–08 budget. We built and acquired in excess of 1300 new units of public and social housing and carried out 2400 property upgrades. I know the member over there will be very interested to know those figures — 1300 acquisitions and 2400 upgrades. We expect in the next 12 months to make a further 1000 acquisitions and complete a further 2000 upgrades of public housing, all this due to the record investment by this government.

The next month is going to prove absolutely crucial to the future of public and social housing going forward. As I have said in the house before, this is an important time for us in our negotiations with the federal government. We will be negotiating a new national affordable housing agreement, which has been renamed from the commonwealth-state housing agreement (CSHA). As I have said in the house before, the CSHA has served the states and the commonwealth very well for over 50 years, but it is fair to say that the last commonwealth-state housing agreement had a very detrimental effect here in Victoria, where we had a net loss under the previous federal government of 5000 units of public housing. There is a long build-back required for us here in Victoria. But we remain very confident that through the processes of the Council of Australian Governments and the negotiations that the Premier and the Treasurer will be undertaking we will get a new national affordable housing agreement, one that will absolutely underpin the public and social housing sector.

The other really important initiative that will have to be resolved is the Rudd white paper on tackling homelessness. I know both sides of the house, can I say hopefully in a bipartisan way, will be very interested in this white paper, which really goes to the question of funding of homeless services through the supported accommodation assistance program. We regard this as a very important initiative, and it is one that we have been very actively involved with.

Going forward these are two major initiatives which our government will be very strongly advocating with the Rudd government. We are very well positioned as a state, because not only does most of the intellectual horsepower in relation to housing policy reside here in Victoria, but we also have the runs on the board — a commitment of \$500 million to public and social housing, more than any other state in Australia, and we

are very confident that we will be rewarded for that effort.

PUBLIC ADMINISTRATION AMENDMENT BILL

Statement of compatibility

Mr BRUMBY (Premier) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities, I make this statement of compatibility with respect to the Public Administration Amendment Bill 2008.

In my opinion, the Public Administration Amendment Bill 2008, as introduced to the Legislative Assembly, is compatible with human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of the bill

The purpose of the Public Administration Amendment Bill 2008 is to make changes in relation to public sector workforce management through amendments to the Public Administration Act 2004; to ensure the validity of Ombudsman investigations into the conduct of the Office of Police Integrity and director, police integrity through minor amendments to the Ombudsman Act 1973; and create the new body corporate known as the secretary to the Department of Innovation, Industry and Regional Development through amendments to the Project Development and Construction Management Act No 101/1994.

Human rights issues

In amending the Public Administration Act in relation to employer powers and employee mobility and misconduct, the bill is careful not to infringe upon employees' rights to equal protection of the law and effective protection against discrimination. The bill is consistent with the charter and the Equal Opportunity Act.

Section 11(2) of the charter protects persons in Victoria from forced and compulsory labour. Clause 15 of the bill allows the Premier to declare a situation of emergency for the purposes of the Public Administration Act, thereby providing public sector body heads with powers to assign any duties to an employee and allocate employees to another public sector body. Clause 15 does not limit the rights protected by section 11 of the charter as 'forced labour' requires an element of injustice, oppression or avoidable hardship. The powers provided by clause 15 do not authorise forced labour of this kind. The bill also provides that an employee remains otherwise entitled to terms and conditions of employment no less favourable than those which applied prior to the declaration of an emergency. Furthermore, s 11(3)(b) of the charter provides that forced or compulsory labour does not include work or service required because of an emergency threatening the Victorian community.

Clauses 8, 9 and 10 of the bill regarding employee mobility and giving employers more flexibility to reassign employees

to different workplaces and duties do not engage any of the rights in the charter. Nor do the new provisions engage the right to freedom of movement as they do not restrict any persons' capacity to travel freely, by chosen means, or their ability to choose where to live.

Section 38 of the charter requires that all new powers prescribed in the bill must be exercised compatibly with human rights and the bill does nothing to limit this compliance. Because the bill does not limit human rights, it is not necessary to consider s 7(2) of the charter.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities because it does not limit any human rights in the charter.

Hon John Brumby MP
Premier of Victoria

Second reading

Mr BRUMBY (Premier) — I move:

That this bill be now read a second time.

This government is committed to modernising government, and to improving its efficiency. Ensuring that the legislation that supports the performance of Victorian government functions is up to date plays a key role in delivering on this promise.

The bill before the house, namely, the Public Administration Amendment Bill 2008, will continue Victoria's progress in this important field. This bill will introduce improvements in three areas by:

making changes to the Public Administration Act 2004 to assist public sector employers to better manage the public sector workforce, and to strengthen the accountability mechanisms that ensure fairness in public sector workplaces;

making changes to the Ombudsman Act 1973 to put it beyond doubt that the state Ombudsman can investigate the Office of Police Integrity and the director, police integrity; and

making changes to the Project Development and Construction Management Act 1994 to enable the Department of Innovation, Industry and Regional Development to implement major projects through Major Projects Victoria by establishing the secretary to the Department of Innovation, Industry and Regional Development as a body corporate under the act, in place of the secretary to the Department of Transport, and a consequential amendment to the Planning and Environment Act 1987.

I will deal with each of these areas in turn.

Amendments to the Public Administration Act

The changes that this bill will make to the Public Administration Act 2004 cover the following topics:

1. *Employer powers*

The bill will amend the principal act to ensure that the heads of public service bodies have clear and adequate powers to assign work to employees that is different to the work that they were hired to do, to transfer employees from one position to another both within and between departments and agencies, and to determine the appropriate remuneration to be paid to employees. These changes will simplify the description of the powers of public service body heads, and the government will ensure that such heads have adequate guidance on how to craft delegations of their powers.

In relation to the movement of employees in the public sector, the bill will modernise the way in which that movement is managed by giving the heads of public service bodies, and the employees, more flexibility in initiating such movements.

In relation to the assignment of new or different duties, it is necessary, particularly in emergency situations, for the heads of public services bodies to have clear powers to assign employees to new or different duties, or to perform their normal duties at a different location. The changes to be introduced by the bill in this area are intended to increase the capacity of public sector managers to respond to disasters and public emergencies, but without putting public sector employees at risk. Normal occupational health and safety legal principles will continue to apply to all assignments of new or different tasks under the amended provisions of the principal act.

In relation to the setting of appropriate remuneration, it is currently not clear whether public sector employers can suspend employees without pay, or can reduce their pay. It is appropriate for the heads of public sector bodies to have the capacity to do these things where necessary, and the bill will amend the principal act to make it clear that public sector employers do have these powers. In practice, in the majority of cases these powers will be exercised in the manner set out in the relevant enterprise bargaining agreements.

2. *Misconduct procedures*

The provisions of the principal act that deal with the misconduct of employees stand alongside common-law principles and the federal legislation that controls the enterprise bargaining agreements under which most public sector employees are employed. Over time,

inconsistencies have arisen between the language of the principal act, on one hand, and the language of these other sources of law, on the other. This bill will amend the misconduct provisions of the principal act to restore consistency between these provisions and the other sources of employment law, so that the principal act can be interpreted and applied in a more rational manner.

3. *Powers of the public sector standards commissioner*

The office of the public sector standards commissioner, which is established under the principal act, is a vital part of Victoria's overall scheme of public sector management. The commissioner plays an important role as the employment standards monitor and educator of the employers of a workforce spread over a large variety of different-sized business units, performing a large variety of tasks. It is important to ensure that the commissioner has appropriate powers to perform that job well. This bill will give the commissioner additional powers to recommend procedural improvements to public sector managers, and to request explanations if any such recommendations are not implemented.

4. *Status of probationary employees*

The Public Administration Act provides for a maximum probationary employment period of three months, which can be extended to six months. In practice, public sector managers experience this time limitation as too short and inflexible. It prevents them from giving probationary employees who show promise but are not yet performing well an extended time frame in which to reach a satisfactory level of performance. This bill will repeal the time limitation that applies to probationary employment, which will allow public sector employers to manage their probationary employees better.

Amendments to the Ombudsman Act

Since its establishment in 2004, the Office of Police Integrity (OPI) has been overseen by both the Victorian Ombudsman and the special investigations monitor. The Victorian Ombudsman has jurisdiction in relation to administrative actions by the OPI and the director, police integrity. The special investigations monitor has jurisdiction to investigate complaints about the OPI's use of coercive powers.

These oversight arrangements have been effective. This bill will amend the Ombudsman Act 1973 to clarify that the Ombudsman's jurisdiction over the OPI continues, and will be deemed to have existed at all times.

Amendments to the Project Development and Construction Management Act

The bill amends the Project Development and Construction Management Act 1994 to:

1. abolish the secretary to the Department of Infrastructure (now Transport) as a body corporate and establish the secretary to the Department of Innovation, Industry and Regional Development as a body corporate under the act; and
2. provide for the transfer of certain nominated projects to the secretary to the Department of Innovation, Industry and Regional Development.

In April 2008, machinery of government changes created the Department of Transport and established Major Projects Victoria in the Department of Innovation, Industry and Regional Development. The secretary to the Department of Transport automatically assumed certain responsibilities of the former secretary to the Department of Infrastructure, including body corporate responsibilities under the Project Development and Construction Management Act.

The amendments proposed in the bill are largely machinery in nature. The bill repeals the provisions of the Project Development and Construction Management Act which relate to the establishment and functions of the secretary to the Department of Transport as a body corporate. The Department of Transport no longer has a role in major project management under this act, as these functions are carried out by the Department of Innovation, Industry and Regional Development.

As a consequence of the proposed amendments to the Project Development and Construction Management Act, the definition of 'secretary' in part 9A of the Planning and Environment Act 1987 will refer to the Secretary, Department of Innovation, Industry and Regional Development once the body corporate status of the Secretary, Department of Transport is dissolved.

I commend the bill to the house.

Debate adjourned on motion of Mr BAILLIEU (Leader of the Opposition).

Debate adjourned until Wednesday, 12 November.

HEALTH SERVICES LEGISLATION AMENDMENT BILL

Statement of compatibility

Mr ANDREWS (Minister for Health) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In my opinion, the Health Services Legislation Amendment Bill 2008, as introduced to the Legislative Assembly, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The bill repeals existing legislative controls in the Health Services Act 1988 (HSA) that apply to community health centres (CHCs). New provisions will regulate and govern community health centres. A key feature of the new framework is a voluntary registration system. CHCs that elect to be registered will be eligible for the same stream of funding they currently access. To apply to register, a CHC must be a company limited by guarantee.

CHCs electing to apply for registration will be required to wind up in accordance with their rules, cancel their incorporation under the Associations Incorporation Act 1981, and incorporate under the Commonwealth Corporations Act 2001.

The bill amends the Health Services (Conciliation and Review) Act 1987 (HSCRA) in relation to the terms of office of members of the Health Services Review Council. It allows members to be appointed for a term of up to three years, rather than for a fixed term of three years. It limits to a total of nine years the period a member of the council may continuously serve; there is currently no limit.

It further amends the HSA to enable a multipurpose service (MPS) to hold its annual meeting before the end of December following the relevant financial year rather than by the end of October.

Human rights issues

Human rights protected by the charter that are relevant to the bill

The bill engages four human rights protected by the charter:

Taking part in public life: section 18 of the charter protects the right, and the opportunity, to participate, without discrimination, in the conduct of public affairs, and to have access to public office.

Freedom of expression: section 15 of the charter protects the right to freedom of expression, which includes the freedom to seek, receive and impart information and ideas of all kinds.

Privacy: section 13 of the charter provides that 'a person has the right not to have his or her privacy ... unlawfully or arbitrarily interfered with'.

Freedom of association: section 16 of the charter provides that every person has the right of freedom of

association with others, including the right to form and join trade unions.

Clauses 4 and 5: terms of appointment for Health Services Review Council members

Section 18: taking part in public life

Clauses 4 and 5 of the bill amend the terms of appointment arrangements for Health Service Review Council members. Although the charter does not define 'public affairs' or 'public office', it might be argued that membership of the Health Services Review Council constitutes participation in public affairs or is a public office. This is because membership of the council is a statutory appointment and the functions of the council include advising the Minister for Health on the health complaints system and supporting the role of the health services commissioner.

It is considered that the proposed amendments do not limit section 18 as they do not restrict participation in public affairs or access to public office and do not unlawfully discriminate between people in their participation in public life. The cap on reappointment does not discriminate between existing members; all members would be subject to the same continuous term limit.

Existing members who may now reach the cap would not be prevented from being appointed again after a break in membership. Once appointed, the right to have access to public office or to participate in public affairs (s 18) does not extend to protecting an appointed council member from the usual organisational procedures relating to, for example, terms of office or codes of conduct. This is as long as these procedures have a rational basis and do not discriminate against current or new members on the basis of an attribute set out in section 6 of the Equal Opportunity Act 1995, for instance on the basis of political belief. For example if a proposed member is to be appointed for a term of less than three years to bring that term into line with the terms of other existing members, and the realignment would permit the next round of reappointments to include a number of members, this would be a rational basis for the decision to appoint for a shorter term, and would appear to be compatible with the right to have access to public office.

It should be noted that creating a cap on the number of times a council member may be continuously reappointed allows other members of the public who meet the criteria for membership to be appointed, enabling them to exercise their section 18 rights under the charter. They can thereby participate in public affairs and have improved access to public office.

It is therefore considered that clauses 4 and 5 do not limit section 18 of the charter.

Clause 8: new governance arrangements for CHCs

Clause 8 of the bill provides for a new governance and regulatory framework for CHCs. An analysis of whether such changes are compatible with sections 18, 16 and 13 of the charter follows.

Section 18: taking part in public life

Membership of the boards of those CHCs which are incorporated associations and general membership of CHCs may constitute participation in public affairs for the purposes

of section 18. It might also be argued that board membership of such CHCs amounts to holding 'public office', although this is less clear. Membership of these boards is currently regulated by statute, and their functions involve responsibility for handling large sums of taxpayers money, directing health-care delivery policy, managing professional and other staff, and discharging significant legal responsibilities. It is therefore assumed for the purpose of this statement of compatibility that board and general membership of the majority of CHCs which are incorporated associations, fall within the parameters of section 18.

Section 18 does not prescribe the ways in which the opportunity to participate in public affairs may be expressed. Nor does it guarantee that funding or regulatory requirements of the organisation through which a person exercises his or her section 18 rights will continue. The proposed amendments do not interfere with the internal workings of CHCs as community associations. Should they decide not to become registered CHCs, then they would still operate as community health organisations in accordance with their statement of purposes, but would not have access to the funding stream currently available to them as registered funded agencies.

Whether or not to become a registered CHC is a decision to be made by the CHC membership, exercising its section 18 rights. The membership would also have to approve a winding-up proposal. Any member of the CHC could choose to stand as a potential board member once the CHC becomes a company limited by guarantee. Their opportunity to participate in the conduct of public affairs is not curtailed and changes to the way funding may be provided to a community organisation would not, of itself, constitute a breach of section 18 rights.

The governance models of a company limited by guarantee and an incorporated association are broadly similar: there are members, rules, directors, meetings, elections, financial and annual reporting, winding up. While financial regulation for a company limited by guarantee is via Australian Securities and Investments Commission (ASIC) and is more onerous, and application fees more expensive, members will still join and elect directors, and vote in annual general and other meetings. There will in fact be more governance flexibility for registered CHCs because there will no longer be such a strict statutory regulatory framework imposed over the top of that imposed by incorporation. One of the objectives of the amendments is to retain accountability while lessening the degree of overt control by government over CHCs.

Section 18 does not guarantee that once in office, a holder of a public office will continue to hold office indefinitely. The usual rules of organisations in relation to terms and conduct of board members would apply, and they would in this instance, where CHC members would vote on whether to wind up the CHC, and dissolve the organisation and its board. Should the membership decide to apply to be a registered CHC and form a company limited by guarantee to effect this, board members of the previous incarnation of the CHC can stand for office again.

The appointment process would no longer include the current requirement for a proportion of appointments to be made by the Governor in Council; instead all board members will be elected according to the agency's constitution. The HSA currently limits the board of management of a CHC to no less than seven and no more than nine members. A company

limited by guarantee need only have a minimum of three directors and one secretary. However, there are no maximum limits on the number of directors or secretaries that the agency may appoint, meaning there may in fact be more opportunities to exercise section 18 rights with this governance model.

It is therefore considered that the change in governance arrangements set out in clause 8 does not limit section 18 of the charter.

Section 16: freedom of association

Section 16 of the charter provides that every person has the right of freedom of association with others, including the right to form and join trade unions.

This right means that all persons have a right to come together voluntarily for a common goal.

Under the proposals, stand-alone CHCs that are incorporated associations will, in effect, have three options: to remain an incorporated association, to become a company limited by guarantee, or to amalgamate voluntarily with a registered funded agency (such as a public hospital) under the current provisions of the HSA or under the new provisions of the bill.

The proposal does not limit the right to freedom of association. If a CHC chooses the first or second option, members will still be able to exercise their right to freely associate either as an incorporated association or as a company limited by guarantee. If the members of a CHC choose the third option, they would no longer be associating together though an incorporated association.

However, the members of such a CHC who wish to continue to be involved in the community health services currently provided by that CHC would, in that event, have other opportunities to associate together, although they would not consist of formal membership and voting rights. This includes seeking membership on any relevant consumer and primary health committees operated for example by a public hospital with which a CHC may amalgamate, and being involved in volunteer community health activities operated for example by a public hospital. Individuals may also apply to be members of the hospital or other agency boards.

Moreover, in each case, it is the membership of the CHC which will decide which option it wishes to pursue. CHCs therefore have a number of options for determining how, and the extent to which, they will associate together in the future. As such, there is no limitation on right to freedom of association.

Section 13: privacy

If a CHC amalgamates with another agency such as a public hospital, there are potential privacy implications: the CHC's patient health records would be transferred to the public hospital, or other legal entity resulting from amalgamation.

In addition, the legal personality of the health service provider will change; staff will therefore be employed by a different employer, either the public hospital or a new legal entity arising out of the amalgamation. The same transfer of responsibilities would occur in relation to any contractual or other arrangements with third parties. Any personal information of these staff, contractors and others would, as a

consequence, be held by the new entity or by the public hospital.

Some of these changes may have implications for the privacy of patients, staff, contractors and perhaps other third parties. This is especially the case in relation to the transfer of patient health records, and personnel records.

However, it is considered that any such impacts would not limit the right to privacy. Any such aspects of privacy would not be unlawfully interfered with. Any changes in the handling of health information or personal information, and any other related privacy impacts that flow from the change to a new entity as employer or contractor, would be the natural consequence of the cancellation of the incorporation of the CHC and the creation of the new amalgamated entity or the CHC becoming part of the registered funded agency. They would all flow from the amalgamation itself, and the relevant contract and other law effecting the transfer of all property and liabilities of the two bodies (which would include records) to the new entity.

There would be no arbitrary interference with privacy. Any amalgamation process would be developed as part of a reasoned and rational process, with the consent of both organisations. Where any laws apply to the handling of information (such as section 141 of the HSA, the Health Records Act 2001 in the case of patient health information, and the Information Privacy Act 2000 regarding other personal information), or to other matters concerning employees and contractors, these obligations would generally apply to the new entity.

Further, the transfer of all responsibilities to the amalgamated entity or to the other organisation ensures continuity of services. It facilitates the ability of staff to work for the new organisation, and for patients to continue to receive health services without any loss of continuity or risk of harm that could result from receiving treatment or services without relevant clinical information being available. The transfer of all such information and relationships is to achieve the purpose of any amalgamation, which would be to better manage the provision of health services in that area. As such, there would not be an arbitrary interference with privacy.

It is therefore considered that clause 9 does not limit section 13 of the charter.

Clause 10: additional time for MPS to hold annual meeting

An analysis of whether the proposals are compatible with sections 15 and 18 follows.

Clause 10 amends the HSA to permit an MPS an additional two months to hold its annual meeting and present the report it prepares for the minister to its members and the community. This may delay making available that information to those members of the public who would attend the meeting. This may affect how a person participates in public life because potentially information cannot be accessed as quickly as it otherwise would be. It therefore engages sections 18 and 15 (freedom of expression) of the charter.

However, in practice the amendments will not delay when an annual meeting is held. An MPS already has the discretion to hold its meeting between 1 July and 31 October, and this can be extended with the secretary's written permission. In recent years this permission has been granted to enable the tabling of the annual report in Parliament before it is publicly released at

the annual meeting. Once tabled an MPS can make the annual report available on its website in anticipation of presenting a printed version at its annual meeting.

It is therefore considered that clause 10 does not limit sections 15 or 18 of the charter.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities because these provisions do not limit human rights.

HON. DANIEL ANDREWS, MP
MINISTER FOR HEALTH

Second reading

Mr ANDREWS (Minister for Health) — I move:

That this bill be now read a second time.

The Brumby government is committed to providing effective, sustainable and well-managed health and community services for all Victorians.

It is well recognised that Victoria's community health centres are a key component of our health services system.

Community health centres deliver services predominately to the most vulnerable in our society, focusing on health promotion and illness prevention, as well as early detection and treatment of chronic diseases. Tackling chronic disease is a key priority of the Brumby government.

Our government invests more than \$250 million annually in community health centres. They are Victoria's main provider of state-funded primary medical, dental, allied health, and nursing services. There are nearly a million visits a year for these services.

Community health services also provide a range of other services such as home and community care, drug and alcohol and mental health services.

With the increasing prevalence of chronic disease and the contribution of lifestyle factors to poor health, community health services are growing in importance in the health system.

Today community health centres are leading players in primary care partnerships, and together with other local agencies, provide a comprehensive response to the health needs of their local populations.

The size, scope and nature of community health centres and the services they provide have changed

significantly since the Health Services Act, which regulates them, was introduced in 1988.

Laws governing Victoria's community health centres have changed over time, resulting in the sector's operations, governance and management being significantly controlled by government through the Secretary of the Department of Human Services and the Minister for Health.

I am pleased to introduce this bill which provides a new framework for community health centre governance and accountability. It will not change the strong, collaborative partnership this government has established with our community health centres, nor the strategic position the sector occupies in advancing the government's health agenda. It will build on it.

The changes follow a review of community health centre governance and accountability which I announced in March this year.

Good governance is a critical part of building efficient and well-managed community health services. It strengthens community confidence in health services. It enables health services to perform efficiently and effectively, and to respond strategically to changing demands.

The review was supported by a consultation process with community health centres, peak bodies, such as the Victorian Healthcare Association, and unions to determine the best way forward for the sector.

Following from that review this bill introduces a new framework for community health centre governance and accountability.

The bill removes existing legislative controls over community health centres contained in the Health Services Act 1988.

This means that the government will no longer be involved in appointing community health board members or the CEO. It will no longer have the ability to direct the registered community health service to do certain things such as alter its constitution or amalgamate with another registered funded agency.

Instead, the new framework for community health centres will comprise:

a voluntary registration scheme; and

performance standards to ensure that quality services are provided to the Victorian people.

Given the sector's active involvement in the government's consultation process, we know they strongly support the new framework and that the vast majority will elect to register.

Specifically, the bill provides for a voluntary registration scheme for organisations that provide government-funded community health services — community health centres that register will be eligible to receive community health and dental funding and be subject to a new monitoring and governance framework.

Registration will be a one-off process, although the secretary may revoke a community health centre's registration under certain circumstances.

The Department of Human Services will manage the registration system, including assessing applications for registration against registration criteria provided for in the bill.

A key aspect of the new governance framework is a requirement that agencies registering must be companies limited by guarantee.

Companies limited by guarantee are subject to more rigorous reporting arrangements than incorporated associations. The vast majority of community health centres are currently incorporated associations.

This higher level of accountability is necessary because:

Existing accountability and control mechanisms in the Health Services Act 1988 that apply to community health centres will be removed.

The state government invests significantly in community health centres: in addition to more than \$250 million in recurrent funding, community health centres are also eligible for capital funding. And about 60 per cent of the sector operate from Crown land or department-owned land.

The community has certain expectations about the accountability of government funded agencies. Ensuring Victorians continue to have confidence in the way the sector is governed and managed is crucial.

The new regulatory framework sets performance standards for community health centres. These are determined by the Minister for Health and provided for in the bill.

The bill provides that if a registered community health centre does not comply with a direction by the secretary, funding to the agency may be stopped or its registration revoked.

The Minister for Health may appoint an administrator to manage part or all of the centre's activities in certain circumstances. This may occur where the registered community health centre is inefficiently or incompetently managed, has failed to meet performance standards or failed to continue to meet the registration criteria.

These powers will only be used in very limited circumstances. We know the vast majority of the sector will continue to deliver high-quality, well-managed services to the community, therefore maintaining compliance with the standards.

Decisions to refuse an application for registration, to revoke a community health centre's registration and to recommend the appointment of an administrator will be subject to review by the Victorian Civil and Administrative Tribunal.

Government is committed to ensuring a smooth transition to the new arrangements. A 90-day transition period is provided for in the bill once it is proclaimed, to assist community health centres to make the necessary changes to their governance and operations.

Government has provided funding to the Victorian Healthcare Association to assist community health centres implement the new requirements.

Existing community health centres may choose not to register. In this case they would no longer be eligible for funding from the department's community health and dental funding stream.

The bill will continue, however, to allow voluntary amalgamations with a public hospital or health service.

The bill also provides for two other amendments.

Firstly, it enables multipurpose services to hold their annual general meetings relating to the previous financial year any time before 31 December rather than 31 October, as is currently the case. This change will ensure there is consistency between the timing of annual general meetings of multipurpose services and those of other agencies such as public hospitals and public health services.

Secondly, the bill amends the Health Services (Conciliation and Review) Act 1987 to allow for more

flexibility in the appointment and terms of office of members of the Health Services Review Council.

I will now provide further detail in relation to each part of the bill.

Part 1 deals with the purpose and commencement of the bill.

Provisions relating to community health centres will come into operation on a day to be proclaimed, or at the latest on 1 July 2009.

Provisions in relation to multipurpose services and the Health Services Review Council will come into effect on the day after the day the legislation receives royal assent.

Part 2 makes amendments to the Health Services (Conciliation and Review) Act. It will allow for a person to be appointed to the Health Services Review Council for a period of up to three years, rather than the current fixed three-year term.

This part also limits the term of appointment to nine continuous years. This will ensure renewal of the council, and represents good governance practice that is reflected in other legislation.

Part 3 relates to new governance and regulatory arrangements for community health centres.

It details the criteria that will be used to assess applications for registration and provides that the Secretary of the Department of Human Services may impose conditions on registration.

It provides that the secretary may request further information from an applicant, and may refuse an application if this is not provided within a reasonable time.

It provides that an application may be refused if the secretary is not satisfied that the registration criteria have been met and sets out a process for this.

It empowers the Minister for Health to determine, amend or revoke performance standards. It details the matters that may be covered by performance standards.

Finally it specifies steps that may be taken by the secretary, and in some instances the Minister for Health, to improve compliance by community health centres with the Health Services Act 1988 if this is necessary. The bill allows specified decisions made under the act to be appealed to the Victorian Civil and Administrative Tribunal.

With the burden of disease shifting more and more to chronic conditions, Victoria's community health services, focusing as they do on health promotion and early detection and treatment, are becoming increasingly important in delivering the government's health agenda.

At the same time, the scope of community health services, their funding sources and funding levels have expanded significantly since the introduction of the Health Services Act 1988.

The amendments contained in this bill will position community health centres to respond effectively to the dynamic environment in which they find themselves, and to current and emerging health policy challenges.

I commend the bill to the house.

Debate adjourned on motion of Mr MULDER (Polwarth).

Debate adjourned until Wednesday, 12 November.

STATE TAXATION ACTS FURTHER AMENDMENT BILL

Statement of compatibility

Mr HOLDING (Minister for Finance, WorkCover and the Transport Accident Commission) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities (the charter), I make this statement of compatibility with respect to the State Taxation Acts Further Amendment Bill 2008.

In my opinion, the State Taxation Acts Further Amendment Bill 2008, as introduced to the Legislative Assembly, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The purpose of the State Taxation Acts Further Amendment Bill 2008 is to amend the Duties Act 2000 (the Duties Act), the Livestock Disease Control Act 1994 (the Livestock Act), the Taxation Administration Act 1997 (the TAA), and the First Home Owner Grant Act 2000 (the FHOG act).

In particular the bill will clarify the application of an existing stamp duty concession for 'bare trusts', modernise the administration of livestock duty, clarify the application of stamp duty on sub-sales of land, and reduce the age of homeowners who can benefit from the duty exemption for equity relief programs. The bill will also allow for the disclosure of information obtained under a taxation law to the Secretary to the Department of Primary Industries (DPI), the Roads Corporation and the Business Licensing Authority.

In addition, the bill amends the FHOG act to provide additional assistance for first home buyers, and makes a number of administrative changes to that act. These include removing the time limit for the commissioner to reverse or vary a decision to pay the grant where an applicant has provided false or misleading information, providing applicants with a right to object in relation to a decision to impose a penalty, and prohibiting the secondary disclosure of information obtained under the act.

Human rights issues

1. *Human rights protected by the charter that are relevant to the bill*

Right to privacy

The right to privacy is protected by section 13 of the charter. In accordance with this right a person must not have his or her privacy, family, home or correspondence unlawfully or arbitrarily interfered with.

An interference with privacy will be unlawful if it is not permitted by law, or it is not certain and appropriately circumscribed. An interference will be arbitrary if the restrictions on privacy are unreasonable in the circumstances and not in accordance with the provisions, aims, and objectives of the charter.

Clause 12 of the bill raises the right to privacy because it establishes a public register. The purpose of the register is to identify approved agents for buying and selling livestock. It is important that purchasers have a means of identifying approved agents because compensation is not payable for stock loss caused by disease unless duty has been paid and the purchase is made from an approved agent. The information on the public register is limited to an individual agent's name and registration number, and does not include other information which would engage the right to privacy. Accordingly, the public register does not limit the right to privacy, because it does not constitute an unlawful or arbitrary interference with that right.

Clauses 26 and 35 of the bill require an approved agent to lodge a return with the commissioner each month, which includes the agent's name, address and telephone number. In addition, these clauses require an approved agent to issue an invoice to a purchaser, or a statement to a seller, which contains their registration number and the particulars of the duty paid on the sale of livestock. These requirements raise the right to privacy to the extent they require an approved agent to report or disclose personal information.

These clauses do not, however, limit the right to privacy under the charter. The returns are necessary so the commissioner can verify that the correct amount of duty has been paid. The DPI uses the invoices and statements issued on sale to confirm duty has been paid before allowing any claim for compensation in relation to stock loss caused by disease. This is important because compensation is only available where duty has been paid by an approved agent. Further, the information provided on returns, invoices and statements is primarily business information, rather than personal information that engages the right to privacy. Accordingly, the disclosures required by the bill are not arbitrary or unlawful.

Clause 37 of the bill permits the commissioner to disclose information contained under or in relation to a taxation law to

the Business Licensing Authority (BLA), the Roads Corporation and the secretary to the DPI. In each instance disclosure may engage the right to privacy, but does not limit that right because the disclosures permitted are not unlawful or arbitrary.

The disclosures are not unlawful because they will be permitted by law and are appropriately circumscribed. That is, in each instance, disclosure is limited to purposes related to the acts administered by the recipient. In addition, the secondary disclosure of any information disclosed under this clause is prohibited by existing provisions in the TAA.

The permitted disclosures are not arbitrary for the reasons set out below.

Clause 37(a) permits disclosure to the BLA for the purposes of administering the Motor Car Traders Act 1986 and regulations made under that act. The BLA administers the licensing, registration and permission provisions of the Motor Car Traders Act 1986. The purpose of these provisions is to protect consumers by regulating how motor car traders conduct their business. Therefore, disclosure of this information is not arbitrary, because it may allow the BLA to take action to protect consumers against loss.

Clause 37(b) permits disclosure to the Roads Corporation for the purpose of administering the Road Safety Act 1986 and regulations made under that act. The commissioner may identify that a person has avoided the payment of motor vehicle duty by failing to register, or register the transfer of, a motor vehicle. In these circumstances, disclosure is not arbitrary because it is in the public interest that the Roads Corporation has the opportunity to investigate unlawful activity, and apply the appropriate penalty or sanction.

Clause 37(b) also permits disclosure to the secretary to the DPI for the purpose of administering the Livestock Act, the Duties Act and regulations made under those acts. The Livestock Act and Duties Act contain a number of interdependent provisions for the administration of livestock duty. To assist in the administration of these provisions, the commissioner may need to disclose information to the secretary to the DPI. Disclosure in these circumstances is not arbitrary.

Therefore, clause 37 raises the right to privacy but does not limit that right because the disclosures permitted are neither unlawful nor arbitrary.

Clause 21 of the bill amends the FHOG act to allow the secondary disclosure of information obtained under that act where disclosure is to enable that person to exercise a function conferred by law for the purposes of law enforcement or protecting the revenue, and the commissioner consents to disclosure. This may engage the right to privacy, but does not limit that right. The disclosure will not be unlawful as it will be permitted by law and will be subject to the consent of the commissioner. The disclosure will not be arbitrary because disclosure for the purposes of law enforcement or revenue protection is in the public interest.

Clause 21 also permits a person to disclose information about an applicant or an applicant's partner obtained under or in relation to the administration of the act for the purposes of legal proceedings under the FHOG act, a corresponding law, or a taxation act. It also allows disclosure for the purposes of a report arising out of those proceedings. This part of clause 21

also engages, but does not limit the right to privacy because disclosure in the circumstances is not unlawful or arbitrary.

The disclosure of information will be permitted by law, and is limited to disclosures, which relate to the FHOAG act, a corresponding law or a taxation law. Disclosure of information in the conduct of legal proceedings is not arbitrary because it is for the purpose of protecting public revenue through the administration or enforcement of those acts. In the interests of openness and transparency it is important that the decision, and reasons, can be disclosed in a legal report. Accordingly, the disclosures permitted by clause 21 are not unlawful or arbitrary.

Freedom of expression

Section 15(2) of the charter gives a person the right to freedom of expression, which includes the freedom to seek, receive and impart information and ideas of all kinds, whether within or outside of Victoria in a variety of forms. The right to freedom of expression encompasses a freedom not to be compelled to say certain things or provide certain information.

Clause 21 of the bill may engage the right to freedom of expression so far as it prohibits a recipient from disclosing information, which has been lawfully disclosed to them under the FHOAG act. In particular, clause 21 prohibits the secondary disclosure of this information unless the disclosure relates to the enforcement of a law or the protection of revenue and the commissioner consents. In addition, clause 21 confirms that a person is not required to disclose information obtained in accordance with the FHOAG act to a court, unless it is necessary to do so for the administration or enforcement of the act, or is necessary to exercise a function conferred or imposed on that person by law.

However, there are special responsibilities attached to the right of freedom of expression and the right may be subject to lawful restrictions reasonably necessary to respect the rights and reputations of others as outlined in section 15(3)(a) of the charter. The limitation on disclosure outlined in clause 21 of the bill is a lawful restriction under section 15(3)(a) because the purpose of the restriction is to respect the rights and reputations of other persons.

Clauses 26 and 35 of the bill limit the right to freedom of expression, because they compel an approved agent to provide information about sales and returns of stock in a monthly return to the commissioner. In addition, these clauses require an approved agent to issue an invoice to a purchaser, or a statement to a seller, which contains particulars of the duty paid on the sale of livestock. The limitation is reasonable for the reasons set out below.

Recognition and equality before the law

Section 8(3) of the charter provides that every person is equal before the law and is entitled to equal protection of the law without discrimination. However, under section 8(4) of the charter measures taken for the purpose of assisting groups of persons disadvantaged because of discrimination do not constitute discrimination. Discrimination, in relation to a person, means discrimination within the meaning of the Equal Opportunity Act 1995 on the basis of an attribute set out in section 6 of the act.

Clause 9 of the bill deals with the stamp duty exemption for equity release programs. To be eligible for the exemption a

financial institution must enter into an arrangement with a homeowner who is 65 years of age or over to purchase a part interest in their principal place of residence. Clause 9 expands the availability of duty relief, by reducing the age of eligible homeowners from 65 years and over, to 60 years and over. Therefore, the clause does not constitute discrimination because it assists those aged 60 or over to stay in their homes, when it may not otherwise be possible, due to a lack of access to finance.

2. Consideration of reasonable limitations — section 7(2)

Freedom of Expression

The right to freedom of expression under section 15 of the charter may be limited by the operation of clauses 26 and 35 of the bill.

(a) What is the nature of the right being limited?

The freedom of expression is a right of fundamental importance in our society and is an essential foundation of a democratic society. It encompasses the right not to be compelled to express information of all kinds, including in documents.

(b) What is the importance of the purpose of the limitation?

To the extent that clauses 26 and 35 require an approved agent to provide information on a return, invoice or statement, they may limit the right to freedom of expression.

The purpose of requiring approved agents to provide information about the sale and return of stock on a monthly return is to ensure that the correct amount of livestock duty has been paid. The commissioner can maintain the integrity of this system, by periodically reviewing the information on the return and confirming that the correct amount of duty has been paid. Accordingly, the limitation plays an important role in protecting public revenue.

The purpose of requiring approved agents to provide invoices and statements with particulars of the duty paid on sale of livestock is to ensure that the DPI can confirm a person's eligibility for compensation for stock loss caused by disease. Livestock duty funds the compensation payments and therefore compensation is only available where duty has been paid in relation to the deceased stock. In view of that, the limitation is an important measure for upholding the integrity of the compensation regime.

(c) What is the nature and extent of the limitation?

The extent of the limitation compelling agents to provide information is restricted to approved agents who are involved in the buying and selling of livestock. In addition, the nature of the information imparted is limited to details about the return and sale of livestock, and the particulars of duty paid on any sale.

(d) What is the relationship between the limitation and the purpose?

The limitation is directly related to the purpose which is to verify the correctness of livestock duty payments, and confirm a person's eligibility for a compensation payment on stock loss caused by disease.

(e) *Are there any less restrictive means available to achieve its purpose?*

No other means are reasonably available to achieve the purpose.

(f) *Conclusion*

The limitation is reasonable and necessary so that the commissioner and the DPI can effectively administer livestock duty, and that compensation for stock loss caused by disease is only paid to eligible persons.

The right to freedom of expression under section 15(2) of the charter may also be limited by clause 21 of the bill; however as discussed, this is a lawful restriction in accordance with section 15(3)(a) of the charter.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities because, even though it does limit a human right this limitation is reasonable.

TIM HOLDING, MP
Minister for Finance, WorkCover
and the Transport Accident Commission

Second reading

Mr HOLDING (Minister for Finance, WorkCover and the Transport Accident Commission) — I move:

That this bill be now read a second time.

The bill amends the Duties Act 2000, the Livestock Disease Control Act 1994, the First Home Owner Grant Act 2000 and the Taxation Administration Act 1997.

Changes to the Duties Act 2000 include amendments following a review of the current sub-sale provisions. In its simplest form, a sub-sale occurs when a vendor who has entered into a contract for the sale of land with a purchaser transfers the land to a third party at settlement and certain other criteria are present e.g. additional consideration is paid by the third party to the first purchaser.

The current provisions were introduced in 2005 and the government believes that the policy behind this area of the law is sound. However a review of the provisions has identified areas of complexity that both practitioners and the State Revenue Office believe should be clarified. The changes will provide clarification for practitioners and taxpayers by removing unintended outcomes and better aligning the provisions with the underlying policy objectives.

The changes clarify that:

(a) where additional consideration is paid and land development occurs, stamp duty is to be

determined based on the additional consideration;

- (b) exclusions from stamp duty on sub-sale transfers are only available where there is more than one subsequent transaction and no exclusion is available on the final subsequent transaction;
- (c) an exemption is available where a purchaser nominates a relative, but the relative is liable for any stamp duty payable on the subsequent transaction;
- (d) where a party to the sale contract increases its entitlement under the contract prior to settlement, stamp duty is payable to the extent of the change in entitlement; and
- (e) the amendments also consolidate some definitions, which allows a number of lengthy subsections to be deleted and makes these complex provisions easier to navigate.

The State Revenue Office has discussed the review with the Law Institute of Victoria. There is broad agreement as to the need to clarify the provisions, and importantly, what the underlying rationale is behind the sub-sale provisions. Specific concerns expressed have been taken into account where appropriate in the drafting of the changes. There are numerous variations in circumstance that are difficult to cover in drafting these provisions in a readable, cogent style. The commissioner of state revenue will continue to engage with stakeholders to ensure matters are dealt with according to the policy rationale and will continue to assist stakeholders to understand how the provisions will operate.

While industry and practitioners can be expected to welcome many of these changes, the government also has a duty to all Victorians to remove opportunities for manipulation and avoidance of stamp duty in circumstances where the policy is that duty should be payable.

Stamp duty is properly charged in most cases where property is transferred into a trust, or a trust over property is declared. However there is a limited exemption allowed where there is no change in beneficial ownership of the property. The State Revenue Office receives regular queries about the scope of this exemption. The bill amends the Duties Act 2000 to clarify that this exemption is available where:

- (a) declarations of trust are made for the benefit of the transferor where there is no change in beneficial ownership; and
- (b) where the property is transferred by the transferor to a trustee or nominee pursuant to a bare trust arrangement; and
- (c) on a retransfer where there has been no change in beneficial ownership.

The amendments will reduce the risk of the exemption being misused and will provide certainty for practitioners and taxpayers. In many other jurisdictions stamp duty will be charged in these circumstances and the taxpayer must subsequently go to the effort of applying for a refund.

Many older Victorians are able to consider accessing equity in their homes without moving out of them through certain financial products now available. The Duties Act 2000 provides for an exemption from stamp duty where a homeowner enters into an equity release program which results in a change in beneficial ownership of land — i.e., their home. In order to claim the exemption the homeowner must be of pension age — i.e., 65 or over. The bill reduces this age to 60 or over, broadening the range of potential applicants. This is in alignment with the equivalent New South Wales exemption and should be welcomed by those looking to access some of the significant value often tied up in the family home without being forced to sell and move.

The remainder of the Duties Act 2000 amendments and those found in the Livestock Disease Control Act 1994 are designed to improve the administration of livestock duties — i.e., the stamp duty charged on the sale of cattle, sheep, goats and pigs. The Department of Treasury and Finance in consultation with the Department of Primary Industries has reviewed the somewhat antiquated operation of these provisions. I note and thank my colleague the Minister for Agriculture and his department for their cooperation in this review and for their part in bringing these reforms to the Parliament.

The changes in the bill will reduce red tape for both livestock owners and agents and remove duplication of certain activities between the State Revenue Office and the Department of Primary Industries.

Specific improvements include abolishing the impractical requirement of having to deal in adhesive stamps, shortening the waiting time for the registration and revocation of agents and modernising duty payment facilities.

It is important to note that the livestock duties collected are paid into compensation funds administered under the Livestock Disease Control Act 1994. These funds are used to provide necessary compensation for damage caused by the outbreak of livestock diseases.

The bill includes amendments to the First Home Owner Grant Act 2000 to allow for the administration of the recently announced first home owners boost (the boost). The boost consists of federally funded additional payments to eligible first home buyers. The commonwealth government has committed to funding payments of either \$7000 or \$14 000 depending upon whether the applicant is purchasing an established or a new home. Eligible contracts are those entered into on or after 14 October 2008 — the date of announcement by the Prime Minister — up until 30 June 2009.

The boost is in addition to existing grants and concessions. This now means that Victorians who enter into a newly constructed home contract in the relevant period will be eligible for grants of up to \$29 000 for regional areas or \$26 000 for metropolitan areas.

The State Revenue Office will administer the boost alongside of the existing grants and concessions. The amendments are important as they ensure clear statutory authority for eligibility criteria, they allow applicants objection and appeal rights and provide appropriate privacy and secrecy protection for applicants. It is also essential that the commissioner of state revenue has clear authority to conduct compliance activity around the boost. The amendments ensure disputes can be resolved, penalties can be imposed if justified and debts can be recovered.

The remaining changes to the First Home Owner Grant Act 2000 are largely administrative and include:

- (a) confirming applicants are able to object to any penalty imposed when a grant is reversed, making Victoria's provisions consistent with other jurisdictions;
- (b) restricting disclosure of information obtained from first home owner grant applicants to legal proceedings arising out of the First Home Owner Grant Act 2000 or from taxation laws; and
- (c) allowing the commissioner to vary or reverse a decision to pay the grant at any time, where an applicant has not made full and true disclosure of all relevant facts and circumstances. Currently the commissioner must do so within five years; the removal of this limit adopts the approach used in other taxation laws.

The amendments promote the integrity of the first home owner grant scheme by entrenching the fundamental rights of privacy and right to a fair hearing. Importantly, they also protect the public revenue from fraudulent applicants.

The amendments to the Taxation Administration Act 1997 will allow the State Revenue Office to provide information to VicRoads, the Business Licensing Authority and to the Department of Primary Industries for the purposes of administering relevant laws and where it is in the public interest to do so. An example of this would be where a State Revenue Office motor vehicle duty audit discovers that vehicle ownership records are incorrect.

The bill demonstrates the Victorian government's commitment to the first home buyer through the enactment of measures to pay the boost. These changes are also reflective of our willingness to cooperate as fully as possible with the commonwealth and other jurisdictions in acting to best protect Australians from the global financial crisis.

The remaining measures in the bill are designed to provide clarity. They are fair and are consistent with the government's obligation to protect the revenue base for the benefit of all Victorians.

The bill seeks to update antiquated measures and to respond appropriately in circumstances where the commissioner, taxpayers or their advisers have demonstrated that the law is unclear.

I commend the bill to the house.

Debate adjourned on motion of Mr WELLS (Scoresby).

Debate adjourned until Wednesday, 12 November.

DANGEROUS GOODS AMENDMENT (TRANSPORT) BILL

Second reading

Debate resumed from 11 September; motion of Mr HOLDING (Minister for Finance, WorkCover and the Transport Accident Commission).

Mr WELLS (Scoresby) — I rise to join the debate on the Dangerous Goods Amendment (Transport) Bill 2008, and I say at the outset that the coalition will be supporting this bill. The bill makes good sense, and it incorporates provisions of the national model laws into the current Dangerous Goods Act in a number of ways.

It adopts the Australian dangerous goods code ADG7 and introduces provisions to administer new dangerous goods transport regulations under the Dangerous Goods Act. The ADG6 code and the current template law, which is called the Road Transport (Dangerous Goods) Act 1995, will be excluded after a 12-month transition period. The bill also issues a new definition of the ADG code to mean the seventh edition or subsequent editions. It removes the requirements in relation to infectious substances, including those infectious to animals or plants and genetically modified organisms. The bill excludes the transport of prescribed wastes, which is covered by the environmental protection laws, and it inserts general duties in relation to transporting dangerous goods by road and rail, and goods that are too dangerous to be transported. These duties are partly based on the template law and the model law.

The bill also empowers the minister, by notice in the *Government Gazette*, to suspend or vary operational regulations regarding the transport of goods other than explosives or high-consequence dangerous goods. It permits information, including evidence and records that have been seized, to be given to corresponding health and safety authorities to help administer the act and regulations. The bill issues licence-related offences by translating specific road transport offences from the national model law. It clarifies that temporary casual sleeping or other accommodation — that is, in the back of a truck — is not to occur in a place used for residential purposes.

The bill broadens provisions, enabling regulations to prescribe other decisions made by the authority as reviewable decisions which are subject to internal review. It increases the penalties for existing general duty offences in the Dangerous Goods Act in order to bring them in line with similar offences regarding dangerous goods transport. The bill also prescribes the grounds on which the authority may or may not amend, suspend or revoke a licence. It empowers the courts to impose custodial sentences for general duty breaches involving serious injury, death or a mental element — that is, an aggravated offence — and for transport-related offences involving serious injury or death. The life of a licence issued under the regulations will be extended to five years from the current three years.

The updated code will result in changes to labelling requirements for dangerous goods and will require guidance materials and industry training from WorkSafe to assist industry in complying with the new code. During the transition period operators may comply with ADG6 or ADG7. During that 12-month period I suspect that the enforcement will be somewhat

confusing, because some transport operators will use parts of ADG6 and parts of ADG7 while they get used to the two codes. I am not sure how that will be enforced in those 12 months, but I understand it is probably the only way that the code could be implemented, because there are so many transport companies across the state and the new code will take some getting used to.

I went to the WorkSafe website just to have a look at how it is dealing with the new changes. The website states:

A new national scheme for the transport of dangerous goods is close to being finalised —

that is, the scheme provided for in the bill before us —

This is the outcome of a review of the sixth edition of the Australian dangerous goods code —

which is, as I mentioned earlier, the ADG6 —

... and associated legislation by the National Transport Commission.

As a result, a seventh edition of the code — ADG7 — will replace the sixth edition as the key reference for classification, packaging, marking, documentation and compatibility of dangerous goods being stored, handled and transported by road and rail within Australia.

The new edition and proposed new regulations will provide greater alignment with international standards and generally lower compliance costs for industry over time.

Of course it is important that there be harmonisation between the states because of the amount of goods that are transported by road and rail on a nightly basis, so it is good to see we have progressed so far from the early 1990s when the transport ministers agreed that a national process should be established to develop nationally uniform dangerous goods transport legislation. Although the dangerous goods code was adopted under the dangerous goods legislation of each state and territory, there were unfortunately some variations between the states in the way they interpreted the initial legislation in relation to the way dangerous goods should be handled. But it is good to see that over time there has been progression towards making sure that these pieces of legislation are harmonised.

I note that in 1995 the Australian government introduced the Road Transport Reform (Dangerous Goods) Act, followed closely by the Road Transport Reform (Dangerous Goods) Regulations 1997, and this legislation has been referenced or mirrored by all states to provide a consistent national approach. That is welcome, because there would be little point in bringing goods from Sydney down to Melbourne if we

had one set of rules and regulations in New South Wales, but as soon as the goods crossed the border, the truck driver and the transport company had to deal with another set of rules and regulations in Victoria.

It is also interesting to note the continued progress in the conformity of exported and imported goods. When Australia exports overseas it falls in line with the rest of the world in the way it transports, deals with and labels dangerous substances, chemicals, drugs and other goods. This conformity will ensure the minimisation of red tape across industry around the world, and it will make an enormous difference to the transport companies involved.

When I first came to Melbourne from the country I worked in the rail system at Dynon. It was an interesting industry to get into.

Mr Helper interjected.

Mr WELLS — I was a part-time student as well. It is amazing to note just how closely the road, rail and wharf systems and regulations need to be interwoven to ensure that there is harmonisation between the states and to create greater efficiencies.

I notice the *Age* of Saturday, 4 October, reported on the Australian Bureau of Statistics labour force survey, which suggests 160 600 Australians worked as truck drivers in 2007. That is an incredible number. The drivers that were part of this ABS labour force survey specialised in several areas: bulk liquid and pressurised gas, car carriers, armoured vehicles, concrete agitators, dangerous goods, heavy haulage, livestock, mining, tip trucks, tow trucks, log trucks, refrigerated goods and pilot-vehicle operation. It just goes to show the number of people employed in that industry. Australia is a huge country. We rely on the transportation of our goods between states. I am sure this legislation will be supported by all members of the house.

Ms RICHARDSON (Northcote) — I am pleased to rise in support of the Dangerous Goods Amendment (Transport) Bill. In all states and territories across Australia a nationally consistent legislative framework to deal with the transportation of dangerous goods by road and rail has been developed. The obvious benefit to business is an increase in safety and a reduction in the number of incidents arising from confusion over labelling and proper handling.

The second key important benefit for business of course appears in a reduction in costs, with consistent standards requiring less relabelling and repackaging as state borders are crossed. Companies operating internationally will also benefit from the scheme, as

there is also a greater alignment with international standards for the transportation of dangerous goods. Rail operators that interconnect with road transport will also benefit, with a simplified set of regulations as road and rail regulations have been brought into alignment.

Cutting red tape is obviously an important goal for Labor in Victoria. Not only have we gone from being the state with the greatest number of business taxes to being the state with the lowest, we have also set a target to reduce red tape for business and organisations by 15 per cent by 2010. Labor's Reducing the Regulatory Burden initiative will save businesses \$154 million per year by 2009 and \$256 million per year by 2011.

From 1 July 2007 the Victorian and New South Wales governments harmonised payroll tax laws, definitions and eligibility, halving the paperwork of 8000 businesses that operate on both sides of the Murray. Labor has also abolished the following taxes: duty on non-residential leases, financial institutions duty, duty on quoted and unquoted marketable securities, duty on mortgages, bank account debits tax and business rental duty. Like these reforms, this bill builds on Labor's goal of cutting red tape for businesses and cutting costs as well.

The bill amends the Dangerous Goods Act 1985 in order to incorporate key provisions of the commonwealth's National Transport Commission (Model Legislation — Transport of Dangerous Goods by Road or Rail) Regulations 2007. The Road Transport (Dangerous Goods) Act 1995 is also repealed by the bill, and new regulations under the Dangerous Goods Act will be made to regulate the transport of dangerous goods by road or rail. Changes will also be made to the Dangerous Goods (Storage and Handling) Regulations 2000 to ensure consistency.

The package of reforms, known as the ADG7 package, arose from the National Transport Commission, which is the commonwealth body which reports to the Australian Transport Council, on which our Victorian Minister for Roads and Ports sits — and what an excellent job he does on behalf of all Victorians! The National Transport Commission developed the package following extensive national consultation and released a draft regulatory impact statement for public comment in July 2005. I understand WorkSafe also instigated its own consultation sessions with key stakeholders, focusing in particular on proposed penalties.

As model law, the commonwealth law is being adopted as our own Victorian law in order to detail the substance of the ADG7 package. The model legislation can be readily incorporated into the Dangerous Goods

Act as it is largely enabling in nature, which avoids the need to create an extra piece of legislation. Information on duties can also be found in the one place, again consistent with Labor's goal to reduce the regulatory burden on business.

The ADG7 package covered substances such as those that can affect animals and plants, and other infectious substances. As these substances are specifically covered in Victoria under the Livestock Disease Control Act 1994 and the Plant Health and Plant Products Act 1995, these substances were excluded from the Dangerous Goods Act. Also excluded were genetically modified organisms, as they are covered by the Gene Technology Act 2001.

Via the Australian Transport Council, Victoria agreed to implement the reforms by 31 December 2008. A report on this progress will be given to the Council of Australian Governments when it meets in December. A 12-month transitional period will enable WorkSafe, which administers the Dangerous Goods Act, to assist in the implementation of the reforms. I understand WorkSafe has already planned a communication strategy that includes web-based information, seminars and workshops for relevant unions, transport associations, industry groups and key training providers.

The bill maintains separate general duties for road and rail transport of dangerous goods and does not represent an expansion in the scope of general duties. In dealing with offences and penalties arising from a breach of the laws covering the transportation of dangerous goods, the bill reduces anomalies between the existing penalties for general duty offences under the act and proposed national laws.

I was interested to read of the kinds of anomalies in penalties that this bill will address — for example, the maximum penalty under the template road transport law for the offence of failing to ensure that goods are transported in a safe manner and which results in death or serious injury is \$500 000 for a body corporate, or for an individual, \$100 000, or imprisonment for four years or both.

Under the Dangerous Goods Act the offence of failing to insure against prescribed incidents when manufacturing, storing, transporting or handling dangerous goods carries a maximum penalty to around \$45 000 for a body corporate, or for an individual, \$11 000. Clearly this inconsistency in penalties needs to be addressed, and that is precisely what this bill does.

The bill also brings penalties into line with community expectations of the kinds of penalties that should be imposed on those that breach provisions for the transportation of dangerous goods. It is also consistent with Labor's commitment to do all that it can to improve safety in Victoria.

Labor is very proud of the fact that under its watch Victoria has achieved the best workplace safety record in Australia and the lowest injury rates on record, having clear and consistent regulations for the transportation of dangerous goods is entirely consistent with our commitment to continue to improve safety.

In summary, the bill improves safety, cuts red tape for business and harmonises the state's laws with national and international regulations. For all these reasons and more, I commend the bill to the house.

Motion agreed to.

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

Third reading

Motion agreed to.

Read third time.

ASBESTOS DISEASES COMPENSATION BILL

Second reading

Debate resumed from 9 October; motion of Mr HOLDING (Minister for Finance, WorkCover and the Transport Accident Commission).

Mr WELLS (Scoresby) — I rise to speak on the Asbestos Diseases Compensation Bill and say from the outset that the coalition is supporting the bill. The bill provides provisional damages for people suffering from asbestos-related conditions and amends the Accident Compensation Act 1985 and the Wrongs Act 1958 in the following way, and there are five main points. First, it provides that a court may award provisional damages to a person suffering an asbestos-related illness where it is proved or admitted that the person may develop another asbestos-related illness in the future and subsequent damages if a further illness does in fact develop. This provision applies with respect to work-related claims under the Workers Compensation Act or the Accident Compensation Act or non-work-related claims under the Wrongs Act.

Second, it allows the court to have regard to the provisional awarding of damages when considering a subsequent award. Third, it requires the court to take into account the legal costs incurred in an initial claim when assessing the amount to be awarded in a subsequent claim in order to prevent the potential duplication of legal costs. Fourth, it introduces a new provision into the Accident Compensation Act to ensure that a person suffering an asbestos-related condition can have their application for a serious injury determination as well as their claim for damages heard at one time. It allows an applicant who is at risk of death to have their hearing brought on quickly.

Fifth, it amends the Wrongs Act to ensure that when a person dies from a dust-related condition and a subsequent award of damages for pain and suffering is made to their estate, that award of damages cannot be used to reduce damages payable to any dependant who may make a subsequent personal claim for damages. This provision overturns a precedent established in the New South Wales Court of Appeal. The issue is that the bill overturns the concept of a final award of damages by allowing the awarding of provisional and then subsequent damages if the injured person's situation deteriorates. This is a unique situation when it comes to asbestos-related diseases. This removes the need for an injured person to wait until their illness is fully developed before taking an action for damages, which would put them at risk of dying before the action was completed. The provisions will not apply to actions which commenced prior to the commencement of this legislation.

Cancer Council Victoria explains this disease very well on its information sheet:

Asbestos is a mineral rock that is made up of masses of tiny fibres. For many decades, asbestos was mined and widely used in building materials and for insulation, fireproofing and sound absorption.

...

Who is at risk?

Almost everyone has been exposed to some asbestos fibres, but for most the exposure and the risk are very small.

People who have been exposed to asbestos fibres in their jobs are at greater risk. Such jobs include:

mining or milling asbestos

manufacture and repair of goods using raw asbestos fibres, such as brake linings

use of products containing asbestos, for instance, in building and construction, heating, shipyards, power stations, boiler making and plumbing ...

And:

It may take up to 30 or 40 years after exposure for any disease caused by asbestos to become evident. Most workers exposed to asbestos will not develop an asbestos-related disease.

At one time asbestos was used in more than 3000 products, and that is hard to believe. From 1950 to 1970 asbestos was everywhere. While the use of asbestos declined from the 1980s, asbestos continued to be imported into Australia until December 2003. As a result many people in the community are likely to have been exposed to asbestos and to develop an asbestos-related disease. It is unusual for it to strike someone under the age of 30 years.

On a personal note, I was working with my wife's uncle in Zimbabwe when he was building a dairy shed. The two of us were up on the roof, hammering and sawing away. I said to Roy, 'What is this product that you are putting on here?'. He said, 'It is asbestos'. I said, 'Why are you using asbestos? Most of the world is doing away with it because of the danger?'. He said, 'This product is fantastic, because in winter it keeps the cows warm and in summer it keeps the sheds cool'. He had absolutely no idea of the dangers of asbestos. It was a frightening situation where he had no work safety measures in place — no goggles, no breathing apparatus — and was happily using just a normal saw, hammer and nails to build this dairy shed. I sometimes fear that during those 1980s and 1990s when the rest of the world was starting to wind down its use of asbestos, it was being moved onto Third World countries, parts of Africa, where people were not aware of those dangers. That is a real concern to me.

Asbestos was commonly used in building materials between the 1940s and 1980s, because it was fire resistant, durable and an efficient insulating material, as I mentioned with the dairy shed. Now that there is an awareness of the health risks, asbestos is no longer mined in Australia, and since December 2003 it has not been imported, as I mentioned before.

A certain amount of research has taken place. The Howard government made the following announcement on 27 September 2006:

The commonwealth government has committed \$6.2 million through the National Health and Medical Research Council (NHMRC) to establish a new national research centre, the National Research Centre for Asbestos Related Diseases, and to provide funding for three years for 11 research projects.

The projects are based at such institutions as the University of Western Australia and research projects are also being funded in Victoria and Queensland. The press release goes on to say:

Asbestos-induced cancers such as mesothelioma kill more than 20 000 people worldwide a year and 500 a year in Australia.

That is an absolutely frightening situation. When we were at Churchill the other week the GARDS (Gippsland Asbestos Related Diseases Support) group did an absolutely outstanding amount of work. It was interesting to read a quote in one of the newsletters its members handed out that deaths from asbestos-related diseases will outnumber those from melanoma or ovarian cancer. Those sorts of statistics are absolutely frightening.

At Churchill I also met one of the people who is a victim of this disease, and it is just so sad. I quote from an Australian Associated Press article of 17 October. It says:

Mr Callow spent 45 years of his life working in Victoria's asbestos-riddled power stations. And his loyalty is slowly killing him.

I think that is just a dreadful situation. The article continues:

Mr Callow is one of thousands of former State Electricity Commission (SEC) workers suffering from asbestos exposure.

That is why the Premier gave an apology on behalf of the Victorian government. As I said, the coalition is supporting the bill and we wish it a speedy passage.

Mr PALLAS (Minister for Roads and Ports) — I rise to speak in support of this bill and to indicate this government's recognition of the insidious nature of the diseases that afflict sufferers of asbestos-related conditions. The Asbestos Diseases Compensation Bill 2008 allows for the awarding of provisional damages for asbestos-related conditions. The bill will enable an individual to pursue an initial claim for an asbestos-related condition. The very nature of these conditions is such that the disease may not manifest itself in its full and ultimately fatal form for many years after its inception. It is from this perspective that the government sees there is a need to put in place arrangements that will deal not only sympathetically but sensitively with the sufferers of this disease.

It is clear that as a community our collective wisdom and knowledge of the industrial processes that have led to the introduction of asbestos into our community have had a very profound effect upon many people who have worked in these areas and in the industries concerned. As the member for Scoresby has rightly indicated, there have been people who in the past have had a perception about asbestos and its positive beneficial effect in quite a number of industrial processes who nonetheless have

suffered from its insidious effects and will suffer from them into the future. They are not alone.

The effects that asbestos has on our community go far beyond just those who are or have been directly exposed to it. I have become aware of sufferers of asbestosis and ultimately mesothelioma through my father's work as a general practitioner. He dealt with many power industry workers and motor mechanics who as a consequence of their employment suffered from mesothelioma. I suppose it is one of those things that we do not realise — the onset of these diseases can have quite a profound impact upon not only the individuals working in the area but also their families. I am aware, for example, of stories emanating from households where individuals have been adversely affected as children simply by embracing their father upon his return home from work in his asbestos-laden clothes. One of the greatest tragedies relating to this disease is that it is insidious. That tends to indicate that as a community we need to demonstrate appropriate and requisite levels of compassion. It is on that basis that I was pleased to see the Premier, on behalf of the state government, making an apology to sufferers of asbestos-related conditions.

The arrangements contained within the bill will ensure that an individual will be able to pursue an initial claim for an asbestos-related condition and a further claim if they develop a subsequent asbestos-related condition. The awarding of provisional damages will provide for a person who is exposed to conditions which ultimately may manifest themselves in the more fatal form of the disease to be able to pursue subsequent entitlements. The bill amends the Accident Compensation Act 1985 so that a worker who has an asbestos-related condition will have access to expedited processes. Often this is a critical part of a sympathetic and caring legislative system.

We know that the onset of asbestos-related diseases may not necessarily be fatal in its impact, but we also know that it may be fatal. Being able to put in place a legislative scheme and process which enables sufferers to have access to justice in relation to the initial onset of those diseases but which does not compromise the subsequent capacity of the individual to further pursue entitlements following the development of more fatal and sinister manifestations of the diseases is critical.

I myself grew up in an asbestos house; it was very much the trend. That is not to suggest that housing and asbestos material left undisturbed is in itself fatal. However, it is a source of great concern that in many parts of the housing industry, in manufacturing, in mining and in vehicle maintenance, asbestos has been a

fundamental part of the way that our economy has developed. As it has developed it has also provided a substantial capacity for us to gain net worth as a community, so we cannot turn our backs on the sufferers of these insidious diseases and we cannot simply remove our attention from the fact that the onset of these diseases manifests in many different ways.

Clause 3 of the bill defines the terms that are referred to in the bill. An asbestos-related condition is defined as asbestosis, asbestos-induced carcinoma, asbestos-related pleural diseases or mesothelioma. This specific clause refers to a condition that is evidenced by pleural plaques. It is important to recognise, however, that simply the manifestation of pleural plaques is not in itself a compensatable injury. It is that balance contained within this legislative scheme that I am so supportive of — the broad recognition that asbestosis and asbestos-related conditions defined in the bill have a practical and logical impact upon sufferers of disease but that disease is not itself something that automatically flows from exposure to asbestos. The simple difficulty in defining those who are the sufferers of asbestos-related diseases is therefore a key issue in terms of how we work through an appropriate and compensatable scheme.

Provisional damages for asbestos-related diseases are contained within part 2 of the bill, and they give the courts power to award provisional damages. The capacity of courts to intervene and provide a provisional scheme for compensation is often critical. For those of us who have known or seen the public evisceration of sufferers of asbestos-related diseases — their champion, Bernie Banton, being one demonstration of that — it is clear that a process that shows that the judicial system that oversees the compensation of sufferers of this disease is focused on humanity is a very clear part of this legislative scheme's broader objective.

I commend the bill to the house. I believe it measures both justice and compassion equally. It also incorporates within its terms a broad recognition on the part of the community that wrongs have been done to people who have participated in industries that have been critical to our community's ongoing capacity. We have made mistakes in terms of the use of this material as a community; we need to put those mistakes right. This bill goes a substantial way towards remedying those wrongs by at least ensuring there is a compassionate means by which sufferers of these diseases can be dealt with in a sympathetic, caring and appropriate manner. We need a system that demonstrates that as a community we care. I commend the bill to the house.

Debate adjourned on motion of Mr CRISP (Mildura).

Debate adjourned until later this day.

RACING AND GAMBLING LEGISLATION AMENDMENT BILL

Second reading

Debate resumed from 9 October; motion of Mr HULLS (Racing).

Dr NAPTHINE (South-West Coast) — The Racing and Gambling Legislation Amendment Bill is another example of this government and this lazy racing minister doing too little too late to help Victorian bookmakers and Victorian racing. For years Victorian bookies have been trying to fight for survival in an increasingly competitive market with both hands tied behind their backs by outdated Victorian legislation. This legislation is a small step forward, but it will still mean Victorian bookmakers will have one hand tied behind their back as they compete against Betfair and corporate bookmakers based in Darwin.

Victorian bookmakers would have had a real laugh, if it were not so serious, when they saw the headline of the news release put out by the Minister for Racing on 7 October which said, 'Bookmaking legislation to provide level playing field'. The bill certainly improves the situation, but by no means does it provide a level playing field with corporate bookmakers from the Northern Territory and other jurisdictions. Indeed our bookmakers in Victoria, even with this legislation, will be — to use football parlance — kicking uphill into a howling gale and will be hardly on a level playing field.

These changes have taken far too long and simply do not go far enough to help Victorian bookmakers to compete on that so-called level playing field. The purpose of the legislation is to introduce three fundamental changes. These are to allow bookmakers to conduct internet and telephone betting operations at any time from approved racecourse locations; to transfer responsibility for registration of bookmakers and bookmakers key employees, formerly called bookmakers clerks, to the Victorian Commission for Gambling Regulation; and to permit corporations to act as bookmakers.

At this stage I would like to thank officers from the minister's office and the department, particularly Ged Prescott, Paul Watson, Brooke Mitchell and Linton Duffin, who helped provide a briefing on this important issue.

The Liberal and National parties will support this legislation because it is a small step forward, but it simply does not go far enough. I will now outline some of the areas where this legislation is deficient.

The legislation fails to provide a competitive taxation rate for Victorian bookmakers. Victorian bookmakers will still be hamstrung by paying three times as much tax as their competitors in the Northern Territory. If you are working in a competitive market with very small margins, paying three times as much tax is a huge amount of lead in your saddlebags. That is the case for Victorian bookmakers, and it puts them at a significant disadvantage. This legislation does nothing to address that problem.

We also need to look at changing from a taxation system based on turnover to a taxation system based on gross profit, and I would urge the minister to have a clear look at it. I quote from an article which appeared in the *Age* of 20 April, which says:

Victorian bookmakers currently pay 1 per cent of gallops turnover back to Racing Victoria, while those in the Northern Territory give only a third of 1 per cent to the gaming body in Darwin.

...

Association —

that is, the Victorian Bookmakers Association —

chairman Lyndon Hsu told the *Sunday Age*: Racing Victoria needs to consider lowering the levy rate it imposes on turnover with a view to increasing the state's share of the wagering market.

If they do that, I believe some of the large corporate bookmakers will return to the state with a resulting increase in turnover. Even a reduced rate would produce a big yield to racing ...

In the same article Alan Eskander, who is one of our largest bookmakers — he used to operate in Victoria and now operates from Darwin — is quoted as having said:

If the levy imposed on racing bets were reduced I have no doubt many bookies would return to Victoria and there would be an overall increase in the money generated on turnover. That's absolutely obvious.

...

Horsereading is important to Melbourne, and bookmakers, who are essential to the sport, should be given the opportunity to be competitive from within the state.

I say hear, hear! It is pity the minister is not listening to those wise words from bookmakers who are on the front line.

Secondly, one of the problems with this legislation is that it restricts Victorian bookmakers to operating at approved racecourse locations. Currently there are only three approved racecourse locations: Warrnambool, Flemington and Moonee Valley. I believe this is an unnecessary restriction that imposes additional burdens and costs on our bookmakers.

I quote from the report of the bookmakers working party, which reported to the minister earlier this year. Page 32 of the report says:

It is argued that bookmakers who operate telephone and internet betting systems can be remotely monitored and that, providing that an office can be readily accessed by regulatory authorities, it is not obligatory for such an office to be situated on a racecourse. Furthermore, it is argued that technology infrastructure and resource constraints at Victorian racecourses may prove inadequate should a significant number of Victorian bookmakers seek to establish 24/7 operations.

I agree with that. Indeed the recommendation was that it should not be confined to approved racecourses. The situation currently is that bookmakers in Victoria can only operate at a race meeting; they cannot operate on a 24/7 basis. Bookmakers have to travel — for example, today the Werribee Cup is being run in Geelong. I hope the Minister for Roads and Ports, who is at the table, is fighting hard to get the Werribee Cup back to Werribee, at the Werribee racetrack where it belongs. This government is doing nothing to help the Werribee Racing Club get racing back to Werribee where it belongs. Government members are more interested in selling the land to VicUrban as a development rather than fighting to keep racing in Werribee, but that is an aside.

If a bookmaker wants to bet today, they have to travel to the track where the races are held, stand at their stand and then they can take internet or phone bets from their clients all over Victoria, whether the bets are on the races being run at Geelong today or races in other states or other jurisdictions. You could have the situation where on a Monday or a Friday a bookmaker might travel 300 or 400 kilometres to a country racing location where there are few patrons at the racetrack. He could stand on his stand and take no bets on the racetrack but operate phone betting with his clients from Melbourne. That is an absolutely ludicrous situation, and this legislation does make that change. However, it takes a small step forward and does not go far enough.

This legislation provides that in future a bookmaker will be able to operate 24/7 phone betting and internet betting, but he will have to have an office at an approved racecourse location. I believe, and the

bookmakers believe, that restriction should not be applied. If there is an approved registered office that the bookmaker can operate from, he should be allowed to operate from that office.

The legislation could create a situation where a bookmaker who is operating on the English Derby or races in other parts of the world might have to have staff at an approved racecourse location — at Moonee Valley or Flemington — at 2 or 3 o'clock in the morning without much security or supervision, just to take bets from their clients over the internet or over the phone. I think an approved office would be a more appropriate situation.

The bill also fails to lift the ban on allowing Victorian bookmakers to transact with betting exchanges. I will quote again from the report. To be fair, the report concludes that that ban should be maintained. I disagree with that recommendation, and I will quote some parts of the report which I agree with. The report says:

Most submissions were strongly in favour of unfettered bookmaker access to betting exchanges noting that no integrity issues had arisen since the Tasmanian government's decision to license a betting exchange in February 2006 ...

The submissions made by bookmaker representative associations argued that bookmakers are placed at a commercial disadvantage by being precluded from transacting with betting exchanges. The submission made by the Australian Bookmakers Association ...

said in part:

No bookmaker should be restricted from obtaining information or access to a betting market generated from another source when that information access is legally obtainable by any member of the public attending any racecourse.

The report also states:

The working party membership held a divergent range of opinions as to whether it is appropriate to allow Victorian bookmakers to transact with betting exchanges ...

My opinion is clear. I would argue that if an ordinary punter with an internet-enabled telephone can stand in a betting ring and bet with a betting exchange, then a bookmaker should have the same entitlement. That restriction belongs in the previous century and not in the 21st century.

As I said at the start, we support this legislation but the reforms are too little, too late. I will now present the case for why I say they are too late. This government has been dragging its heels and the minister has failed in his duty to implement these exchanges in a timely manner. In early February the Bookmakers Reform Working Party reported to the racing minister with six

relatively simple recommendations for these reforms. An article in the *Herald Sun* of 23 May says:

Racing minister Rob Hulls said yesterday the state's bookmakers would have to wait until the Spring Carnival before reforms were passed.

He was implying that they would have these reforms in time for the Spring Carnival. On 8 July a government media release said:

Mr Hulls said cabinet had approved the preparation of amending legislation.

But when did we get the legislation into the house? It was not second-read until 9 October, nearly three months after cabinet approval and too late — far too late — for those reforms to go both houses of Parliament and be implemented to help Victorian bookmakers in the Spring Carnival, their busiest time of the year.

While the minister and the Victorian government have been procrastinating on updating legislation to do with Victorian bookmakers, we have seen turnover of Victorian bookmakers fall from \$600 million to \$400 million a year. During the same time, in the last few years Northern Territory bookmakers have seen an increase in turnover from \$400 million a year to \$5 billion a year.

The money has been going out of Victoria and up to the Northern Territory. The big losers have been the Victorian government and the Victorian racing industry simply because the racing minister has been asleep at the wheel and has not been listening to the industry and the bookmakers and has not introduced appropriate changes. Even these changes, while they are welcome, simply do not go far enough.

The future of Victorian bookmakers is directly linked to the future of Victorian racing. That is really fundamental. In the context of this legislation we need to look at the future of Victorian racing. While racing has gone from strength to strength following the privatisation of the TAB and other vital reforms implemented by the Kennett coalition government, it has stagnated under this current racing minister and the government. The government has been more concerned about letting country race meetings being taken away and relocated to the city. It has failed to introduce appropriate reforms to the bookmaking industry and it has allowed issues of corruption and maladministration infiltrate the Victorian racing industry. Now Minister Hulls and the Brumby government have threatened the very future growth and development of the Victorian racing industry.

To give some background to that, the racing industry receives \$300 million a year annually in revenue, of which about \$220 million comes from wagering through the TAB, \$75 million a year comes from gaming machines through Tabcorp and the TAB through the arrangements established by the previous Kennett coalition government, and about \$8 million a year comes from various bookmakers and betting agencies.

In April this year the Brumby government announced that it would be calling for expressions of interest in a new wagering licence to commence from 2012. It also announced, to the surprise of the racing industry, that it would stop any future funding from gaming machines to the racing industry. As I said, that is currently worth \$75 million or almost a third of the racing industry funding and is expected, by 2012, to be \$100 million a year that this government, through its policy decision, will be taking away from the Victorian racing industry.

In response to that the minister has said, and I quote the *Hansard* of 10 April:

The changes which have been announced will not disadvantage the racing industry. The government has committed to developing funding arrangements which are 'no less favourable' to the racing industry in this state.

That is what the minister told the house, but unfortunately not everyone is convinced by the minister's assurance. The *Herald Sun* of 11 April under the headline, 'Every post a loser' and the subheading 'No more jackpots for racing industry under pokies restructure' states:

Racing faces troubled times amid fears for its financial future after sweeping changes to the gaming and wagering industries.

Dale Monteith, a longstanding and well-respected administrator in racing and presently the chief executive officer of the Victoria Racing Club, states in a report in the *Sunday Age* of 26 October this year:

There's no doubt that racing is at a very critical time in its history, certainly the most important juncture in the 30 years that I've been involved in the sport.

That is what he said. What we need, what the bookmakers need and what the racing industry needs is for the government to come clean on the future funding of racing. The minister has said that racing will not be worse off. It is time the minister and the Premier told the racing industry where its future funding will come from. They have made a policy decision to take \$100 million a year away from racing, yet racing employs 75 000 people across Victoria and many of those are in regional and rural Victoria. Racing puts on

the Spring Racing Carnival, the biggest and best event in the Melbourne calendar of events.

Racing drives the economy of many regional centres with major events like the Warrnambool May carnival, the cup carnivals at Bendigo and Ballarat, the Geelong Cup, which was last week, the Werribee Cup, which should be at Werribee today but this year is at Geelong, and the Moe Cup, which is an excellent day's racing and very crowded. Record crowds attend cup meetings and that money is generating significant economic benefit for the local communities. Racing is a multi-billion-dollar industry, yet its future is threatened because of policy decisions by Minister Hulls and the Brumby Labor government. I call on the government to come clean about its future.

I understand the minister is saying that future funding will come more from wagering rather than from gaming machines. The minister has had six months since the announcement that shocked the racing industry and now it is time to come clean before the Melbourne Cup carnival. The government has a few days to announce how the racing industry will be funded into the future. Budget paper 4 sets out the gambling taxes collected by the state government under the heading 'Racing'; in 2008–09 it is expected to collect \$129.4 million, and in 2011–12, \$152 million. I suggest that most, if not all, of that money should be redirected to the racing industry to compensate it for the money taken away by Minister Hulls and the Premier with their gaming machine changes. I believe an announcement should be made now.

The government has had six months to consider the future funding of the industry. It should understand how important the industry is and should be announcing that the money that is currently collected by state taxation on wagering will be allocated to the racing industry. Even if that announcement were made, that might not be enough because other storm clouds are hovering over the racing industry. The minister has said that the money for the racing industry will come more from wagering and it is said that the wagering licence will be reissued through a tender process or some competitive process before 2012.

But questions need to be asked. Who will actually bid for this new wagering licence, and how much will they be prepared to pay in an increasingly competitive wagering climate with little or no protection for the so-called exclusive single parimutuel licence? Will this process deliver the required funds for racing and for the appetites of state Treasury? Tabcorp is the most prominent player providing wagering services now in Victoria on an offcourse basis. An article in the *Herald*

Sun of 24 October this year refers to its chairman, John Story, and states:

He warned there was no point in his organisation bidding substantial sums to obtain a new licence when its rights were not protected and the value could erode.

What he is referring to is the competition from the corporate bookmakers in Darwin and from Betfair, which have lower costs and lower taxation levels and do not have to make a contribution to Victorian racing. They are parasitising on Victorian racing, making little or no contribution back, yet this government is saying we want this new wagering licensee to pay all the costs of racing. The real question is: is that licence going to be worth bidding for in terms of getting the bidder a return for themselves and their shareholders and being able to deliver to the racing industry when they are competing against somebody who is operating from Darwin without those imposts on their operations?

In the past an offcourse licence through the TAB could operate as a single, exclusive tote licence because there was no competition, but today in the 21st century when you can make a bet over the phone, you can make a bet on the internet, you can bet with somebody based in Darwin, with somebody based in Tasmania or with somebody based overseas and there is little or no protection for that so-called exclusive licence, it devalues that exclusive licence. They are the questions that are really being raised by potential bidders. When we look at what is happening with regard to Tabcorp's offcourse betting these are very real questions.

The *Age* of 21 October has an article by Mark Hawthorne headed 'Tabcorp fails to feature in winning circle', which states:

Tabcorp last year turned over just \$37.68 million on Caulfield Cup day, after deducting the \$6.8 million returned to punters who backed either Maldivian or Eskimo Queen.

But Tabcorp's turnover this year was lower — a combined total of \$44.18 million in Victoria and NSW, without a sniffing or skewered racehorse in sight.

In other words, total betting with Tabcorp was down \$300 000 on last year's *annus horribilis*, once you factor in the amount refunded for the two late scratchings.

What he is saying is that last year at the Caulfield Cup we had two late scratchings of popular horses and we had equine influenza, yet Tabcorp still had a higher turnover on Caulfield Cup day than this year when they apparently had international horses and New South Wales horses and did not have late scratchings. One might argue that the current economic climate would see the downturn in TAB turnover, but the article goes on to say:

Sportsbet chief executive Matt Tripp says Caulfield Cup betting was up 35 per cent on last year, and double what it was two years ago.

The article quotes Alan Eskander of Betstar as having said:

We're certainly up on last year, and up on two years ago ...

We have a real problem and a real dilemma. Robert Nason of Tabcorp, formerly of Racing Victoria, is quoted as having said:

The partnership between the racing industry and the tote has served Australia very well but is at risk ...

There certainly are significant risks involved. An article in the *Sunday Age* of 26 October states:

Interstate bookmakers are pocketing millions of dollars that would otherwise be used to pay for horseracing in Victoria, in a wagering war that senior industry figures claim could threaten the future of the sport and cost jobs.

The Victorian TAB — which is required by law to return a portion of its profits to the racing industry and provides 90 per cent of the funding behind the state's horse, harness and greyhound racing — estimates it is losing bets worth about \$40 million a year to the Northern Territory-based corporate bookies.

Leading Victorian trainer Rick Hore-Lacy is quoted as having said:

... if the TAB is crippled, then it follows that the racing industry will be crippled.

We have some real challenges facing Victorian racing, and we must get from the government a definitive direction about how the industry will be funded, given that the government has made a policy decision to take \$100 million a year out of its funding pie. A third of its funding is taken away. The government said the funding will be made up in future from more money out of wagering, yet there are very big storm clouds about whether the wagering licence can deliver those outcomes. It is time the minister came clean, six months since that policy announcement, and told us about the future of racing.

The other big issue that faces racing and betting is the spectre of corruption. The Lewis report, given to the minister on 1 August, stated that:

... criminal activity in the industry was rampant.

That is what Judge Gordon Lewis said, yet the minister is being tardy and is dragging the chain on key reforms from the Lewis report that are needed to tackle corruption in Victorian racing. Let us look at some of the key issues on which Judge Lewis made recommendations but which this government, months

later, still has not addressed. He said Victoria Police should bring back the racing squad. There has been no action from the government on bringing back the racing squad to tackle corruption in Victorian racing and on Victorian racecourses. The Lewis report says:

At present, commission agents are not required to be licensed ...

It further says:

This situation should be remedied without delay.

The licensing of commission agents should be in this legislation. That is how it could be remedied without delay. But the minister is again dragging the chain on tackling corruption in Victorian racing. The Lewis report said all winners and favourites should be swabbed after every race. That is not an impossible task to implement immediately, yet here we are, months later, and it has still not been implemented. A major component of the Lewis report identified that corruption was rampant in Victorian racing, but the minister is again doing too little too late to address those key issues.

Whether it be on bookmakers reforms or anything else, the minister is slow out of the barriers. Whether it is dealing with corruption in Victorian racing or telling the stakeholders in the industry about future funding of Victorian racing, the minister is again slow out of the barriers. This minister is failing Victorian racing. He has failed country racing. He has allowed country racing to have meetings taken from it, and he is threatening the very future of country racetracks. This very day we had the Werribee Cup had to be run at the Geelong racecourse because this minister and this government will do nothing to secure a future for racing at Werribee. The minister has allowed many country clubs to have meetings taken away from them. He refuses to back the redevelopment of the Moe racetrack, which is absolutely important for the future of racing in the Latrobe Valley, or to return the dual code meeting to the Latrobe Valley Racing Club at Traralgon.

The minister washes his hands of all these issues. The Minister for Racing is doing too little too late on saving Victorian bookmakers, too little too late on integrity issues, too little too late on country racing and too little too late in terms of the future funding of racing. Victoria deserves better. We deserve a racing minister who is committed to developing and growing Victorian racing, to working with the stakeholders of Victorian racing to grow what is a great industry into an even stronger industry, an industry that has strength throughout regional and rural Victoria, and an industry that continues to provide employment and opportunities

throughout the length and breadth of this state and in this great industry.

Ms GREEN (Yan Yean) — It gives me great pleasure to join the debate on the Racing and Gambling Legislation Amendment Bill 2008. The racing industry is an extremely significant industry and a very significant employer, not only in Melbourne but across the state. I see this in my own electorate with the very important campus of Northern Melbourne Institute of TAFE that provides significant training to those involved in the industry and has as one of its tutors and lecturers that racing legend, Roy Higgins. There is also training and innovative work in farriery there; it links in well with the broader agricultural and horticultural work done at NMIT.

It is good to be speaking about this sort of legislation during our magnificent Spring Racing Carnival. I am pleased we have introduced the innovation in the last two years of not sitting during the great Melbourne Cup week so that members of this place can get out like other Melburnians, Victorians and Australians to enjoy that fantastic first Tuesday in November and join in the festivities for the remainder of the week. Unfortunately I will not get to the Victoria Derby on Saturday because I will be at the Whittlesea Show, where I am pleased that the horses will be back after the equine influenza incident last year. I will be able to indulge my interest in horseflesh at the Whittlesea Show.

This government has a longstanding commitment to ensure that Victorian bookmakers retain a viable place in the racing industry. The proposals contained in the Racing and Gambling Legislation Amendment Bill 2008 emanate from recommendations made by the bookmaking reforms working party. The working party was initially established in 2001, with legislation passing in 2002. At that time the government introduced a range of reforms to assist bookmakers. These included bookmaking partnerships, the abolition of bookmakers turnover tax and the introduction of a bookmakers levy.

The introduction of a Bookmakers Development Fund was also part of this legislation, as was a reduction in the minimum telephone bet limits and an extension of trading hours for bookmakers on race days. In 2007 the bookmaking reforms working party was reconvened by the Minister for Racing in response to a more competitive environment that Victorian bookmakers were experiencing, to see that they could operate and deal with the structural changes that have occurred in the national wagering market. The reconvening of this working party demonstrated that the government has

been proactive in developing policies to assist the racing industry and bookmakers in Victoria.

We have been prepared to implement policies to bring the regulatory regime into the 21st century. We want our bookmakers not just to survive but to thrive. These reforms which are being implemented in this legislation are amongst the most extensive reforms in the bookmaking industry in Victorian history. We have got the best racing product, as I referred to earlier, with our spring carnival under way, whether it is here in Melbourne or at the other fantastic race meetings that happen across the state.

I have certainly enjoyed many race meetings at Yarra Valley Racing, where I have been a member. I was also pleased Parliament did not sit in the first week in May this year. The member for South-West Coast and a number of other members in this place and the other place and I were able to enjoy part of the fantastic, three-day carnival in Warrnambool, which is renowned nationally and internationally and supported by locals and visitors alike. Having that great product, we need to have the best regulatory regime for bookmakers and offer the industry the best opportunities to make our racetracks even more exciting places.

The bill has three components. It will allow bookmakers to conduct internet and telephone betting operations at any time from approved racecourse locations. It will permit corporations to act as bookmakers and transfer responsibility for bookmaker and bookmaking-related registration to the Victorian Commission for Gambling Regulation. In an age of 24/7 racing, the current restriction on Victorian bookmakers conducting betting only at licensed racecourses while a race meeting is in progress has reduced their capacity to remain competitive, so it is important and central to this bill that it allows bookmakers to conduct internet and telephone betting operations at any time from approved racecourse locations. Corporate bookmakers domiciled in the territories are not subject to the same restriction, and it had been putting Victorian bookmakers at a competitive disadvantage, which of course is not desirable.

However, our bookmakers will still be required to base their operations at approved racecourse locations, and the capacity to offer and accept bets will be confined to approved racecourse locations. The government remains strongly of the view that the historical separation between bookmakers located oncourse and a wagering licence-holder located offcourse should be maintained. By requiring bookmakers to operate from approved racecourses, the racing industry will be better

equipped to effectively supervise the betting activities of bookmakers.

I also think it is good to see a greater use of these great facilities, not just on race day. These are magnificent facilities, whether in Melbourne or across country Victoria, and they are on Crown land. I welcome any increase in activity outside race days because that can only be good for those local economies.

The proposals before the house will also permit corporations to act as bookmakers. As I mentioned earlier, in 2002 the government amended legislation to allow individual bookmakers to form proprietary corporations and partnerships. However, this confinement has restricted Victorian bookmakers' ability to raise capital from other sources, a restriction not imposed on corporate bookmakers operating in other jurisdictions, placing Victorian bookmakers at a disadvantage.

The bill also proposes to transfer responsibility for bookmaker and bookmaking-related registrations, which currently rests with the Bookmakers and Bookmakers Clerks Registration Committee, to the Victorian Commission for Gambling Regulation (VCGR). The decision to allow public companies to be registered as Victorian bookmakers necessitates the appointment of a registering authority that is better equipped to consider and assess the complex commercial, financial and probity issues associated with corporate entities. The appointment of the VCGR is also consistent with the regulation of other gambling activities.

I listened with interest to the lengthy contribution to the debate by the member for South-West Coast — it is always interesting to hear him, because he tends to run a race on his own and not run with the team — which showed the division in opposition ranks again. He was complaining that although he supported these measures, they had come too late. Only yesterday we heard in the business of the house debate the bleating and complaining from speakers on the other side of the house saying, 'We have too much work and too many bills; we are sitting too late'. We hear this constantly. One week there is not enough to do as far as they are concerned while the next week there is too much to do. If you listen to the opposition you can hear them using their delaying tactics on bills that come before this house. They are unable to get on and do the hard work that needs to be done to propose and get through progressive legislation in whatever the field of endeavour may be.

I am very pleased to support these changes being made to our racing industry in this state through the Racing and Gambling Legislation Amendment Bill. I commend the bill to the house.

Debate adjourned on motion of Mr NORTHE (Morwell).

Debate adjourned until later this day.

GAMBLING LEGISLATION AMENDMENT (RESPONSIBLE GAMBLING AND OTHER MEASURES) BILL

Second reading

Debate resumed from 9 October; motion of Mr ROBINSON (Minister for Gaming).

Government amendment circulated by Mr PALLAS (Minister for Roads and Ports) pursuant to standing orders.

Mr O'BRIEN (Malvern) — It is a pleasure to rise to speak in the debate on the Gambling Legislation Amendment (Responsible Gambling and Other Measures) Bill. I can say at the outset that the opposition does not oppose this bill. In fact the bill contains some measures that are quite sensible and worthy of support, others that are a little bit questionable and still others that raise concerns which I will deal with in the course of my contribution to the debate. I hope the government will be in a position to respond to those concerns before debate on this bill concludes.

Given that I have only the 30 minutes permitted for a lead speaker, it is not possible to examine the bill clause by clause. Particularly in a week when we have nine bills on the government business program I am concerned that there is going to be little opportunity for any further debate. If the government is going out of its way to give the impression of wanting to avoid detailed scrutiny of its legislation, it is doing a good job, because to pack nine bills into one sitting week to minimise the opportunity for opposition members to make contributions to debate on those bills certainly gives the impression that the government does not want them to have any detailed scrutiny.

The purpose of the bill is to consolidate offences regarding minors, to provide for the banning of irresponsible gambling products and practices, to reform the regulation of the conduct of bingo by or on behalf of community or charitable organisations, to clarify the secretary's powers in relation to wagering

and betting licensing and keno licensing, and to make other miscellaneous amendments.

Part 1 of the bill states its purposes and provides for its staggered commencement, with which the opposition has no problem. Part 2 of the bill deals with responsible gambling amendments. The first significant clause in part 2 is clause 3, which seeks to amend the objectives of the act, firstly, to ensure that minors are neither encouraged to gamble nor allowed to do so. I think all members of the house would regard that as being an appropriate objective of the act. We have free choice about whether to gamble, but it is a choice for adults to make, not a choice for minors to make. We should not as a legislature be encouraging or permitting minors to gamble. While the opposition supports this objective, some of the other measures in the bill, particularly in relation to vending machines, seem to run contrary to the government's professed interest in discouraging minors from gambling.

The second amendment to the objectives of the act is to provide that community and charitable gaming benefits the community or charitable organisation concerned. Again, I think all members of the house would be in agreement that we want to see community and charitable organisations benefit from the gaming they conduct and not have their good name, as it were, used for the commercial profit of others. The legislature provides certain benefits and concessions to community and charitable organisations when they are conducting gaming, and that should certainly be for the benefit of those organisations and not primarily for the benefit of commercial operators.

Clause 5 of the bill makes a substantial amendment to the act. It inserts a new part 5A, which bans irresponsible gambling products and practices. The first thing to notice is the definition of 'gambling product' within this clause. The bill defines 'gambling product' as meaning 'a product that may be used for gambling or that resembles a product that may be used for gambling, whether or not that product is otherwise regulated by or under a gaming act'. It is apparent that while a poker machine, a roulette wheel or even something as basic as a deck of cards would be covered by this definition, it would also extend to something such as a toy. A child's toy, for example, which replicates a poker machine is something which I understand could be covered by this definition, and therefore it would lend itself to the possibility of being banned if it was seen to undermine the responsible gambling objectives of the act. The opposition thinks that is a positive move.

One potential concern we have about the provisions of the bill which give the minister the power to make an

interim ban order is that that power would have to be used very responsibly, simply because gambling products and practices may well form a significant part of a venture's activities, and a decision which is not appealable — I understand from the briefing it is not appealable and it has instant operation — could have a very serious impact on a business. I think all in the industry would have the expectation that this power which will be given to the minister to issue an interim ban order against a gambling product or practice will not be used capriciously.

When the media latches onto an issue and decides it is going to make a very big splash about it — and this does happen in the gaming portfolio from time to time, as I am aware and I am sure the minister is aware — there is always the temptation for governments to engage in a bit of knee-jerk reaction. While we in opposition do support this measure, because we think there are circumstances where an immediate interim ban order would be appropriate, we would also be very concerned if this were going to be used simply to react to a single bad headline of the day.

Mr Robinson — That is what oppositions do, don't they?

Mr O'BRIEN — The opposition's job is to create the bad headlines. It is the minister's job to responsibly respond to them.

The interim ban order provides for a 12-month ban, unless revoked earlier, and it also provides for the minister, having issued an interim ban order, to then refer the question to the Victorian Commission for Gambling Regulation (VCGR) for investigation and report. I should also just say that not only can an interim ban order cover a gambling product, but it can also cover a gambling practice. I would imagine that, for example, if a betting market was being framed on something which people thought was morally abhorrent or something which would otherwise encourage irresponsible gambling or undermine the objectives of the act, it would be something the minister could take action on. We certainly would not want to see markets being framed on things which could encourage competitors in a sport, for example, to act in a way that might be influenced by that gambling market.

When the VCGR receives its reference from the minister to undertake its investigations it must report back to the minister, whereupon the minister can then decide not to act on the VCGR's recommendations. He can issue a fixed ban for up to 10 years. I note there seems to be something which could be regarded as an anomaly in the bill in that there is no requirement stated

as to when the minister has to refer the matter to the VCGR for investigation. I would have thought that, as a matter of good governmental practice, as soon as the minister had taken the decision to issue an interim ban order there would be a reference straightaway to the VCGR, but there does not appear to be any legislative requirement for that to happen at any particular time. If the minister does elect to issue a fixed-term ban order, it can be for up to 10 years duration. No compensation is payable in the event that an interim or a fixed-term ban order is issued.

Clause 6 of the bill provides for the Victorian Commission for Gambling Regulation to require a gaming venue operator to amend their self-exclusion program or their responsible gambling code of conduct, or both, within a particular time. Again, this would appear to be a sensible move. We encourage all gaming operators to be as responsible as possible, but if the commission has a view that a certain code of conduct can be improved and if this is required to be dealt with through a direction by the VCGR, then I think that is an appropriate power for the VCGR to have.

Clause 10 of the bill inserts some significant new provisions in relation to changes in the situation of licensees and associates of gaming operators. One issue which has been raised is the breadth of the scope of associates under these new provisions — for example, new section 4.3.30B(2)(a) refers to the commission having the power to require an associate or a person likely to become an associate of the relevant entity to consent to their photograph, fingerprints and palm prints being taken. A question has been raised as to how widely drawn the definition of ‘associate’ is. The concern has been put to me that it could even apply to somebody like a shareholder. It would seem to be a fairly absurd reading of the bill to say that a shareholder in a gaming operator should be necessarily an associate, although under the new model the government is proposing, where we are going to move from the two-operator system to potentially having a multitude of operators, it may well be that a small company might have only one or two shareholders and that those people may be required to be subject to these provisions.

Another issue which may be relevant is if, for example, Tattersall’s or Tabcorp were to arrange themselves under the new model so that they were perhaps in a position to be bidding for gaming machine licences, would all their shareholders potentially be associates under this bill and therefore subject to the requirement to have their photograph, fingerprints and palm prints taken? I raise that matter because the breadth of the definitions that have been used in this clause has been raised with me.

Clause 11 of the bill increases the power of the Victorian Commission for Gambling Regulation to apply disciplinary action to licensees and operators. They are very significant amounts of money that we are talking about, because a breach can be subject to 50 000 penalty units. My understanding is that a current penalty unit is around \$113, so 50 000 penalty units would be, on my back-of-the-envelope calculations, a bit over \$5.6 million. In any language, it is a very significant amount of money. I think that given the amount of money that is involved in gaming, it is not an unreasonable thing to have a significant disciplinary power, but that is an extremely large amount of money for a penalty. One almost gets the impression from some of these new disciplinary measures that have been put into this bill that the government is a bit worried that licensees who are facing the expiration of their licence, whether it be in gaming, in wagering or in keno, might start running wild in the lead-up to the expiration of their licence, so it needs a bigger stick to deal with them.

I do not think there has been anything in the conduct of Tattersall’s or Tabcorp, or any of the other operators for that matter, that would justify the government’s concern. In any event it does make sense that if a breach has been committed, the primary response should be to have that remedied. Under the existing provisions of the act if a breach of a licensing condition is remedied within seven days, no further action can be taken. In terms of having the ability to send a message to an operator that a breach must come with a consequence even if it has been remedied, it does not seem worthy of opposition to state that the VCGR (Victorian Commission for Gambling Regulation) can issue a financial penalty.

Part 3 of the bill deals with the bingo amendments, and I am looking forward to hearing from the honourable member for Keilor about matters very close to his heart in the forthcoming debate. By and large the bingo amendments are to be welcomed. One of the key out-takes from these bingo amendments is that bingo sessions which have been conducted in the settings of various nursing homes and retirement villages —

Mr Walsh — Or Labor Party branches.

Mr O’Brien — No, we are talking about benign settings. It makes sense that these organisations are able to conduct bingo for their members with no profit motive involved and without the requirement to obtain a minor gaming permit. I think that requirement has been honoured more in the breach than in the observance over the years. I am very pleased the VCGR has not been wasting its time or taxpayers

dollars by staking out nursing homes and retirement villages and trying to surveil rogue games of bingo being played. But just to ensure that everyone is acting on an appropriate footing and to reduce unnecessary red tape, the measures in this part 3 of the bill, which will eliminate the requirements for a minor gaming permit for certain organisations to conduct bingo, are to be welcomed.

A condition that applies there is essentially that the operator of those services will not be conducting bingo for profit. That is very important. We do not want to see people or organisations take advantage of this liberalisation of the rules pertaining to bingo in order to make a profit for themselves. This is clearly directed at the non-profit sector and those who conduct bingo really as a pastime rather than as a form of gambling. Other conditions are that no fee is charged to participate, that all receipts of the game are distributed as prizes, that it is not for a commercial benefit and that it is not advertised to the public. The opposition believes those conditions are appropriate for the qualification to be able to conduct sessions of bingo without the need for a gaming permit. I am advised by the minister's office — and I thank his office for getting back to me — the current fee for a minor gaming permit is \$39.50, so I do not think the Treasurer will be overly upset at the loss of that particular stream of revenue. I do not know how often it has actually been paid by the bingo operators we are concerned with in this measure, but any reduction in what is essentially an unnecessary fee is to be welcomed.

The bill also provides for the VCGR to be able to set down and publish on its website rules for the conduct of bingo. I must admit that I was previously unaware of the intricacies of bingo rules. Apparently there are various types of games you can play and different rules apply. Having had the scales fall from my eyes on this, I can understand how it is very important for bingo players who do take their game seriously that the rules are set in stone so that everyone knows what the rules of the game are. While the VCGR has a lot of other responsibilities, it is important for bingo players that they know the rules of the game in which they are participating, and this power in this bill to the VCGR to publish rules for the conduct of the game of bingo in the great state of Victoria will be a modest progressive step.

In proposed section 8.4.2C there is a requirement that community or charitable organisations or bingo centre operators that intend to have large bingo prizes must notify the commission in writing of that intention at least three business days before conducting the session. I am advised that at the moment an amount has not

been prescribed, that that will happen in due course and that it is still subject to industry consultation. The initial back-of-the-envelope indication was that it might be around the \$20 000 mark. I must admit that the prospect of \$20 000 bingo game is something which may well encourage more people to get involved.

There might always be some concerns about problem gambling if you are going to have these massive jackpots, but I think all the research would indicate that the correlation between bingo and problem gambling is probably at the lower end of the scale compared to certain other forms of gambling practised in Victoria. It is a sensible move to ensure that the VCGR is notified when such a large amount of money could potentially be involved in major prizes so that it can undertake its role to make sure all appropriate rules are followed.

The bill also contains a provision giving the commission power to engage in disciplinary action against bingo operators. The bingo industry has done it fairly tough, particularly since the introduction of poker machines. I know the Bingo Industry Association (BIA) ran quite a campaign over the last 12 months. It had a lot of contact with me and my colleagues, and I am sure there was a lot of contact with the minister and his colleagues on the other side of the house. The BIA was interested in obtaining pokie licences itself for its own members. The government has resisted that move, and rightly so, because I think that would change very much the character of the way bingo is operated today.

Notwithstanding the fact that very large amounts of prize money can be involved in certain bingo games, bingo has always been regarded as perhaps a little bit more of a sedate form of gambling. It certainly does not have the same high turnover and instant reaction that, for example, pokies do, and co-locating bingo sessions and gaming machines in the one venue would be a very retrograde step. While I acknowledge the work that the BIA put in, I did not support that aspect of its submission, and I advised it of that. I am very pleased to see that the government has not adopted that aspect as part of its response to the bingo licensing review.

I now turn to part 4 of the bill, which deals with minors. As I indicated at the outset, the opposition is certainly very supportive of any moves to try to restrict gambling by minors. As I said, gambling involves making a legitimate and free choice, but it is a choice for adults, not for minors. That is why we cannot have minors betting and being encouraged to bet, and why we cannot tolerate minors betting or gambling in this state.

The government has attempted to consolidate in this bill a number of provisions which relate to minors and

gambling, but there seem to be some anomalies, which I raised in the briefing. I have received some response from the minister's office, for which I thank him. However, having read the response I am not entirely convinced, and I would like to place on record some of my concerns. Proposed section 10.7.2 provides exemptions from the offences relating to gambling by minors. It says:

Nothing in this Part applies to the following —

...

- (c) a private raffle among persons engaged in common employment under the same employer —
 - (i) if the net proceeds of the raffle are intended to be appropriated to the provision of amenities for persons in that employment; and
 - (ii) the value of the prize does not exceed \$5000.

Similarly in proposed paragraph (d) another form of exemption is where a competition is based on predicting the results of a sporting event or a sweepstake if the competition or sweepstake is not of a commercial nature and does not result in the distribution of prizes having a total value of more than \$5000.

In relation to proposed paragraph (c) the question I raised in the briefing was given the requirement that the raffle operate amongst people in common employment under the same employer, how would that affect something that took place in a workplace such as Parliament House? I understand the minister's officers advised that in relation to a footy tipping competition, which is, for example, proposed paragraph (d), that would not matter because there is no common employment requirement there. As long as the prize was under \$5000 it would not matter if you had members of Parliament and members of the press gallery and other people who do not have a common employer all participating together.

However, in relation to the proposed paragraph (c) exemption, which is a private raffle, it would appear that if, for example, you wanted to have a private raffle that might be to do something to provide amenities here in Parliament House or some other workplace — there are workplaces where people operate without having common employment and people may well want to get together to have a raffle to provide something which would be of use to all of them but the people who would be involved may not necessarily have the same employer at law — I am a bit concerned that the wording of proposed paragraph (c) may be unnecessarily limiting. It may come up rarely, but I

think it is a legitimate issue, and I place that on the record. If the minister has the opportunity to respond, I would be grateful.

A more serious concern relates to proposed section 10.7.3 concerning offences in respect of allowing a minor to gamble. Proposed subsections (1), (3) and (4) are all strict liability offences. Proposed subsection (1) states:

A gambling provider must not allow a minor to gamble.

There is no mental requirement involved. There is no wording such as 'knowingly allowing a minor to gamble', it is a matter of whether a minor gambles or not. It is the same in proposed subsections (3) and (4). However, proposed subsection (2) states:

A gambling employee or an agent of a gambling provider must not knowingly allow a minor to gamble.

In that case there is a penalty and a much higher threshold is required to be reached to secure a conviction under proposed subsection (2) than there is under proposed subsections (1), (3) or (4).

What concerns me is that proposed subsection (4) refers to bookmakers clerks, so I would say they are in the same position as a gambling employee. Proposed subsection (1) refers to a gambling provider. Essentially that is the boss, and that is fine. Proposed subsection (3) refers to a registered bookmaker. Again that is the boss and that is fine. I have no problem with the bosses who run the organisations being held to that higher standard. Proposed subsection (4), however, refers to a bookmakers clerk. I think a bookmakers clerk is in a different category to a bookmaker. The advice the minister has provided is that because of changes proposed in the Racing and Gambling Legislation Amendment Bill, which we will also be debating this week, a registered bookmakers key employee could essentially be the same as a clerk. It puts a clerk in the same position as an owner.

I do not think that is a fair analogy, and it does not deal with the problem that not all bookmakers clerks will be key employees even under the other bill. It does seem to be an anomaly that employees of bookies are being treated under this bill in a harsher manner than other employees of gaming or gambling operators. I urge the minister to have a good look at this, because I know he has a great affinity for the track and for bookmakers — —

Mr Robinson — They love me!

Mr O'Brien — And apparently the bookmakers also love the minister — he has put a number of their

kids through school, I understand. On that basis, and not wanting to score political points, it seems to be a real omission in the bill, and I urge the minister to have a good look at it.

Proposed section 10.7.4 (1) states:

A person must not knowingly assist a minor or enable a minor to gamble.

Again, we want to make sure that there are no people putting on bets for minors, but we would hope that would be sensibly dealt with and would not deal with, for example, a grandmother buying a scratchie for a 17-year-old and putting it into a Christmas card. I understand that because in the instance I have given the purchase of the ticket would be by the grandmother, the legal ownership would still be with the grandmother and therefore it would not be an offence.

I am concerned about proposed section 10.7.10. It provides for the supervision of vending machines. The government talks about being concerned about minors gambling, but it then says it is okay for a gambling provider to basically operate vending machines as long as they are properly supervised. We in the opposition have grave concerns about whether gambling by vending machines is appropriate in this state. We know the minister has given out licences to Intralot which specifically provide for the sale of tickets through vending machines.

Mr Robinson interjected.

Mr O'BRIEN — The minister will say that the VCGR has not approved it yet, but the fact is that the government gave the licence which provides for it. From evidence given to the gaming inquiry in the other place it was the government's idea, it was not asked for by the bidders. That is a real concern.

The other thing I would like to raise is the confidentiality provision in clause 37. The confidentiality provisions in the Gambling Regulation Act are draconian and were used by the government to gag public servants during the gaming inquiry in the other place. These go even further. They have retrospective application, because they apply to people who are or were relevant office-holders. The opposition is gravely concerned that the government is going to use these provisions again to try to maintain its lack of transparency and its culture of secrecy when it comes to the regulation of gaming in this state. If the minister has other reasons for wanting to do that, I would like to hear them. Certainly the government's track record in relation to transparency and openness in the regulation of gaming in this state has been appalling so far, so the

minister might understand why the opposition is somewhat cynical. Having said that, the opposition does not oppose the bill; it does have some good measures in it.

Mr DONNELLAN (Narre Warren North) — It is an honour today to speak in the debate on the Gambling Legislation Amendment (Responsible Gambling and Other Measures) Bill. As has been mentioned previously, the bill implements two responsible gaming measures announced previously by the government: regulatory reform of bingo to make it simpler for charitable and like groups, and changes to the disciplinary procedures for gaming operators. It will also facilitate the keno and wagering and betting licence awarding processes and help to ensure the ongoing integrity of the gambling licences review process.

Firstly, the responsible gambling measures which I mentioned previously were put out in a document called *Taking Action on Problem Gambling*. It is a good document, and I will refer to it a little bit later on. The first measure gives the minister the ability to institute an interim ban if a product or practice undermines the responsible gaming objective of the Gambling Regulation Act 2003. As we have heard, that is a 12-month interim ban. Having worked for the minister, I know he will exercise this power cautiously and carefully and ensure that bans are not made due to public pressure and so forth but are instituted fairly and properly.

A fixed ban can be placed on a product or practice for 10 years. The Victorian Commission for Gambling Regulation will be required to investigate and report once the interim ban is in place and before fixed bans can be put in place. In that sense, the bill provides for a fair degree of natural justice to ensure that the minister has exercised his powers properly, carefully and appropriately in the circumstances. It also adds a penalty of \$110 000 as a maximum if these laws are broken.

The bill also deals with changes to gambling by minors. We have heard a little about this. It increases the penalties in relation to those offences for both the operator and also the minors themselves. This part of the bill also consolidates a raft of offence provisions which were previously encompassed in various other acts. The new objective, which will be introduced into this legislation, will ensure that minors are neither encouraged nor allowed to gamble. As the opposition said, all members of Parliament would support that objective. The bill will also create an additional focus for regulation of gambling in Victoria and help inform

ongoing development of responsible gambling measures in Victoria.

The bill introduces a number of new offences, including allowing a minor to gamble, assisting a minor to gamble, gambling by a minor, minors entering a gaming machine area or a casino and also using false evidence of age. As I mentioned earlier, some of these offences have been encompassed in various other acts, but they will now be encompassed solely within this act. We have also introduced an additional new offence of the inadequate supervision of vending machines. Again, the penalty for the operators is up to \$13 000, and it effectively and cohesively brings together the issue of minors gambling.

Thirdly, the legislation deals with changes to the law in relation to bingo operations. The Bingo Industry Association approached me some time ago, and I indicated that I was sure the minister and the commission would have extensive consultation with it. From what I understand, that has occurred, and one of the BIA representatives — I cannot remember the name off the top of my head — said he was happy with the consultation.

The purpose of this part of the legislation is to improve the viability of the bingo industry, support the growth of the industry, promote responsible gambling and reduce the regulatory burden on community and charitable organisations. That is important because at the end of the day these are usually not full-time operations. Much of the time they are run on a voluntary basis and used largely to raise money for charitable or community-based purposes. You really do not want to tie up groups like that with a large number of regulations, and I think this act deals with that quite well.

Declared community organisations — those that have been declared by the state — and charitable organisations are now able to conduct bingo without having to get a minor permit to do so. That is of real benefit and reduces the regulatory burden, as I said. Further, the commission can now make standard rules for bingo. I have not played a lot of bingo so I am not certain what the current rules are. The commission can also approve alternative rules to have more than one form of bingo. The act also introduces the ability of the commission to approve electronic bingo. That obviously should be quite exciting.

Consumers are protected to a large extent by requiring the Victorian Commission for Gambling Regulation to be notified by a charitable or community organisation if they are offering larger prizes — I think a figure of

\$20 000 was mentioned. The bill extends the disciplinary action that can be taken against professional bingo centre operators if they are in breach of the rules. Overall that is a great positive for bingo operators.

Turning to the government's document entitled *Taking Action on Problem Gambling*, which has driven these legislative changes, it is a positive document and moves forward the idea of humanising and legitimising gambling properly to make it fair for all concerned. I was involved in one of the initial parts of *Taking Action on Problem Gambling*, which was doing a review of the caps all around Victoria. An extensive consultation was undertaken with the member for Bentleigh and the member for Ballarat West. We travelled from one end of Victoria to the other, and we spoke to many councils, both regional and urban — Monash, Greater Dandenong, Greater Shepparton and others.

At the end of the day the caps were applied. In my electorate a cap was applied to Casey, specifically in the Cranbourne area. I supported that because it was necessary; things were starting to get out of control in Cranbourne and if we had not applied that ban, I am sure there would have been more operations, including the proposed one at Casey Fields which would have resulted in another 80 poker machines. That would have flooded the Cranbourne area, which is a low socioeconomic area, with far too many poker machines. Generally that was well supported by the community and was a sensible measure. At the end of the day the government took action. We proposed certain action and we took it.

I look at the recent update of the Taking Action on Problem Gambling program which has been released by the minister, and I note from that that various actions have been taken, including building better treatment services, which I believe a lot more money has gone into, and ensuring a more socially responsible gambling industry, which is pretty much what we have always done. If you look at the history of gambling, you see that it was the Labor Party that really humanised that industry. We had John Wren and the tote, and, as we know, John Wren was very much a Labor man who did a great job in actually bringing fair, proper gambling to the working class. At the end of the day that is the great thing the ALP has done: it has made it a fair, reasonable and properly run product. I guess that was the precursor of our totalisator agency. At the end of the day we have been involved in this for a long time, for a lot of years. We have done it very well. We have made sure it has been done legitimately and properly.

Looking at this document, we can see that there are various other actions the document proposes for us to take. They include protecting vulnerable communities, which we have always done; improving consumer protection; enhancing the regulator; and fostering gambling research. The minister and his department are very aware of the dangers of gambling but have put together a bill which I think is very fair and reasonable in the circumstances. It helps the bingo industry, as I was saying, and it deals with the issue of minors. I very much commend the bill to the house.

Debate adjourned on motion of Mr WELLER (Rodney).

Debate adjourned until later this day.

EDUCATION AND TRAINING REFORM FURTHER AMENDMENT BILL

Second reading

Debate resumed from 9 October; motion of Ms PIKE (Minister for Education).

Mr DIXON (Nepean) — The opposition supports the Education and Training Reform Further Amendment Bill. We have a few questions to ask and a few minor concerns, but the basic thrust of the bill is something we support. I would like to thank the department for its briefing last Thursday. In summary the bill will create an executive class of principals within the teaching service, establish a better process to manage unsatisfactory performance of school employees, clarify and broaden salary reimbursement following successful appeals to the disciplinary appeals board, authorise the Victorian Registration and Qualifications Authority (VRQA) to delegate some functions to Technical and Vocational Education and Training Australia, enable the minister to deal with lands as relevant to the minister's portfolio responsibilities and make a number of other minor amendments and corrections.

Firstly, I wish to talk about the executive class of principals. We think this is a good move, and it is very consistent with the approach the opposition has had to recognising and rewarding excellence and making use of that excellence in those of our schools that may not be performing as well as they should be. This is part of the latest government blueprint. We have already had a blueprint, which was announced a couple of years ago and did not deliver a lot. When you look at the broad context of education in Victoria at the moment that was delivered through the first blueprint, you see that it

delivered the lowest funding for education of any state or territory in the country.

Despite a growing population in Victoria, the state has seen an exodus of students not only in percentage terms but in numerical terms from the government schools. We have seen teacher shortages. We are not attracting young teachers into the profession, they are not staying in the profession, we have an ageing teaching force and we will see probably 40 per cent of our teaching force retire over the next 40 years.

When we look at the program for international student assessment testing and results, we see that Victoria did not do at all well in science, mathematics or literacy. We have seen the first blueprint deliver crumbling infrastructure, and there are tens of millions of dollars of outstanding maintenance required in our schools. Now along comes the second blueprint, which promises to deliver a number of things. It remains to be seen whether they are delivered. Part of this legislation is about delivering part of that blueprint, and we welcome that.

The new blueprint is the context in which the executive class of principals is to be seen. In summary that blueprint is going to focus on underperforming schools, and I think that is good. We need to be very clear about what an underperforming school is. When you say 'underperforming school' a lot of people think of a school in a poor area; however, that is not accurate. We have great schools in areas of low socioeconomic status. In fact I was out recently at St Albans Heights Primary School, which is in an area of great poverty — I think it is probably one of the poorest schools in the state — and there are great things going on there. It is in an old building, but the school maintains it well, using its money to do that. It has great community involvement, has a tremendous staff and is doing great things. So underperforming schools are schools that are not performing to their potential, and it is good that the government is focusing on that.

The blueprint is also about providing incentives to principals and teachers to excel and enticing them to work in these underperforming schools. Again that is something very consistent with what we have been saying for a number of years, and that certainly is a worthy aim. The blueprint talks about high performance, and we are talking about high-performing principals here. It also talks about high performing graduates who are undertaking degrees in areas other than education. It is like giving them a crash course or a summer course so they can take on teaching as a profession. In effect the government is looking to channel them into these underperforming schools.

There are mixed results with these sorts of programs overseas. It seems to have worked in some areas, and in others it has not. When it works, it works well; and when it does not work, it works badly. We have to be mindful of these sorts of pilot programs and careful in carrying them out because they can directly affect children for at least 12 months of their education. The six-week time frame is not enough. It takes a long while for somebody to understand the culture of schools and to understand the skills of teaching. I will be watching that initiative with interest. About 50 places will be available, and it will be interesting to see how they go compared to similar programs in the United States of America and the United Kingdom.

The blueprint also covers the transition points in a child's educational continuum, from preschool to primary school, from primary school to secondary school and from secondary school to training and further education. The blueprint tackles the early years transition points, the integration of childhood services and child care and looking at children and their early education from the age of zero to eight. It is a good direction, and it is consistent with what the coalition has said all along. We took to the last election a policy that kindergartens and early childhood services need to be part of the department of education, or whatever the department might be called, and we were ridiculed for that concept. The government said it should not happen, and that kindergartens were kindergartens and should have nothing to do with education but be more about health and development. Luckily members of the government have changed their minds and done a backflip on the issue and followed our leadership. The direction of this blueprint is a reflection of that backflip, and it is welcomed by members of the opposition.

There are a few questions to be asked about the initiative to recruit executive-class principals. We do not know how many there will be. The figure in the budget was \$71 million over four years to implement reforms, and the executive-class principal initiative was a part of that, so we do not know at this stage how many schools will have executive-class principals as their principals. I believe in September one was announced for the Broadmeadows area. I presume that starts next year, because this legislation has not yet gone through the Parliament to enable that to happen.

The secretary of the department will be the person who makes the final decision about which schools will have an executive-class principal and why. My understanding is that people in the community will not have a say in those appointments, but they will be told who will be appointed. That begs another question: if the appointment of an executive-class principal is made

to an existing school which already has a principal, are those principals going to be asked to stand aside, or will the appointment of an executive-class principal happen after the current principal leaves? That is a concern of the principals association. It would like to know the answer to that. It would be great if the minister could tell us about that in her summing up.

If it is decided that a particular school is going to receive an executive-class principal, the job is advertised and there are a few applicants for it, how will the community be involved, if at all? Will school council representatives be involved in the interviewing and selection of that executive-class principal, or will the appointment rest solely with the department and the secretary? If a school is to have an executive-class principal, it is vital that the community and the school council are involved in that selection. Schools need ownership of their leadership, and school councils represent the community. It is important that a principal understands the community and that the community understands where the principal is coming from, so this is a vital ingredient in that selection process and the community needs to be involved in it. Again, I look forward to a response from the minister on that.

Members of the coalition have wondered if there will be further restrictions on executive-class principals speaking out about the condition of their schools and on educational issues in general, or because they are part of that executive class will they be further constrained than current principals are in talking about and standing up for their schools? Often we in opposition find that principals will talk to us one on one about the problems they are having in their schools, but they say they are too scared to say anything in public because they always end up getting a phone call from the regional office or the central office and being told to be quiet and that it is not part of their job. That is a disappointing attitude; they may be further constrained if they are in the executive class.

The executive-class principals will be appointed with contracts up to five years. Their salaries will range from \$127 000 to \$177 000. The minister, in conjunction with the secretary, will set that level, and it will depend on the experience and qualifications of the principal, the school and the circumstances of the school. Again, it is good to have a salary of that size; it is a good incentive and a good reward for the sort of work the principals will be expected to do.

This legislation also provides a good safeguard, inasmuch as once a principal has finished serving as an executive-class principal, for whatever reason, they can then return to teaching classes and the teaching service

without losing any of their entitlements. That is a good incentive for attracting top performers to work in underperforming schools. The bill contains other minor provisions relating to executive-class principals, but I will not go into those.

Currently division 10 of part 2.4 of the Education and Training Reform Act is used for misconduct and unsatisfactory performance investigations. In some cases both of those processes can be used, which results in an extraordinarily long time frame within which to deal with an incompetent teacher or one who engages in misconduct. This legislation will change that process. Teachers who are perceived to be performing unsatisfactorily will be dealt with under a new division, which is important because it will cut down some of the time involved in the process. That will be good for all parties involved in dealing with unsatisfactory performance.

If a principal identifies a teacher as performing unsatisfactorily, they will talk to the teacher. The teacher will not be left high and dry and just warned. The school will work with them, support them, give them ideas and monitor what they are doing. They may be given mentors to help them in the areas they might be having trouble with, be that class control, curriculum issues or dealing with parents — whatever it might be. It will be an ongoing process. However, if the teacher's performance is unsatisfactory, there are provisions covering warnings and help, and the support provided to the teacher will be stepped up even further.

Eventually, if a teacher's performance is deemed to be unsatisfactory, a principal will prepare a report which will be sent to the secretary so the secretary can make a decision. The secretary can make a range of decisions and apply a number of actions and sanctions. However, importantly, the teacher once again has an opportunity to make a submission to the secretary in which they can defend themselves or express how they have perceived the process. There are lots of safeguards to protect both parties. Often in education it is easy to reflect and comment on teachers who are not performing and on unsatisfactory performance, and I will mention that in a moment.

It needs to be said and I want to say that the vast majority of teachers in Victorian schools are fantastic teachers. They are dedicated, they have extraordinary calls on their time and they are being asked to do more than just teaching, but they keep at it because they love teaching, they love children and they are doing a fantastic job. The community is calling on schools to do more and more and take the place of what families should be expected to do. There are great pressures on

teachers. We need only to read about some of the incidents that happen in schools to know that. I take my hat off to Victoria's teachers. They do a wonderful job, and they put in hours and hours of work. I know at this time of the year, when children are tired, reports have to be written and next year has to be planned, that they are under a great deal of stress.

The teachers and principals in our schools are what makes the biggest difference in education. We can talk about money, buildings or all sorts of things, but it is the people and teachers who are working with children who make the biggest difference. If you have an underperforming teacher, they can have a huge negative effect on the education of a child. That is why it is very important that the processes we have for dealing with unsatisfactory performance are balanced and give a fair opportunity to the person whose teaching is under question. They should be balanced and take into account the good of the children in that class and what harm may be done during the 12 months or however long the process may go for. I do not think it is fair on teachers and it is certainly not fair on students when these processes are dragged out, sometimes for industrial reasons. Although the legislation is helping that process in modernising and streamlining to a certain extent, we need to be very wary and careful about how long the processes take because they can have a profound effect on the children.

If a teacher is found guilty but appeals to the disciplinary appeals board and the appeal is upheld, the board can now order a reimbursement. That is a good and fair provision because the teacher, for all sorts of reasons, may be without salary for an amount of time and if the appeal is upheld it means they are not guilty. The bill also refers to giving the authority to the Victorian Registration and Qualifications Authority (VRQA) to delegate some of its functions to the Technical and Vocational Education and Training Australia. TVET Australia is basically a company set up by the education and training ministers of states and territories and the federal government.

The delegated function will apply to registered training organisations that are operating in more than one state but primarily based in Victoria or are Victorian-based or do most of their work in Victoria. They can apply to the VRQA to allow them to be registered and audited nationally through TVET Australia, so they do not have to go through two auditing authorities or two registration authorities. It will lessen the burden and allow training organisations to tackle what they do best without too many obstacles in their way. There are 1300 registered training organisations in Victoria, and I am surprised there are that many. More and more of our

training organisations operate across states and territories and I think this delegated function the bill will give to the VRQA is good.

Recently there has been some publicity about registered training organisations and the role of the VRQA in registering them and its ongoing monitoring and auditing of the performance of those training organisations. There are some rogue operators out there. I think too many are slipping through the audit and the registration process and even though they are in the minority they are giving the whole sector a very bad name. Many of those training organisations that are seen to be fairly shoddy in what they do are dealing with international students.

It is vitally important that any of our training organisations that are dealing with international students are above reproach because the damage that can do not only to the training of those individuals but to Australia's reputation as a training and further education provider is quite profound. The minister has had her hands off this part of her portfolio for a fair while and it can do great damage. As I said, this delegated function of the VRQA is a good thing.

The bill will also allow ministers under the Education and Training Reform Act to administer relevant land. This provision follows on from an audit of public land used for education purposes, and 10 to 15 parcels of land were found to be orphaned — no minister who was responsible for that land. That is being rectified and tidied up through this legislation. The whole issue of land that is not being used for education purposes is interesting for many communities.

Some of my colleagues will be talking about unused education land that has been sitting vacant for years and years. It may be a school that the government has closed down or forced to merge and the land and its buildings are empty. In some cases the buildings have been knocked down and there is a fence around the block. These blocks of land stand testament to inaction. For a community to see what was the centre of their community lying idle I think says something about the government. There is a process for the disposal of the land, whether it has other education uses, whether other government agencies can use the land, whether local government can use it and so on, and then it can be let out to tender.

But some of my colleagues will be talking about blocks of land that have been empty for a long while. That is a waste of resources, and the story it tells is not a good one. We will be seeing more of this as we have more big regeneration projects happening. There is a

regeneration project in the West Heidelberg area where I grew up. A local councillor out that way recently said that the only primary school that will be left in the West Heidelberg area will be the local Catholic primary school where I went to school. I do not know which minister this land will be assigned to, but there will be lots of empty land out there, and I hope it finds a home. I hope the empty school sites in that area are put to good community use and do not stand empty for years and years, as has happened in many areas of Victoria.

Another good example is the site of the former Monash High School, which was closed down. That land has remained idle for quite some time. Berengarra is a fantastic school that works in that area with kids who just do not fit into mainstream schools. It is not a government school, but it has a great reputation. It is expanding and doing great work, and it wants to cater for the growing number of children. It wants to use part of the former Monash High School land for educational purposes, but unfortunately it does not fit into the process. It is not a Department of Education and Early Childhood Development operation, it does not belong to another state government agency and it is not part of local government, so it is about no. 5 in the pecking order of having some sort of priority claim to that land. I think the school deserves the land because it is in the game of education and is providing a service to government and non-government schools. That is a really good example of an unused school site where the processes are too rigid.

There are other minor amendments in this bill. One deals with students undertaking work experience in other states, which sometimes happens. I was struggling to think of one for a while, but one of the popular ones I came across was that lots of young people who are interested in biology like to do work experience at Sea World in Queensland. The provisions in this bill will ensure that the regulations that apply to work experience locations here in Victoria will be the sorts of regulations that will have to apply if a Victorian child is going to undertake work experience in other states. I think we have made work experience too hard to access in Victoria. We have too many rules and regulations. We have to protect the child, but we need to open up possibilities and opportunities for young people to experience various work environments, and we have to be very careful about overregulation. I was interested to see that we are now applying our regulations to other states.

As I said, the opposition supports this legislation but would like some answers on community involvement in the selection of executive-class principals as to which schools will have those sorts of principals, how they

will be chosen, how many there will be and whether, when the positions are advertised, the local community and the school council will have an opportunity to be part of the interview process for their executive-class principal. I talked about the government blueprint at the start as well as the main aims of the blueprint. The government has set out a 12-month action plan as to what else it is going to do so far as the blueprint is concerned, and I will be watching that very carefully. This legislation is about implementing one part of the blueprint, and I look forward to seeing how executive-class principals are appointed and how they operate in Victorian schools.

Mr HERBERT (Eltham) — It is a pleasure to speak in the debate on this bill. Before I do I should comment that it was good to hear that the opposition had some positive things to say about education, that after a decade and a half of knocking schools in this state — since 1992 — it is coming out and saying positive things about our schools and our system. I was also really delighted to hear that there is a genuine bipartisan approach to the blueprint and to improving underperforming schools. It bodes well for our parliamentary system.

The introduction of the Education and Training Reform Act 2006 followed a three-year process of development, consultation and implementation, and it represented a significant historical milestone. Victoria's education legislation had not been comprehensively reviewed since 1958, and some sections had remained virtually unchanged since the Education Act 1872. Members will recall that the Education and Training Reform Act updated and replaced 12 separate pieces of education and training legislation and provided a platform for diversity, choice, innovation and flexibility in the delivery of education and training. It was a major rewrite and one of the centrepieces of our government's total commitment to ensuring that our education system moves in an efficient and effective manner and that we have a modern system that can take Victoria and the needs of Victorians through into the next decade. We should acknowledge the role the former Minister for Education and Training, Minister Kosky, played in rewriting that substantial piece of legislation in this state. It was a significant achievement.

As outlined in the second-reading speech, the act ensured the right of all Victorians to a high-quality education. It enshrined a commitment to democracy, promoted access to education and most importantly placed an obligation on education and training providers to ensure young Victorians receive a quality education. That is what we are about and what we need to ensure. It is simply not acceptable that generations of

young people grow up without getting the sort of opportunities that other Victorians have to progress in their work, to go to university on merit and to get the sort of education that can set them and their families up for the rest of their lives. That is what this bill is all about. I need not remind members of the difference a quality education can make. It is one of the most enabling factors in unlocking a young person's potential for a prosperous future and a fulfilling life.

A quality education is also an essential ingredient in terms of modern democracies, maximising economic, social and cultural opportunity. As a government we have an obligation to ensure that this framework, which builds on the strengths of previous legislation, continues to reflect the reality of contemporary education and training. The world is changing, and schools are changing. On the weekend I undertook some tours of Greenhills Primary School. When looking at that school and the way it is teaching, a lot of older people who came on the tour said how things have changed since their days and how much better education is today. We need legislation to make sure we continue that process of improving education.

This bill does not oppose changes to the principal policies underpinning the Education and Training Reform Act 2006, which is not surprising given the amount of consultation that was undertaken when it was developed. However, it introduces a range of measures so as to implement government policy, make statute law revisions and correct other minor inaccuracies. Specifically the bill will create an executive class within the teaching service, which is a key outcome of the government's *Blueprint for Education and Early Childhood Development* that I heard the opposition praising earlier.

The bill will establish a more streamlined process for managing the unsatisfactory performance of school-based employees. It will broaden and clarify the type of orders concerning salary reimbursements that may be made by the Disciplinary Appeals Board following a successful appeal to the board against termination of employment. That really is an important thing. We have to have proper disciplinary processes in place, but if you are proved not to be in the wrong, you should have your salary reimbursed. It is that simple. The bill will also authorise the Victorian Registration and Qualifications Authority to delegate functions to Technical and Vocational Education and Training Australia in respect of registered training organisations that operate in more than one state or territory. Others on this side of the house will say more on that later.

The bill will ensure that the current ministers administering the Education and Training Reform Act 2006 can deal with government education land relevant to their portfolios. We heard the opposition talking about this before, and I need to clarify what was said. There are no compulsory mergers in this state. We do not do that; the previous government did that. However, there is a whole range of problems around land ownership and transfer, and the bill seeks to fix up some of them.

The bill makes common-sense amendments. The last amendment I referred to relates to the provisions in chapter 5 of the act, which vest all real property attained for the purposes of the legislation in the minister. The titles to government education and training land have been registered in various names over the years as portfolios and responsibilities have changed. Some of these titles cannot be traced to the current ministers administering the Education and Training Reform Act 2006. In addition some of the titles, although able to be traced to a minister administering the act, do not necessarily reflect that minister's portfolio responsibilities.

The amendments proposed by the bill will ensure that the ministers currently administering the act have the necessary authority to deal with all titles to government education and training land relevant to their portfolios. This will streamline the process of dealing with those lands and surplus lands enormously. It will be of great benefit to entire school communities and to the state.

The bill also corrects minor inaccuracies and makes changes to improve the operation of the act — for example, it will repeal section 5.4.12(3) so that work experience arrangements to be conducted interstate have to satisfy the safety and other requirements of section 5.4.3(2), which include the need for a principal to be satisfied that:

- (a) the health, education and . . . welfare of the child will not suffer from the proposed arrangement; and
- (b) the child is fit to be engaged in the proposed work experience; and
- (c) the child will not be subjected to any form of exploitation in the course of the proposed work experience; and
- (d) the proposed work experience is not prohibited employment within the meaning of the Child Employment Act 2003.

These are important requirements. I think every member would acknowledge that work experience is a great thing for young people. Most members probably have students come to their electorate office to do work

experience every year. It is a terrific thing for young people. It helps them understand the requirements of work — to turn up on time and take responsibility for what is in front of you — improve their communication skills and improve their understanding of how the world works. However, some people would seek to exploit work experience students. Victoria has good laws that stop work experience students from being exploited here, and these amendments will make sure that students who go across a state border for work experience will not be exploited either.

To sum up, Victoria has a great education system. We have great teachers, terrific principals and, on an international scale, exceedingly active school communities. The bill will support and refine that system and ensure that as we go forward we have a great legislative basis for real reform.

Mr KOTSIRAS (Bulleen) — It is always with pleasure that I stand to speak after the member for Eltham. While I appreciate that his heart is in the right place and he is sincere about education in this state — he is a former teacher, is a member of the Education and Training Committee and was chief of staff to a former education minister — he is, unfortunately, also playing the Labor game of looking after the government and making sure that it stays in power, rather than looking after the interests of Victorian students.

Victoria has had nine dark years in education. We have had a government that has ignored our schools, our teachers and our students. Members of the government will refer back to the Kennett years and avoid referring back to the Cain and Kirner years when schools were run down and the Victorian education system was among the worst in Australia. In the nine years Labor has been in government what has it achieved? It is good at spin and motherhood statements. It has attempted to do something with this bill — it has copied some of the policies of the opposition — but it has not done very much, especially in my electorate of Bulleen. All the schools in my electorate have been neglected. They are good schools, with hardworking teachers.

However, one has to ask the question: why are a large number of secondary school students moving from the state system to the independent system? Why are so many students moving over? Why are parents enrolling their children in independent schools at a cost, for some private schools, of \$20 000? The answer is simply because the government has ignored the public school system.

Even with the new teachers pay agreement the government is only providing for an increase of up to 5 per cent in wages. If a school has a large number of experienced teachers, it has to meet the extra cost on their own. Some schools have to put up an extra \$150 000, simply because this government will only provide for an increase of 5 per cent for each school. A school with experienced teachers — teachers who have been there for a while — will have to find the extra money out of its own pocket. The students will suffer. It is just another example of the government ignoring education in this state.

Section 5.2.6 of the act talks about land. Government members talked about closure of schools under the previous Liberal government, yet under their government over 24 primary and secondary schools have closed. They claim that they were closed because the schools have requested amalgamation. When the government threatens school principals and teachers that they have to close their school or else, what choice do they have? This threat is from a Labor government that says it cares about students and teachers and is critical of the Kennett government for, in its view, closing schools. The government is doing exactly the same thing as the Kennett government, but it is doing it under the pretext that the schools are requesting to be closed because of falling numbers. Even if that were the case, it brings me back to the earlier question: why are students not enrolling in government schools? They are going to independent schools because the government is not providing the resources, not supporting the teachers and not looking after the students.

The government has brought in this bill, which we support, to acknowledge hardworking principals and allow a school that is disadvantaged or is performing less well to employ an executive principal to try to lift the standard of the school. That is good. We have been calling for some time for the government to try to lift the poorer performing schools in Victoria to make sure they do not lose students. It is about time it decided to do that.

The main purpose of the bill is to authorise the Victorian Registration and Qualifications Authority to delegate functions to Technical and Vocational Education and Training Australia (TVET) in respect of the registration of training organisations that operate in more than one state. In the past if a school was offering hairdressing in New South Wales and Victoria, it had to be audited by two different states, now it can request to be audited by the national authority. That is a good move and will create efficiencies.

The bill creates an executive class in the teaching service. As I said, we support this because a good principal should be paid more but at the same time requested to ensure that a low-achieving school achieve more in order that more students will be attracted to it. However, we have a number of questions. Who will decide which school will receive an executive-class principal? Who will decide which principal? What will happen to the principal who is currently at the school? From what I have read it will be up to the secretary of the department. Will the secretary seek some information from the school community — from teachers, the principal and parents — or will the secretary decide to allocate an executive principal to a school merely to ensure publicity close to an election?

The process is not clear. I hope that in her summing-up the minister will explain the process for how executive principals will be appointed, because at the present we have got different classes of teacher. We have the graduate teacher, the accomplished teacher, the expert teacher, the leading teacher, the assistant principal and the principal. An executive principal will be above the principal. As I said, we support this idea of coming up with a new level, but the process is unclear.

Firstly, the bill broadens and clarifies the types of orders concerning salary reimbursement that may be made by the Disciplinary Appeals Board, following a successful appeal to that board against termination of employment. It will also establish a more streamlined process for managing the unsatisfactory performance of school-based employees. That is good, because at the moment it could be cumbersome and a long process. I support this part of the bill. I think it is good that the government has tried to streamline the process to make sure that the teacher's time is not wasted and that the school's future is looked after.

Overall the bill is a good step in the right direction. It makes some improvements. However, I will reiterate what I said at the start — we have had nine years of neglect and of this government ignoring our schools and students.

Mr Wells — Nine dark years.

Mr KOTSIRAS — Nine dark years, despite the fact that the government has had \$36 billion — —

Mr Wells — Up to \$37 billion.

Mr KOTSIRAS — Up to \$37 billion. When Labor came into government it was \$18 billion and now it is \$37 billion, so one has to ask what they have done with it. The member for Eltham claimed it was spent on capital works. I ask the member for Eltham to come to

my electorate and see how much this government has spent on capital works. It has spent zero, nil, nothing. If the member was talking about marginal seats or his electorate, that is fine, but in many seats in many electorates schools have not been upgraded. It is a disgrace that after nine dark years this government has ignored education and has forced students to move from the public system into the private system.

Why would parents be paying \$20 000 per year to send their child to a private school if the local public school was offering education of the same standards and quality? As I said, 99.9 per cent of all teachers are hardworking and deserve a better go from this government that claims to represent teachers. Unfortunately it does not represent them, and it is a shame because in another three years I am not sure how many other schools will be forced to close because of the incompetence of this government.

Ms ALLAN (Minister for Skills and Workforce Participation) — I am very pleased to rise and speak in support of the Education and Training Reform Further Amendment Bill. I would like to make a few comments on this bill. I will do that firstly in my role as one of the two ministers who has responsibility for administering this act. But before I touch on those areas I want to pick up on some of the comments that have been made regarding this government's commitment to education, which has been outstanding. The figures back that up. Over the past nine years an additional \$7.3 billion has been invested in our education system. If the member for Bulleen calls the last nine years the 'nine dark years', heaven only knows what he would call the seven years when his government closed over 360 schools around Victoria and sacked 9000 teachers.

We have reinvested in our schools. We have employed an additional 8000 teachers and support staff over the past nine years and invested \$7.3 billion in additional funding, including a massive \$2.9 billion in school capital works. This is what a government should be doing — investing in schools, investing in teachers and investing in new capital works. It should not be ripping the heart out of our public education system, which was a legacy of the previous Liberal-National party government. We have had to work incredibly hard, and we have been proud to do so, over the past nine years in reinvesting in and rebuilding our public education system, a system we can all be rightly proud of and not one we should be talking down in contributions to this debate.

I mentioned earlier that I want to touch on key areas relevant to my portfolio. I will briefly mention a couple of those. The first is the question of which minister has

responsibility for which bits of land under the legislation. Given that the titles to various pieces of land held across the education and training portfolios have been registered under various names since the 1862 act, in many areas the act now does not correctly reflect current ministerial portfolios. That is why there is the insertion of a new clause, clause 41, into schedule 9 of the Education and Training Reform Act. This will not just give effect to recent government changes that have seen the creation of a skills portfolio and a stand-alone education portfolio but will also ensure that ministers administering the principal act, the Education and Training Reform Act, can deal with all titles to government education land that have been registered under various names since 1862. This legislation will provide additional clarity.

The second area I want to focus on is how the amendments in this bill will facilitate a reduction in red tape, and this government has been committed to reducing red tape in a number of areas. The bill facilitates a reduction in red tape for registered training organisations (RTOs) operating in Victoria. It contains a group of clauses — 18, 19, 20, 24, 31 and 33 — that will enable the Victorian Registration and Qualifications Authority to delegate its registration and audit functions to Technical and Vocational Education and Training Australia, or TVET Australia, which is a not-for-profit ministerial company owned jointly by the commonwealth and state and territory ministers who are responsible in their various jurisdictions for training. This company was established by the Ministerial Council for Vocational and Technical Education back in November 2005. Its aim is to provide responsive and high-quality services to support the national training system, within which many of our RTOs operate. Some choose just to operate on a state basis, but a number operate across state boundaries.

In November 2006 the ministerial council met and resolved that the role of TVET should be expanded to enable it to offer registration and audit services to RTOs that operate across multiple jurisdictions to give them the option of having their registration and audit functions managed nationally by TVET. This delegation to TVET will in turn enable it to establish and operate the National Audit Registration Authority. As I said, this approach will reduce the regulatory burden for RTOs that operate across a range of jurisdictions. It also aims to streamline the processes.

The legislative change proposed by this bill gives effect to the delegation which was determined by the ministerial council back in November 2006. It is of interest to note that to date South Australia, Tasmania,

Queensland and the Australian Capital Territory have completed their delegations under their legislation.

The proposed amendments will reduce the audit burden on multijurisdictional RTOs and allow them to deal with one audit body, should they choose to do so. This gives providers a choice. It is an option. They do not have to take it up, but if they want to they will have the opportunity. The benefits to them will clearly be having to deal with less red tape and bureaucratic processes in different states.

This is a good change that shows the state, territory and federal governments are working together to establish the National Audit Registration Authority through TVET. With those comments I support the bill and commend it to the house.

Mr NORTHE (Morwell) — It gives me pleasure to make a contribution to the Education and Training Reform Further Amendment Bill. The amendments in this bill principally do five things. They are, firstly, to provide for the employment of executives in the teaching service and matters relating to that employment; secondly, to provide for a process to deal with the unsatisfactory performance of employees in the teaching service; thirdly, to enable the Victorian Registration and Qualifications Authority (VRQA) to delegate certain functions relating to the registration of training organisations; fourthly, to clarify the registration of land acquired under various education acts for education purposes; and finally, to improve generally the operation of the Education and Training Reform Act.

I am sure all members of this house respect the great work principals and teaching staff undertake in our communities, and I can attest to that. I had the pleasure recently of participating in the principal for a day program at Morwell Park Primary School. With the principal Chris Joustra, I spent an entertaining day and gained a much better understanding of the challenges that are faced not only by principals but by teaching staff in our communities.

The Morwell Park Primary School has a lot of students who come from a diverse range of backgrounds, with many from families in a low socioeconomic range. A number of Koori children as well as a number of Sudanese children attend this school, so it is culturally diverse. The principal and the teaching staff do a fantastic job. After my participation in their program I certainly have a better appreciation of our professionals in the education system.

Clause 4 of this bill inserts the definitions of ‘executive’ and ‘member of the executive class’ into section 2.4.1 of the principal act. The intent of this amendment is to, in part, attract high-performing principals into low-performing schools. Whilst in principle I understand the intent of the clause, I feel at the same time that it begs a number of questions. Who is going to be deemed an executive principal, and what schools will be deemed as low performing?

Liddiard Road Primary School — which is my old primary school in Traralgon — is in a low socioeconomic area and is attended by a diverse range of students. While it does not achieve the highest marks in terms of the state average, the principal and the teaching fraternity do a wonderful job. One wonders if a school such as Liddiard Road Primary School might have an executive principal come in to try to obtain better results. We need to be careful how we integrate executives into the school system.

Clause 5(1) inserts paragraph (ba) into section 2.4.3(1)(b) of the principal act and will provide the secretary with the power to employ executives to perform duties in or outside a school.

Clause 6 inserts new section 2.4.3A into the principal act. It will empower the minister to fix, by order, a range of remuneration for executives. The member for Nepean highlighted some of the ranges that would fall within remuneration packages for those executives. I know from conversations with some of the people within the education system that there is some concern about how the range will be set up — for example, one principal may be paid at a higher level than another, and while there may be some confidentiality around that, there is no doubt that principals and executives talk to each other. I wonder whether it might lead to some consternation within the ranks in regard to that particular matter.

Clause 8 inserts section 2.4.23C into the act, and it states that the employment of a member of the executive class must be governed by a contract of employment between the member and the secretary for a period of not more than five years. I have had a bit of a think about this particular section and how it affects my electorate of Morwell. Members on the other side and the minister have referred to the closure of schools. In Morwell we have recently seen headlines in the local newspaper stating that we are going to have a ‘super school’ in Morwell. This will involve the closure of three schools in Morwell and an amalgamation into one school. If the principal at one of those three schools is deemed to be an executive, and if indeed the school

closes, then what will happen in that instance? There are concerns around that aspect of the issue as well.

Subsection (4) of new section 2.4.23F provides that if a contract of employment between the secretary and a member of the executive class is terminated under subsection (1), the person is not entitled to any compensation for termination of that contract of employment. There are a number of different elements within new division 3A to be inserted into part 2.4 of the act, and issues have been raised with me about the certainty of this part of the legislation. There are a lot of references to allowances and those types of things, but we do not have a definitive certainty around all of this. Whilst the notion and the principle of having an executive class is warranted, the devil is in the detail.

In particular I would like to deal with clause 12, which in part provides for the management of the unsatisfactory performance of school-based employees. The member for Nepean touched on that quite extensively. As referred to within the second-reading speech, the current process for dealing with the unsatisfactory performance of school-based employees is inappropriate at this stage, particularly in relation to the term 'investigator' in the instance of an employee who has not engaged in misconduct. Those on this side of the house would certainly support a fair and streamlined process to deal with unsatisfactory performance, and I believe these amendments will establish that.

Currently under section 2.4.69 of the act the disciplinary appeals board can order either reinstatement or some reimbursement of salary, but not both, so I am pleased to see that these amendments deal with that situation.

The minister also referred to the Victorian Registration and Qualifications Authority and the notion that some of its functions will now be delegated to Technical and Vocational Education and Training Australia Ltd. This relates to registered training organisations which operate in multiple jurisdictions. The establishment of the National Audit and Regulation Authority will assist training organisations such as those good training organisations in my electorate, including the Central Gippsland Institute of TAFE, which does a wonderful job at its great facilities in Gippsland. GippsTAFE is one of those organisations that operates in multiple jurisdictions, so this proposed legislation will help it in terms of efficiency, and it will give it a little bit more confidence in going forward. The reduction in paperwork will also be much welcomed.

Further to that, the minister also referred to making sure that property owned by training organisations falls under the jurisdiction of the appropriate minister. I know that Central Gippsland Institute of TAFE has a substantial amount of land that could be developed in the future as we move forward. We could certainly upgrade some of those Atco huts that are at the side down there. The minister is not responding. I think that is an important element to these amendments. It is a sensible thing to do, and it will give confidence in the future from the perspective of GippsTAFE or any registered training organisation that the land is under the appropriate minister, and it will give them the confidence going forward to deal with all these things.

In summary, I think the amendments that have been proposed in this bill are sensible and appropriate. We should be rewarding our teachers and principals who are so important in the lives of our children. We entrust a great deal to teachers, and it is important that we recognise that through remuneration and through other means. This is a sensible approach in the right direction, and whilst there are some questions about the intimate detail, overall I think the house is pleased with the bill.

Ms THOMSON (Footscray) — I rise to support the Education and Training Reform Further Amendment Bill 2008. In doing so I certainly cannot let the shameful contribution of the member for Bulleen go by without some comment. As the Minister for Skills and Workforce Participation has already indicated, we have seen an increase in education funding of \$7.3 billion under the Labor government and 8000 new teachers and support staff. This is not something that should go unrecognised, and it certainly is recognised in our schools. When you talk to teachers now they recognise and acknowledge it.

The member for Bulleen referred to school closures under the Kennett government and then school closures under this government. Let me give the house some examples. Under the Kennett government the first round of school closures was dictated by Jeff Kennett and the education minister. They dictated which schools would close. There was a huge furore among school communities about it being announced in a press release that their school would close. So on the second round of school closures the Kennett government decided that school councils would make the decision as to which schools should close. What it did was say to school councils, 'All of you get together — the four of you — and you determine which school will close'. That is what it, and the now Leader of the Opposition played a key role in selling off those schools.

In my areas of Sunshine and Braybrook the school community got together, came to the department and said, 'We want to amalgamate on a site with a new school where we can offer a better curriculum option for our children and provide the best facilities'. I have to say that those three school communities — Sunvale Primary School, Sunshine East Primary School and Braybrook Primary School — celebrated on budget day because they got over \$7 million from this government towards a new school, a new facility and an opportunity to create a new curriculum and a new environment for what is a very disadvantaged area in my electorate. That is the difference between us and those opposite.

I want to reiterate our commitment to education. In my electorate of Footscray, where there are real pockets of severe disadvantage, we are making a difference. As a matter of fact just last week the Minister for Education came out to Gilmore Girls College to look at the new year 8 learning centre. Then we went on to West Footscray Primary School where we looked at the renovations that have occurred at that school and we celebrated some of the school's successes and achievement of West Footscray Primary School. We have seen new facilities in Footscray City College for years 7 and 8 students.

We are seeing upgrades occurring all the time. This bill is also about recognising that providing a quality education is not just about the physical presence — and the physical presence makes a difference — but that it is also about the education that teachers provide and the development of the school community.

This legislation is most welcome in my electorate, particularly the executive classification provisions. That is so important in an area where we face areas of language difficulties and where refugee children who have never had any formal education — children who may have been in refugee camps for up to 10 years — and who have a special need for education services are provided with them. We have children who come from disadvantaged families, from families that have been split up due to family violence and other issues, and we have children whose parents want a quality education for their children. We want to provide the best possible state government education to meet all the needs of all these children, wherever they may be, at schools right across Victoria.

It is important that we provide incentives to encourage the best possible principals into those schools to create an environment that encourages learning for all. Given the backgrounds of some of these children in some of these disadvantaged schools, that is no easy task. Through no fault of their own they come to those

schools with great need, to learn and to be provided with first-class quality education, already a long way behind students who start at that school. This bill gives that incentive. It recognises quality in education, it recognises quality and expertise in principals, and it does mean that our students will be given an opportunity to get the best education that we can provide.

This government is about providing better facilities. It is about providing the best possible quality education and supporting our teachers in the tasks they have to educate our children. It is about making sure that we retain a strong government education system for all our children so that no child need be disadvantaged. That is a primary concern to us on this side of the house. This legislation goes a long way to ensuring that we start to get that right, that we have incentives for teachers to provide that quality of education and accountability to parents to ensure that their children are getting that education.

I commend the work the government has done over the last nine years to improve the quality of facilities for our children and to provide the broadly based curriculum for our students. I know the Minister for Skills and Workforce Participation was instrumental in providing the IT and computer technology which is giving our students access to a world some of these students would never have dreamt of having access to and providing them with an opportunity to really see what the world can open up for them. I commend the minister for the enthusiasm with which she took up that challenge. Now when you go into these schools you see students who might never have accessed a computer until they got to school embracing that new technology — using the new electronic whiteboards — and talking and embracing study with students in country Victoria and learning about their lives and experiences. And those country students also learn about the experiences of children in city schools. It has to bring our communities closer together.

I commend this bill to the house. I congratulate the government on its record of providing quality education for our students, no matter where they live. I have not even touched on what we have provided by way of education in the country areas. The previous Kennett government left such schools disadvantaged or closed them down. It is a shame that those people, many of whom purported to represent country Victoria, did that. They certainly treated those schools like they were the toenails of Victoria; unfortunately they ripped the toenails off many schools in country Victoria.

We have put those resources back, we are providing quality education to our children, and we will continue to do so. The member for Bulleen can come in here and bleat about the nine dark years of Labor, but there is no-one out there in the education system, be it parent or teacher, who genuinely believes there have not been massive improvements in the education system since Labor was elected in 1999. They know we will deliver even more. I commend the bill to the house.

Debate interrupted.

DISTINGUISHED VISITOR

The ACTING SPEAKER (Mr Thompson) — Order! I acknowledge the presence in the gallery of a former Speaker of the house, a former member for Werribee, Dr Ken Coghill.

Debate resumed.

Mr WAKELING (Ferntree Gully) — It gives me pleasure to rise to contribute to the debate on the Education and Training Reform Further Amendment Bill 2008. As specified in part 1, this bill seeks to do five things. In amending the 2006 act it will provide for the employment of executives in the teaching service and matters relating to that employment; provide for a process to deal with the unsatisfactory performance of employees in the teaching service; enable the Victorian Registration and Qualifications Authority to delegate certain functions relating to the registration of training organisations; clarify the registration of land acquired under various education acts for education purposes; and improve generally the operation of the act.

We have certainly heard some interesting contributions from members on the other side of the house, and when listening to them one might think these are members of Parliament who do not actually get out there and talk to people in their own community. I certainly know from people that I speak to who live in the Ferntree Gully electorate, as well as people that I speak to who live in neighbouring Labor-held electorates, that this is a government not providing adequately a range of services but specifically in the area of education. It is interesting to note that in question time the Minister for Education talks about the no. 1 priority of this government being education. But then the Minister for Water stands up and says the government's no. 1 priority is water. That just highlights the fact that this government does not know what its no. 1 priority is.

I can tell the house that for families in the Ferntree Gully electorate education is a key, important policy area where they expect this government to deliver

better services after it has been in office for nine years. In accordance with clause 4, the bill will introduce a new provision relating to executive-class principals. That is very interesting, because at the last election it was the Liberal Party that called for improvements in this area of principals. Whilst the government might wish to choose to use another name, we are very pleased to note that again this is a government that is willing to look at the benefits of policy areas that the Liberal Party has put forward and to take them on board.

I would like to discuss school closures, and I refer specifically to clause 32 of the bill, which deals with the vesting of land. It is interesting to hear comments from members on the other side of the house about the fact that this is not a government that closes schools. In fact the Minister for Education reminds us regularly that her government does not close schools. I invite the minister to come out to the Ferntree Gully electorate and to drive along Dorset Road. She needs to drive only a couple of hundred metres before passing not one school but two schools that have closed down under the control of this government.

The government says those schools were not closed by this government. They did not spontaneously combust! The government starved both schools of funds, and both school communities were left with no option but to leave and look for other schools. The Ferntree Gully Primary School, which was located on the corner of Dorset Road and Burwood Highway, closed in 2005. I attended meetings with parents that were organised by the education department, as did the former member for Ferntree Gully. That school community was promised that as a consequence of the closure of that school the facilities at Wattle View Primary School would be upgraded.

Since the closure of that school, Wattle View has received nothing from this government. It has received nothing as a consequence of the closure of Ferntree Gully Primary School. What we have is a school site that still has a cyclone fence around it and it is overrun with weeds. One only needs to drive along Dorset Road to see evidence of the way this government treats education in the Ferntree Gully electorate.

Sitting suspended 6.31 p.m. until 8.02 p.m.

Mr WAKELING — Before the dinner break I was explaining the difficulties that my community is facing with respect to school closures in my electorate. Whilst I have addressed the primary school site in Ferntree Gully, the Ferntree Gully Secondary College, which was 200 metres up the road, was closed at the end of

2006 under the watch of this government. Like the primary school site, the secondary college site has a fence around it and the government has to date not provided any clear commitment as to what it intends to do with either site.

On 24 June I raised the issue with the Minister for Education in the adjournment debate and sought clarity on future outcomes for both sites. In a response that I received in August the minister firstly indicated that with regard to the secondary college site — bearing in mind that site has been closed for nearly three years — the government is yet to determine what it wants to do with it. With regard to the primary school site — it is coming up to four years since its closure — the government indicated that it is in the process of negotiating a sale to another government agency. No explanation was provided as to which agency the government is intending to provide as the new tenant. As a result I was forced on behalf of my local community to put questions on notice to the minister.

On 7 October I lodged a number of questions on notice with the Minister for Education seeking clarity on the former primary school site. I asked, firstly, which agency is negotiating to purchase the site; secondly, when the transfer of ownership will occur; thirdly, how much of the site is to be used by the purchasing government agency; and fourthly, for what purpose the site will be used. The lack of information is an indictment of the way the government has handled the situation with respect to the purchase of land. Clause 32 of the bill deals with this issue. It is very clear that this government does not control this issue at all effectively. My community looks at the way the government has handled the issue and knows that this is an appalling situation.

Other members of the house have made reference to school maintenance. I would like to point out some of the issues my community has confronted. I go back to July 2007, when the government heralded urgent funding for school maintenance. My community received \$22 000 for school maintenance. That might sound fine, but considering the fact that we had a \$1 103 000 shortfall in outstanding school maintenance, \$22 000 was a mere drop in the ocean. It is a sad indictment of the government when you have schools like Park Ridge Primary School — a great school — with an outstanding school maintenance backlog of \$213 000.

The other issue I would like to deal with is that at the last election the government heralded with much fanfare that it would be engaging in a 10-year rebuilding program. I asked the government on behalf

of the schools in the Ferntree Gully electorate when my schools were going to be rebuilt as part of this 10-year plan. The response was zero. We are yet to receive a response to provide any explanation as to when my community will see those schools upgraded.

In 2007 we had an upgrade to Kent Park Primary School. That was a welcome addition and was well received by that community. In 2008, when the Treasurer entered this house and made his speech pointing out that the government was going to invest further money in the expansion for school rebuilds, I would have thought if we had one school upgraded in 2007, possibly we might have two upgraded in 2008. But did we get one? No. Did we get two? No. We got zero education upgrades in the Ferntree Gully electorate.

Honourable members on the other side of the house trumpet the way in which this government has dealt with the issue of education, but my community looks at issues such as school maintenance and capital infrastructure. More important is the issue of the two school sites with fences around them that one sees when driving along Dorset Road. The government should understand that this is how they have been treated.

Mr HOWARD (Ballarat East) — I am pleased to speak on the Education and Training Reform Further Amendment Bill. As we have heard, this bill has come about particularly to support the government's *Blueprint for Education and Early Childhood Development* which was released last month. This plan sets out the government's vision for education to take us forward over the next five years. It presents a series of integrated reforms that are designed to improve the performances of our schools and promote excellence in schools across this state, as well as promoting excellence in the early childhood services area that is now being dealt with in conjunction with education.

In responding to the blueprint, one of the key changes this bill brings about, as we have heard from earlier speakers, is the introduction of the opportunity for an executive class within the Victorian government teaching service. This provides additional flexibility to attract high-quality people into the teaching service and keep them there. It will provide five-year contracts to encourage our top teachers and top principals to teach in schools where they are most needed. This government is very much aware that schools across the state are not equal. There are schools that have additional needs and challenges. We want those schools to be supported appropriately by encouraging the best teachers and principals to work in them, to lift their

standards, raise aspirations and ensure that people across Victoria have top-quality opportunities in education.

It always gives me a great sense of pleasure to speak about this government's role in supporting education. As a former secondary teacher for 17 years, I have a great appreciation for education and the role it has in raising our young people and bringing them through a system in which they increase their skills and their ability to then go out into the world and make this state and this world a better place.

How can we forget what we inherited from the former Kennett government? That was what made me want to become a candidate at the 1999 election. How can we forget that under the Kennett government, education was severely neglected?

Mr Foley — The Kennett-Nationals coalition.

Mr HOWARD — That is right. The Nationals were part of that coalition that saw the closure of lots of schools in my electorate and across country Victoria. Nine thousand teachers were lost from the system. We inherited an education system that was being devalued, and the morale of teachers in schools was low. The morale was low at the school I left in 1997. It has been great to be a part of this government which has brought about a significant change within the education system.

As part of the changes that we have brought forward, we have put more teachers back into the system. We have ensured that class sizes at all levels, especially at junior levels, have been reduced so that prep to year 2 class sizes are below 20. Class sizes above that have been brought down significantly. We have also put more teachers back into the profession, and we have brought back more support services. We have also put in lots of capital to see schools improved.

I look across my electorate of Ballarat East, and I can see school after school that has had significant capital development. It is great to see schools being rebuilt, like the old Ballarat East High, which is part of the east campus of Ballarat Secondary College. It was built in the late 1950s, and although it was trying to provide, and continues to provide, great educational programs, the facilities it had been operating in were very poor. Now we are seeing the school being reconstructed.

We have seen some new schools, including Napoleons Primary School. There have been further additions to and development of the land at Mount Pleasant and at many schools across my electorate, including in Creswick and Tylden. Many schools are being redeveloped — Daylesford Secondary College is

coming up this year and Trentham Primary School is about to be reconstructed. This government is supporting education and is providing many schools with good physical facilities. It has provided more funding to ensure that schools have more computers and that they have broadband access, which has been a challenge for schools in the country. This government has been committed to lifting the standard of education in our state at every point. We are letting our teachers know that we support them, and we are supporting schools and school communities to become better educational places.

This bill underpins the next five years worth of that, both in terms of the executive class that I have talked about but also those other changes which are set out in this legislation which will help to streamline issues of underperforming teachers and address the concerns of some staff members in the system. I am confident that this government will continue in its leadership role of making education its no. 1 priority. It is important for young people in schools not just in the Melbourne metropolitan area but in schools across the state and in those areas that need special support. We want to see good quality education, and this bill helps to provide that. I am proud to be on this side of the house where the Brumby government is continuing its great educational activities.

Mr CRISP (Mildura) — I rise to speak in the debate on the Education and Training Reform Further Amendment Bill, which has been introduced to amend the Education and Training Reform Act 2006 and the State Superannuation Act 1988 and for other purposes. Its main provisions are to enable training organisations working in more than one state or territory to apply to the Victorian Registration and Qualifications Authority to have their programs audited by the National Audit and Registration Agency; to provide for the employment of some principals as executives in the teaching service, as part of Labor's new education blueprint; to provide for a process to deal with the unsatisfactory performance of employees in the teaching service; and to make minor amendments to the principal act, including amendments affecting issues to do with interstate work experience and powers of the minister over land titles.

I would like to examine some of those provisions in detail, particularly regarding executive principals. We want to reward excellence, and this bill contains a process that will reward excellence. However, I hope this bill will allow the community to be involved in the selection process. Having communities involved in the selection process builds capacity within the communities and gives their members experience in

how the department works. In particular, understanding the terminology and protocols of the bureaucracy is very difficult for those who are not involved in the system. If they can get involved at any level and understand those, they will be able to participate in the process and improve things as they go. There is a narrow divide between the community and the education structure at school level, and we have a real opportunity — through that mutual involvement — to build a bridge to the community so that it understands how government works.

The ability of principals to comment publicly without constraints is something that has been raised. Principals can make a positive contribution to a community, and we need to look at the boundaries as to where the principal can and cannot comment.

The minister's powers in relation to land titles are also of interest to me. I think every member here probably has come across an example of there being a problem regarding land. The problem in the Mildura electorate is the old Nichols Point Primary School site. A new school has been constructed on some adjacent land, and the old school remains unutilised and deteriorating. My office receives regular calls from people concerned about its state, and I am hoping that under the powers given to the minister to sort out land titles that particular issue can be progressed.

This is an expanding community on the edge of Mildura, and there have been some community discussions about the future of that site, but they just do not seem to be able to connect with the education department or with whoever is handling the disposal of that property or the community's use of that property in order to utilise what may be a retired and tired school but is still a community asset. A number of people have approached me about this. Allan Cameron is one who rings regularly, wanting to know what is happening with the site. Action is required to make that site useful and a community asset one way or another and so that it does not become a liability because of its condition.

This bill deals with early childhood, and I want to acknowledge the hard work done in early childhood development by kindergartens, parents and teachers in our community. Many people struggle in this area because although they know early childhood development is important they are at the stage of life where they are both time poor and financially heavily committed. So kindergartens are very important, and anything more we can do in early childhood development to support kindergartens will pay a huge dividend into the future.

I want to talk also about an initiative that has occurred at the Mildura Primary School in partnership with a number of bodies, including Mallee Family Care at Mildura, to establish something called the total learning centre. This is aimed at engaging kids and mums prior to the kids starting school. It was launched only a few weeks ago. Professor Tony Vincent from the University of Sydney was in Mildura to launch it and spoke very highly of such initiatives. We want to make sure that children, particularly those coming from a socially disadvantaged background, are not starting from behind in their education. We have to give them the best chance, because if you start from behind in school, sooner or later that handicap will lead to disengagement, and disengagement from education is something that is and should continue to be of great concern to us.

We have a parliamentary committee looking at the low participation rate in higher education of some communities. Things that start early continue. Disadvantage in primary education or at the prep level will go all the way through and restrict participation in higher education in country areas, and that is a handicap we must address. As I said, the problem starts early.

Tightening up of interstate work experience provisions is extremely important. This refers to the old cross-border issues. Border communities can never understand why what appear to be small differences turn into such big things. The further you get from the border the more important these difficulties appear to be, whereas the closer you are the less important they seem. This is a very important issue, because unemployment is predicted to rise in coming years due to the economic situation, and the economy in country regions is also changing because of drought.

With the education blueprint, we need to make sure that a lot of work is done in reskilling. The skills reform program is something that is also important, particularly as the drought drags on and country communities change. I am concerned also about the fee issue in TAFE; that will be an inhibitor of reskilling. That is something I feel very strongly about, and I am certain we are going to hear more about that in the future.

Much has been done in the area of reskilling adults, but the education that you receive while you are in your primary and secondary years gives you the ability to handle reskilling if that is what is required in your life. Education is one thing that cannot be taken away from you in this life and should be highly valued by an individual, and the individual should be highly supported by the community and by government in acquiring an education. In my view it is incumbent

upon government to provide the framework within which an individual can take the opportunity to gain the best education. Country people are disadvantaged, and this bill does little to address that disadvantage. But something is better than nothing, so The Nationals, in coalition, are supporting this bill. But we will need to do a lot in the coming years as the economic crisis rolls out across the top of a drought in country Victoria.

Mr FOLEY (Albert Park) — It is a great pleasure to rise and make a brief contribution to the debate on the Education and Training Reform Further Amendment Bill. How appropriate it is that our visitors gallery is full of the very people we are talking about. I am guessing that they are from the Mornington Peninsula. As a product of education on the Mornington Peninsula, I am hopeful that they will gain something from this debate today.

I will keep my comments to one particular aspect of the bill, because, as we all know, education is this government's no. 1 priority. For nine years we have steadily and progressively rebuilt the education infrastructure of this state after the dark years of school closures and the sacking of teachers. In my own community there is plenty of evidence of the rebuilding of that infrastructure.

This bill seeks to contribute to the next logical step regarding improving and developing world best practice as to what goes on in the world's best schools. *The Blueprint for Education and Early Childhood Development*, which was released some weeks ago, is an important contribution to that reform. Very tellingly, that blueprint emphasises that leadership in school communities is the key element that drives the links with local communities and the values of excellence and academic achievement that school communities increasingly demand to prepare young people for the future challenges of a dynamic and integrated Victorian economy into the world global community.

A key aspect of this bill is that it builds on the government's recent commitment to teaching leadership through one key aspect of teaching — that is, developing leadership. One approach the Victorian government has taken is through the recent commitment to establish the Victorian Institute of Education Leadership, which is scheduled to open in North Melbourne in 2010. This institute will create a new executive class of school leaders to demonstrate to school communities that you do not have to leave your school and your community to take that next big step in delivering on the values of excellence and commitment to education.

In that regard the provision in this bill to create executive-class principals will provide opportunities for local communities to engage with schools to ensure that the excellence and academic rigour that communities expect from their community-based public schools are able to be delivered. For instance, there have been some initial models of that in the Broadmeadows and Mount Waverley areas. I look forward to seeing a similar approach applied in my community at the soon-to-be-rebuilt Albert Park Secondary College. On that basis I will leave my brief comments there.

Mr DELAHUNTY (Lowan) — I rise on behalf of the Lowan electorate to make a few comments on the very important Education and Training Reform Further Amendment Bill. As we all know, education is vital for the continuing development of not only each person but also of a region. Some 51 schools and two universities operate within the electorate of Lowan, so I deal with many educational organisations.

This bill is mainly about amending the Education and Training Reform Act. There are a couple of main provisions. Firstly, the bill provides for the employment of some principals as executives in the teaching service, which is part of the Labor government's new education blueprint, and I will come back to that a little bit later. Secondly, the bill provides for a process that deals with unsatisfactory performance of employees in the teaching profession.

I have three sons who are all married to schoolteachers: my first son is married to a secondary school teacher in Mildura; my second son, who lives in Melbourne, is married to a kindergarten teacher; and the youngest is married to a primary school teacher who works at Urquhart Park in Ballarat, so the off-farm income is all right for those guys. But the reality is that my sons are not farmers; they are all in other professions. Within my family I do hear a lot about the education system. However, I want to focus on some of the things that are important to my electorate of Lowan. Within my time in Parliament some four schools have been closed by this government.

Mrs Shardey — They do not close schools!

Mr DELAHUNTY — Government members said they did not close schools, but I will tell you the names of some schools they have closed. This government has closed schools at Brim, Harrow — where the member for Seymour taught years ago — and Pimpinio, and last Saturday I went to the closing ceremony of the school at Netherby, north of Nhill. When I was first elected to this place about 40 students attended the Netherby Primary School, and there were only 3 recently.

Mr Andrews interjected.

Mr DELAHUNTY — Never been north of Nhill? The Minister for Health is at the table. He was at Nhill a couple of weeks ago, but he has not been north of Nhill. It would have been a great experience for him to do that. The great community of Netherby had a fantastic celebration at the closure of the school, about which they were very disappointed.

Mrs Shardey — Celebration?

Mr DELAHUNTY — It was a Back-to-Netherby celebration, and people had come to it because they were not very happy about the closure of the school.

Nevertheless, as we know, the *Blueprint for Education and Early Childhood Development* is the first blueprint delivered to Parliament by this government, but it really only masks a lot of the problems faced by schools in my electorate, particularly the appalling physical condition of some of the schools. In Horsham council representatives went to the Horsham Special School and bagged its condition, not only from the point of view of the students who attend the school, but also the staff and parents who have to come to that school.

The member for Sandringham will be speaking after me. I believe he will be going up to Dimboola in a couple of weeks. The Dimboola Memorial Secondary College, where my wife went to school, is badly in need of an upgrade to meet the needs of teachers and students in Dimboola. I congratulate the people at Dimboola Memorial Secondary College on being the first school in the state to use electronic whiteboards. The school provides great educational opportunities for our youth, particularly in the Dimboola region. Another school that badly needs an upgrade is Horsham College. They are only some of the 51 schools in my electorate that need some work done on them.

As I said, education is vital for the continuing development of people and communities. A great program is going on between the Horsham North Primary School and the Horsham North community. Some people from that renewal program have come to have dinner with me tonight. North of the railway line in Horsham was predominantly the area that was set up with a lot of commission homes, and there is a perception that it is a poorer area. To the credit of that community, the Horsham council and others, we have been able to get a renewal program going up there. I told them that if they could put together a song or a jingle highlighting the importance of the good things that happen in Horsham North that I would invite them

down here for dinner, so they have been able to do that tonight.

Some of the good things that are happening in education are happening in the Lowan electorate. We have fantastic staff and fantastic communities, and with a little bit more support from the Labor government we could have some fantastic educational opportunities for our youth. Having said those few words, I am pleased to say that, like my coalition colleagues, I will be supporting this legislation. We will look forward to seeing progress in relation to education and training in the Lowan electorate.

Ms LOBATO (Gembrook) — I wish to make a few brief comments regarding my support for the Education and Training Reform Further Amendment Bill 2008. I want to talk about how this bill furthers the Labor government's commitment to education by investing in the vital education of our young people. Unfortunately I do not have time to go into detail on many aspects of the bill, but I do want to discuss how the bill furthers in the education system the confidence that was so severely depleted some time ago. During the period of the Kennett coalition government not only was the physical infrastructure of schools neglected but also the morale of principals, teaching staff and other school staff was neglected, and they were disrespected and sacked. The Kennett coalition government did not respect or value public education.

Mr K. Smith — None of them was sacked.

Ms LOBATO — The member for Bass says that none of them was sacked. That is an outrageous lie.

Mr K. Smith interjected.

The ACTING SPEAKER (Ms Campbell) — Order! The member for Bass will be quiet.

Ms LOBATO — The Labor government was elected in 1999 due to the neglect of the former Kennett government, particularly in the education area. Education was the greatest motivator for me in standing as a candidate for the Labor Party in 2002. I had recently given birth to my son, and when I looked around and saw what was occurring in our state education system I was appalled. The emphasis was on commercialisation, if you like, of schools and the neglect of the education system. I was determined that my children would receive much better than what was on offer from the Kennett coalition government. That is why I stood in the 2002 state election.

The first school I attended as a candidate was Gembrook Primary School. It is one of the schools I am

most proud of because of what we have been able to achieve in the electorate of Gembrook. Gembrook Primary School was in a very sad state. It was full of the oldest portables that I have ever seen at any school. The parents and teachers spoke to me at length about how they had been lobbying the previous government for many years. The then member for Pakenham had supposedly been representing Gembrook Primary School for more than 30 years, but he had not done anything. He felt the land on which the school was situated was much more valuable than the education service that it provided. Obviously nothing was done to that school. The school community felt incredibly neglected and was desperate for change. One of my proudest achievements as the member for Gembrook has been to assist in the rebuilding of that school. Next month that school will be officially opened. That is just one of the many achievements in the Gembrook electorate.

I refer also to Berwick Primary School, which has been an outstanding success. It is a beautiful multimillion-dollar facility. There have also been a multimillion-dollar upgrade to Beaconsfield Primary School and Upper Beaconsfield Primary School has also been upgraded. Many other schools have had substantial upgrades. Only last week the Premier and the Minister for Education officially opened the Pakenham Springs Primary School. Education is the government's no. 1 commitment, and I am very proud that the legislation will further our respect and our commitment to education so that our young people have the opportunities that they deserve. I commend the bill to the house.

Mr THOMPSON (Sandringham) — At the last state election the Labor Party promised that Labor's plan was for a new generation of schools and more specifically that by the end of a 10-year plan in 2016 every government school would be modernised or rebuilt. In the Sandringham electorate local school councils and local principals are waiting at their front gates for the plans to arrive from the department of education region to ascertain when their master plan will be taken up, when their school will be modernised and when their school will be rebuilt.

In 1992, when I was first elected to this place, Victoria had a state debt of \$33 billion and as a consequence of the debt servicing costs there were insufficient resources to meet the basic upkeep requirements of Victorian schools. On one occasion I had the opportunity to visit Coburg High School and found that after 10 years of Labor administration weeds were growing in the spouting, walls had been kicked in and windows had been broken. It is understood by every

member in the chamber that there is a correlation in part between the learning environment and the learning outcome. It was outrageous that while there was support in principle for education, learning environments around the state had been allowed to run down and fall into disrepair. The strategic plan in the early Kennett years was to improve learning environments and to better distribute resources so that Victorian children would have the best opportunities in life.

The bill deals with education and training reform. There are five principal purposes, which include amending the Education and Training Reform Act 2006 to provide for the deployment of executives in the teaching service and matters relating to that employment, to provide for a process to deal with the unsatisfactory performance of employees in the teaching service, to enable the Victorian Registration and Qualifications Authority to delegate certain functions relating to registration of training organisations, to clarify the registration of land acquired under various education acts for education purposes and to improve generally the operation of that act.

In my work in the Sandringham electorate over a number of years I have admired not only the work of school principals in the local area but the work of school councils, school council presidents and leading principals from within the region who have provided a range of skills which have helped school principals deal with leadership and development issues within local school environments.

At the moment in my electorate Mentone Girls Secondary College is led extremely well by Debra Lehner, and Sandringham Secondary College by principal Wayne Perkins. Cheltenham Primary School's principal is Margaret McIntosh and at Sandringham Primary School it is Margaret Hird. At Sandringham East Primary School it is principal Laureen Walton, and while speaking about that school I would like to express concern regarding its need for rebuilding or modernisation. I understand from a number of visits that the school has paid for a master plan, but the school remains a mishmash of facilities with mod 2s, relocatables, an old wooden classroom, a Bristol and an ageing core brick building. When the school experiences heavy rain, buckets are needed to collect the water. While that may be advantageous for watering the garden later on, it is not too good for a modern, effective learning environment.

Mentone Primary School has an excellent principal in Chris Chant. Beaumaris North Primary School's principal, Sherril Duffy, has taken a long-term interest

in the school. At Beaumaris Primary School, likewise principal Sue Arnts has been providing leadership for over 12 years. Black Rock Primary School has a more recent leadership team led by Julie Luiten.

The object of teachers in schools is to provide strong learning environments, to build the school community, to apply developing technologies and to improve the curriculum so that when students leave school they are able to make a constructive contribution to Australia's and Victoria's development.

It has been interesting to observe the changes over the years in the application of computers in the classroom. Going back a decade, there was the opportunity to build banks of computers which students would use on a specialist basis. Among the Microsoft suite of programs generally word processing was a principal task. On a recent visit to Beaumaris Primary School, in discussing computer applications the principal indicated that the skilling of students has gone beyond just word processing and the development of PowerPoint, which is now undertaken by prep students. It has moved on to the stage where by grade 6, students are producing and developing their own films. There has been a great upskilling, and the role of the internet in learning and development is significant.

Other concerns within my electorate nevertheless relate to the lack of upgrade funding for schools. I do not think it is appropriate that Sandringham electorate's schools wait until 2016 before they are modernised. There has been investment in some schools due to effective representation by members of Parliament; however, there is much more that needs to be done.

I would also like to note the category of executive principal. A number of principals who have taught within local schools or within the region, such as Tony Ross historically or in more recent times people such as Bob Stephens, are lifelong educators who have made a most valuable contribution to educational development in Victoria. There has been a debate in recent times about increasing the Business Council of Australia has called for good principals to be paid \$130 000 or more. It then becomes a debate as to affordability and the impact across the educational sector with the higher rates of pay. But most parents would support strong remuneration for teachers and principals who provide good leadership in school environments to ensure that every young student has the best opportunity to develop their talents and abilities.

To date the Sandringham electorate has not seen much of the Labor Party's promise to modernise or rebuild every school in the state of Victoria. All I would say is

that every school council president and every principal would be fully aware of the magnitude of the ALP's promise during the last state election campaign, and they will be holding the government to account for any failure on its part to fulfil what it undertook to do at the last election. In the case of the Scoresby freeway the government promised one thing and did another. I trust for the sake of the next generation of Victorian children that will not be the case in the next few years. Otherwise it will be up to a Liberal government to again provide best practice principles, to provide competent learning environments and to provide computer innovation in the classroom. I trust I will not see again saw in 1992 at Coburg High School where I was astounded to see broken windows, walls kicked in and weeds growing out of the spouting.

Mr K. SMITH (Bass) — It is nice to talk on the Education and Training Reform Further Amendment Bill 2008. We on this side of the house are going to support this piece of legislation that the government has introduced because there is a belief that there are some good bits to it and we should be giving it support. I am a believer, as is my party, that education is an important aspect of our society. It is certainly important for our youth. The training they get stands them in good stead for their later lives. Starting with kindergarten education and working our way up through primary school, secondary college and maybe into tertiary education, it is important that we have the very best of standards.

I was interested to see that this piece of legislation talks about having executive-class principals. That is a good idea, except it has been left up to the secretary of the department to allocate those principals to schools where the secretary thinks it is best for them to go. It makes me wonder and concerns me a little bit as to whether they will be sent to the leading schools and that class of students, or whether these executive principals will be put into schools where the standard of education has not been good, where there have been problems and where they are looking for somebody to revitalise the school, somebody who has the power and the facilities to be able to turn the school around.

Whether it is a problem with teachers who are not capable of teaching in the school or whether the facilities are not good enough for a proper education to be had in the school, it all adds to the problem. Kids and teachers having to work in crummy classrooms tends to take away a bit from the teaching and learning. It is important that the executive principals be sent to an area where they are going to be best used, and I would hope they would go to schools where they are able to

lift the standard and not just be put into schools that are already leading schools.

This legislation has not been passed, and we are not looking at executive-class principals currently, but let me say I was delighted to see that Ray Squires was made principal at Pakenham Secondary College. Ray was formerly a teacher at the school. He went away for a while to another school but has come back as the principal. I must say this school has been in a bit of turmoil at the top level over the last four to five years with changes in principals taking place. There have been part-time principals and deputy principals. Some of the teachers seemed to think they did not have the leadership that was needed. As I said a few moments ago, I was absolutely delighted when somebody of the standard of Ray Squires was put in as principal of that school.

They still have some sorting out to do. There are still a couple of vice-principals there who were not able to step up into the principal's position. I think they may look at going to other schools they could be allocated to which would probably put them in a position of being appointed as principal so they could perform in a leadership role and lift their school to a standard we would all hope schools would achieve. I was delighted to see that happen.

In this legislation we are also talking about vacant land that has become available as schools have closed. I must say this government always seems to take delight in talking about the schools that the Kennett government closed and the teachers it sacked. Let me say that a great deal of discussion went on within all schools that were closed. School councillors got together and talked about their schools and whether they thought it might be better that they amalgamate. Some were small country schools with 8 or 10 students and 1 teacher. The kids were getting an education, but it was difficult for a single teacher to spread themselves between students from prep up to grade 6.

In country schools in particular there was limited social interaction because the kids going to one school would often all be from one, two or maybe three families. They would all mess around after school together, and if they went out, they would go with their parents and usually all the families would go together. Those students would not have an opportunity to meet other kids of their own age and to engage in the social interaction that students need, not just from the point of view of learning but also being able to expand their horizons by mixing with and enjoying the company of a range of people.

Talking of education, the other day I had the great delight — it was mentioned by the member for Gembrook — to go to the opening of the Pakenham Springs Primary School. The Premier saw fit to go along to the opening along with the Minister for Education and the Minister for Children and Early Childhood Development. The school has a kindergarten, and basically all the kids can walk through the same door together. The primary school kids peel off to the left, the kindergarten kids peel off to the right, and there are maternal and child-care facilities under the same roof. The kids have the opportunity now to go to school with their siblings but also to get together and mix with others. Mums do not have to be tramping all over the countryside moving kids around.

I must say that it was a great delight to be there for the opening. I was very pleased that the Minister for Education came along. I mentioned to her at the time that there are a couple of other schools I think should be upgraded. I can see she is smiling. I am just so delighted that you are here, Minister, so I can remind you of the Inverloch Primary School, which is in great need of a complete upgrade. It is a great school with a great principal, and I must say they are a great lot of kids, but the facilities they have to put up with are very poor. The school really does need to be one of those that you are going to put on your list and then try to use to knock me off at the next election. I will not be delighted to be knocked off, but I would really be delighted if you would put that school in for us. And when you are doing that, and you are being as good and kind as that, you should get up to Garfield — —

The ACTING SPEAKER (Ms Campbell) — Order! The member will speak through the Chair.

Mr K. SMITH — I say through the Chair to the minister that Garfield is another school that needs to be rebuilt. One thing this government did in the lead-up to the last election with a number of the schools that we have been having a bit of whinge about not being up to standard was develop the mod 5 classrooms that were stuck on the backs of trucks and delivered just before the last election. That took all the fun out of the argument for trying to develop new schools, because the kids, principals and teachers were all absolutely delighted at having those new mod 5 classrooms dropped on their back doors. It all sort of happened over Christmas, and it was just absolutely delightful. However, the fact was that the facilities in a lot of those schools needed to be upgraded and should still be upgraded. I am looking forward to Inverloch and Garfield being upgraded, Minister. I am also looking forward to bumping into you when you go over to the opening of the new Berwick Springs school — —

The ACTING SPEAKER (Ms Campbell) — Order! I remind the member for Bass that he should speak through the Chair. I will not be going to that school, thank you.

Mr K. SMITH — If you would like to go along, Acting Speaker, we would be pleased to see you there as well. That school is needed in a very rapidly developing area in my electorate. That is something this government really has to be pushed into — that is, developing schools in areas that badly need schools, and Berwick Springs is one of them. Pakenham Springs was another place where both primary schools in the area were 50 per cent over capacity. If this legislation goes anywhere towards trying to help us get a better education system for our kids, I think that is terrific, and we look forward when we are in government to going around and opening all the new schools we can.

Ms MUNT (Mordialloc) — The member for Bass would be opening the schools that Labor has actually put in place, but I think we will be opening them ourselves.

I want to say a few quick words on the Education and Training Reform Further Amendment Bill 2008, and I want to concentrate particularly on one part of this bill — that is, the introduction of the executive class as a means of attracting high-performing principals and school leaders into areas of need, including underperforming schools.

I recall that many years ago I stood in Queen's Hall as a school council president at a function for school council presidents and spoke to a school council president from a school that happened to be in the western suburbs. She told me how very difficult it was to attract parents to be part of the school council and how difficult it was to attract high-performing teachers and principals to her school to provide the first-class education that she believed and I believe the students in her school deserved. I am pleased to speak in support of this bill, because it puts in place a mechanism to assist those schools that need that executive class of principals, that need those high-performing teachers and principals to come into their schools to kick-start the learning environment for their students. With those few words I support this bill and commend it to the house.

Ms PIKE (Minister for Education) — I thank all members of the house who have spoken on the Education and Training Reform Further Amendment Bill. All members who contributed to the debate spoke with passion about education within their local communities. They are obviously very concerned that young people in their electorates get access to a

high-quality education. This is the aspiration of the government as recently reflected in its *Blueprint for Education and Early Childhood Development*. One of the key things identified in that blueprint was the need to have high-quality leadership within our schools. All of the research and evidence shows that having excellent leadership creates a culture of high expectations for young people; it inspires teachers to take their profession seriously and to continually improve their professional practice; and it is the key to improving outcomes for young people and their performance in the key areas of literacy and numeracy.

That is what this bill is all about. It is about working to continually improve the quality of education for our young people. It is a journey that we have been on for many years, and it remains this government's no. 1 priority. We have invested billions of dollars; we have employed thousands of extra teachers; and now these amendments and the initiatives in the blueprint take us further in raising the standard of teaching, and in particular the standard of leadership within our schools. I commend the bill to the house.

Motion agreed to.

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

Third reading

Motion agreed to.

Read third time.

RACING AND GAMBLING LEGISLATION AMENDMENT BILL

Second reading

Debate resumed from earlier this day; motion of Mr HULLS (Minister for Racing).

Mr NORTHE (Morwell) — It gives me pleasure to make a contribution to the debate on the Racing and Gambling Legislation Amendment Bill. This bill amends three different acts to, firstly, allow bookmakers to conduct internet and telephone betting operations at any time from approved racecourse locations; secondly, transfer responsibility for the registration of bookmakers and bookmakers key employees to the Victorian Commission for Gambling Regulation (VCGR); and thirdly, permit corporations to act as bookmakers. At the outset I want to say that members on this side of house are of the opinion that

those three aspects of this bill are an improvement on what is currently in place, and we support them.

The amendments are in part a response to a significant decline in the share of fixed-odds betting going to Victorian bookmakers. As suggested in the minister's second-reading speech, Northern Territory corporate bookmakers have in the last five years doubled their market share to 58 per cent. We heard the member for South-West Coast refer in his contribution to the debate to some statistics on monetary turnover for bookmakers which show how over time in Victoria that turnover has declined while it has substantially increased in the Northern Territory. It is interesting to note that in 1980 there were 540 bookmakers in Victoria, while today we have 183. I guess that is a case in point and demonstrates the decline of confidence in bookmakers in Victoria over that time.

As mentioned in the second-reading speech, a bookmaking reforms working party was convened in 2007 to provide an industry perspective on how we might better support Victorian bookmakers, and I want to refer to the working party's report. The working party comprised a number of different representatives from across the board. The organisations represented included Racing Victoria Ltd, Harness Racing Victoria, the Victorian Bookmakers Association, Tabcorp as well as the Victorian greyhound racing industry. However, there was no representative from Country Racing Victoria, which is disappointing in some respects.

I refer to section 7 on page 30 of the report of the bookmaking reforms working party, which details the working party's findings and recommendations, and in particular to section 7.1, which deals with internet and telephone betting. It states in part that the working party had concluded that, in the absence of approving 24/7 operations, the competitive position of Victorian bookmakers would continue to be eroded over time, and the current model for internet betting by race bookmakers would not be sustainable. That is an important point. Other states have progressed in their racing industry with regard to bookmakers, whereas Victoria has stagnated over a long period of time.

In regard to country meetings the working party also went on to acknowledge that allowing bookmakers to conduct 24-hour internet and telephone betting offcourse might have provided a disincentive for bookmakers to field at the smaller meetings. I want to make an important point here. The working party did note, however, that there are currently substantial waiting lists for bookmakers to field at particular country race meetings and that the working party believed a shift in focus towards offcourse operations

by some may lead to wait-listed bookmakers being able to field at meetings that otherwise would not have been available. I think the case in point there is that the working party believed this would not impact upon bookmakers fielding at country race meetings.

The working party also went on to say in its report that it believed bookmakers would still hold a strong preference for fielding at race meetings oncourse. Again, that is an important point. In recent times I had the privilege of attending the Moe Cup race meeting, and it was a fantastic day out. Part of the attraction of those events relates to the bookies ring; they are a feature of our country race meetings. For people who might not necessarily like to have a bet on the tote, part of the attraction of the day is going to the bookies ring and having a bet with the bookies.

The working party made the point in its report that since 1994 only 50 of the 180 licensed Victorian bookmakers have accepted bets via the internet and so forth. There is still a very strong presence from the bookmakers to ensure that they are part of the day's events at race meetings, both in metropolitan Melbourne and also in country Victoria.

Section 7.2 of the working party's report also refers to bookmaking locations. The member for South-West Coast explained this quite well in his contribution to debate — that is, that bookmakers are allowed to take bets at an approved racecourse location. In some senses that really prohibits the bookmakers from undertaking their normal course of business. We have a ridiculous situation at the moment where they are not allowed to field in an office somewhere. Obviously they have all the regulations surrounding them to make sure they are doing the right thing; however, we have the ludicrous situation where they can only field through this option at an approved racecourse location.

The working party also argued that bookmakers who operate telephone and internet betting systems can be remotely monitored and that, providing an office can be readily accessed by regulatory authorities, it should not be obligatory for such an office to be situated on a racecourse.

They are the recommendations from the working party, which convened experts in this industry. It is disappointing that the government has not followed up further on these recommendations. It is duly noted that some of the parties involved were quite disappointed in the government's response to this issue. In particular, regionally based bookmakers are further impeded by this part of the bill as they may have to travel to

Melbourne or beyond — for example, if they are from Gippsland — to field on those particular events.

I also want to note the impact the racing industry has on the regional areas of Victoria. From the Gippsland perspective I have already mentioned the recent Moe Cup — and what a fantastic day it was — and the member for South-West Coast referred to the Sale Cup held in Gippsland recently. This Saturday the Latrobe Valley Racing Club is hosting its Derby Day event, and it has the Traralgon Cup coming up in December. I will quickly refer to the Latrobe Valley Racing Club and the fact that unfortunately it has lost one of its three meetings — the dual code day, which was an event where it had not only the greyhounds but the thoroughbreds racing on the same day. It was extremely disappointing for that club to lose that event, and it is certainly something we have raised in this Parliament on many occasions. The club is extremely disappointed with the government's response.

I make the point that racing in country Victoria has gone through the roof in terms of the general public getting behind it. I know from my role with the Rural and Regional Committee and its inquiry into tourism that the racing industry has a significant role to play in attracting people into regions and in the local economic spend and employment that emanates from all of that activity. That is why it is vital and crucial that the government recognises that country racing is a vital ingredient of the whole of the industry. The loss by the Latrobe Valley Racing Club of that particular race day was certainly something that was disappointing from all aspects.

To sum up, I think that overall, as I said, the provisions within this bill are good and they go some small way to assist the racing industry and our bookmakers; however, we are a long way behind. I reiterate what the member for South-West Coast has said in that regard: we still have a lot of catching up to do. We are a long way behind, and the industry has been in decline over the last few years. The government could have extended its uptake of the recommendations of the working party and implemented further measures to enhance bookmakers in Victoria, being one of the strongest sectors in the nation. It will be interesting to see how much confidence is re-instilled into the racing industry in Victoria through these amendments. However, there is still a lot more work to be done.

Mr PERERA (Cranbourne) — I rise to speak in support of the Racing and Gambling Legislation Amendment Bill 2008. The bill is an illustration of the Brumby government's commitment to boost the Victorian bookmaking sector. Since Victorian

horseracing began, bookmakers have been an integral part of its rich and colourful history. This bill is another step in the right direction to protect and promote the Victorian bookmaking sector.

The betting exchange and the evolution of internet and telephone betting have provided the opportunity for interstate wagering service providers to increase their business presence in Victoria. In 2001–02 Victorian bookmakers held an estimated national fixed-odds betting market share of 22.5 per cent. Unfortunately by 2006–07 that market share had reduced to 15 per cent; however, Northern Territory corporate bookmakers have doubled their market share from 29 per cent to 58 per cent during the same period.

The current restriction for bookmakers to conduct betting at a licensed racecourse while a race meeting is in progress is out of date and also out of step with other jurisdictions. This bill will allow bookmakers to conduct internet and telephone betting operations on a 24/7 basis from approved racecourse locations. This will put Victorian bookmakers at a competitive advantage.

Dr Naphthine — You hope! They still have a long way to go.

Mr PERERA — Yes, they have done a lot. It is a common belief that punters get top odds from oncourse bookmakers. Betting on a racecourse is really a duel between the punter and the bookmaker. The clash is a highlight of the colourful scene of Australian horse, harness and greyhound tracks. The Cranbourne racecourse Tri-code Race Day is an exciting and lively day for punters betting on one code or all three codes. This is one course which holds races in all three codes, one after the other, on the same day.

The annual Trade Union Family Race Day at the Cranbourne racecourse is a family picnic day with lots of fun activities for all ages. I recommend that all members of this house make a trip to Cranbourne to see the races held at the racecourse. It is vibrant when compared to the cold and mechanical atmosphere of non-bookmaker courses.

Years ago the average perception of a bookmaker was a big man with a cigar, who was dressed in a loud checked suit with a diamond tie pin and who went to the racecourse with a bag full of money and came home with two bags full of notes. Today bookmakers work like other professionals, striving to increase their market share and keep operating costs down. Knowing and understanding punters is important to bookmakers,

therefore bookmakers are not hesitant about playing a part in community and charity efforts.

The current limitations on corporate and partnership arrangements for bookmakers have restricted their ability to raise capital from other sources. The bill will allow public companies to be registered as bookmakers, enabling them to put in place superior capital structures. This will allow Victorian bookmakers to compete on a level playing field with their interstate counterparts. This also has the potential to reduce the leakage of wagering turnover away from Victoria.

Responsibility for registering Victorian bookmakers currently rests with the Bookmakers and Bookmakers Clerks Registration Committee. The bill will transfer responsibility for bookmaking registrations to the Victorian Commission for Gambling Regulation. This is consistent with state regulation over other gambling activities.

Currently both bookmakers and all their staff who are currently registered as bookmakers clerks are required to register. This has been a horrendous task. Under the new legislation, only those employees who will be responsible for the wagering operation in the absence of the bookmaker are required to be registered.

The number of bookmakers in the state is now around 180, with about 3 female bookmakers registered in Victoria. Hopefully with the changes more women will show interest and apply to become bookmakers.

These reforms are on top of the range of reforms which were introduced in 2002, such as bookmaking partnerships, the abolition of bookmaker turnover tax, the Bookmaker Development Fund, the reduction of minimum telephone bets and the extension of trading hours for bookmakers on race days. A lot has been done.

The opposition's claim of too little too late does not add up. It is a Clayton's argument. The racing industry will not buy that.

Dr Naphine — Why did they lose their market share?

Mr PERERA — That is why we are fixing it now.

The legislation will lay the foundation for not only the Victorian bookmaking sector but also the broader racing industry to thrive. This will help the racing industry in Cranbourne, which provides some 700 to 800 jobs in the Cranbourne area. I commend the bill to the house.

Mr CRISP (Mildura) — The Racing and Gambling Legislation Amendment Bill 2008 will amend the Racing Act 1958 and the Gambling Regulation Act 2003. The main provisions within this legislation will allow bookmakers to conduct internet and telephone betting operations 24/7 from approved racecourse locations; allow corporations to act as bookmakers; and transfer responsibility for bookmaking registrations from the Bookmaker and Bookmakers Clerks Registration Committee to the Victorian Commission for Gambling Regulation.

With regard to these reforms I echo the words of the member for South-West Coast: this is too little, too late. Victoria has been a very late starter in this race, we are a poor performer, and we have lost touch with the field. This is nowhere more apparent than in the figures that have been used to show that Victoria's bookmaking industry has declined from being a \$600 million a year industry to a \$400 million a year industry; whereas the Northern Territory, the leader in this race, has gone from \$400 million a year to \$5 billion — a truly huge transfer of market share. I am quite sure that Victorians are not gambling less, they are just gambling elsewhere; and by gambling elsewhere, if they must gamble, then we are the losers, our country racetracks are the losers, our treasury is the loser, and Victorians are the losers.

This legislation does not allow bookmakers to hedge their bets with betting exchanges such as Betfair. Technology has arrived in the bookmaking industry in a large way; everyone else on the racecourse can use betting exchanges, except the bookmakers, so bookmakers are disadvantaged in the way they can conduct their businesses. We need to reform that. It does not provide a competitive taxation and turnover rate for the Victorian bookmakers. Again, the Northern Territory bookmakers have a much more competitive tax rate, at a round 3 per cent, compared with 1 per cent for Victorian bookies. We are losing market share, and the Northern Territory is showing how it is done. It is a lower return to government, but it has attracted a far bigger turnover and thus is a long way ahead.

Bookmakers wishing to run a 24/7 betting business are forced to operate from an approved racecourse only. That is not done elsewhere and is another change that is occurring within our industry. The bookmaking reforms working party recommended that bookmakers with internet and telephone betting should be allowed to operate from approved premises that need not be a racecourse. There is no logical reason why this should not take place. In fact the working party's recommendations are extensive on this issue.

We are falling behind, and there are some casualties from falling behind in the racing industry. In country areas, country race clubs are part of the social fabric. They are important. The meetings go way beyond horseracing; they go to sustaining communities which are under stress from drought. People attend races for a day out, a day off, a day away from the stress. As the ability for those clubs to remain strong weakens, that also weakens the community. Racing clubs are vital for our community, as are the football clubs and everything else in country communities.

Dr Sykes interjected.

Mr CRISP — As I am reminded by interjection, many other sporting codes are also a vital part of our community and need to be sustained.

The government requires a framework that allows all this to flourish. As I have said consistently, there is no more important time than during a drought to hold communities together. We need a reason for people to raise their heads, look ahead, feel confident, and to be relaxed so that they can cope with the stresses in their lives. As we go forward in difficult economic times country people will need these organisations to provide social relief even more than they do now.

These reforms have started the process. We have to work out how to catch up from behind. The Nationals as part of the opposition in coalition are supporting this legislation. However, the impact on country racing will not be as significant as I at first thought, particularly in the internet betting area. As the working party reports, there are country bookies who want a stand at country race areas. Until I read that report I had been concerned that allowing bookies to set up at their offices would affect the bookmaking ring at country races. The report shows that is not the case, so we can make these reforms, we can go forward, and country racing and country communities can continue to thrive.

Mr TREZISE (Geelong) — I am pleased to be speaking in support of the Racing and Gambling Legislation Amendment Bill before the house tonight. I am pleased to be doing so because once again it highlights the Brumby government's commitment to racing in Victoria. This government recognises the paramount importance of the racing industry to this state, not only as a source of recreation for hundreds of thousands of people each week but of course for the thousands of people who are employed by the racing industry, including our bookies, their clerks, the pencilers et cetera.

The importance of the industry is highlighted at this time of the year during the Spring Racing Carnival, with Derby Day coming up on Saturday and the Melbourne Cup next Tuesday. These are important events and meetings, but I have to say that in my mind the real highlight of the Spring Racing Carnival was held last Wednesday, when the Geelong Cup was run. The race was won by the grey international horse Bauer. Not only do events like the Geelong Cup emphasise the importance of the racing industry to Melbourne as an international destination but, as the member for Mildura just pointed out, for regional and rural cities like Geelong — where something like 15 000 people attended the Geelong Cup last Wednesday — and especially for rural or country towns the racing industry or a racing club can be the real heart and soul of the place, especially around Spring Racing Carnival time.

Bookmakers are an integral part of our racing industry. They not only provide punters with an alternate choice of bet or wagering; they also add colour and interest to our race meetings.

The government, through its bookmaking reform working party, has provided a lot of initiative and support for our bookmaking industry over the last nine years. As a kid I can recall going to many a race meeting; there were literally dozens of bookmakers in the betting ring. I do not think it is any secret now that you can go to a race meeting, especially midweek at a country course, and there will be only a few bookmakers and not too many more punters. It is important that through this legislation we support our bookmakers.

I commend the legislation before the house, because in summary it will allow bookmakers to conduct internet and telephone betting operations at any time from approved racecourse locations; it will permit corporations to act as bookmakers; and it will transfer responsibility for bookmaker and bookmaking-related registrations to the Victorian Commission for Gambling Regulation. Bookies are an integral part of not only the racing industry but also of the culture in Australia. This is important legislation, and therefore I wish the bill a speedy passage.

Mr DELAHUNTY (Lowan) — I rise on behalf of the Lowan electorate to make some comments on the Racing and Gambling Legislation Amendment Bill.

An honourable member interjected.

Mr DELAHUNTY — My family does love racehorses. My father, who unfortunately passed away

not long ago, was a life member of country racing — —

Mr Donnellan interjected.

Mr DELAHUNTY — And I have got to declare conflicts because I have also got two brothers who are very involved with racing. I am not so involved with racing as my family because, as my wife says, she would rather spend money on food or clothes than to put it on a racehorse. However, I, like my wife, do enjoy going to the races.

An honourable member interjected.

Mr DELAHUNTY — We do enjoy it. Only a couple of weeks ago we went to the Horsham Cup. It was a great event, and there were a lot of people there. There was a bit of a story in the paper about the Hamilton Cup meeting, where a young lady participating in the fashions on the field was bitten by a snake. The incident hit the headlines in the metropolitan media; it does not require too much to hit the headlines in the media.

Like other members have said, racing is very much a social event in country Victoria. It is also a big economic contributor to the state of Victoria worth between \$3 billion and \$5 billion with its turnover and so on. It plays an important role in what happens in Victoria.

I want to highlight that I have the largest electorate in the state with many racecourses and also a couple of trotting tracks. The racecourses are at Penshurst, Dunkeld, Hamilton, Coleraine, Casterton, Edenhope, Nhill and Horsham. Kaniva, which unfortunately closed down a couple of years ago, holds races at the Nhill racecourse, and the Apsley races are held at the Edenhope racecourse. Unfortunately under this government we are losing race meetings and we are losing TAB status. As the member for South-West Coast has said on many occasions in this house, we shoot it home directly to the Minister for Racing, because he is the one who really has shown his colours in leading the decline of racing in country Victoria. We have seen the loss of TAB status for race meetings at Coleraine and Edenhope. I use an example of what happened at Coleraine. Last year the Premier flew down in his Lear jet, along with the Minister for Gaming. They were there — —

An honourable member interjected.

Mr DELAHUNTY — It was a Lear jet because he wanted to get up to Sydney that night for the rugby league.

An honourable member interjected.

Mr DELAHUNTY — Long memories all right; we have a long memory. But the reality is that they came down there for the 100th time the Coleraine Steeple was to be run. Last year I think prize money for the steeple was about \$35 000 to \$40 000. Then straight away, after the event, it lost TAB status for the Coleraine races, and the prize money for that event dropped to \$8000 this year. I was there again, although I know that not a lot of other politicians were able to get there. David Koch, a member for Western Victoria Region in the other place, was there, but again we did not see the Premier or the Minister for Gaming this year.

As was highlighted by Rod Neeson, the vice-president of the club, the club was extremely disappointed to see the loss of its TAB status because prize money dropped from \$40 000 to \$8000. The club was disappointed with the government. Why would racehorse owners, trainers and jockeys spend money to transport their horses and themselves to these events for only \$8000 for the winning horse? That has been a major concern. We have also seen the loss of race meetings at Casterton and at Apsley. These have been lost to country Victorians and it is making it more difficult to be able to survive in those areas.

One thing I want to highlight is in relation to harness racing. A couple of years ago in harness racing, again under this Minister for Racing, we saw Hamilton harness racing lose its licence to operate. This race club has a gaming facility in Hamilton called Alexandra House. It shares that with the Hamilton Football Club, so it has a cash return coming to the race club. It has money that it can spend; it has bought land; it wants to extend the track; and, hopefully, it is working with Harness Racing Victoria to get back its race meetings. I notice the shadow Minister for Racing put out a press release a couple of weeks ago saying that the club's race meeting will come back shortly. I hope he is right, because we will keep on the government to make sure that the club does get it back. The only other harness race meeting in south-west Victoria is at Terang and then you have got to go right across to Mount Gambier. A lot of horses race in the area, there is a lot of interest in harness racing, and we hope that Hamilton gets its race meeting back.

The other thing I want to speak about is the impact of the drought on country racing. It has impacted on not only the amount of feed available for horses but also on keeping up the tracks to a standard that can be raced on. This is where we are looking for a bit of support from the government. In the last few minutes I have left, I

mention that we have the Melbourne Cup coming up next week. Unfortunately I will not be able to get there — —

Dr Napthine interjected.

Mr DELAHUNTY — Unfortunately, as the member for South-West Coast has highlighted, Dolphin Jo, the Hamilton horse trained by a great trainer at Stawell, Terry O’Sullivan, will not be able to race because it has broken down. It is a bit like the member for Benalla when he was on the football ground: he has pulled a hamstring or something like that. The horse is not — —

Mr Donnellan — It’s not our fault!

Mr DELAHUNTY — No, I am not blaming the government for this one!

Dr Napthine — It’s Minister Hulls’s fault.

Mr DELAHUNTY — No, I cannot blame him for this one. I want to make a couple of quick comments on the bill because I think it is important that I do that. The bill will allow bookmakers to conduct internet and telephone betting operations at any time from approved racecourse locations in Victoria. My understanding is that it could be at Warrnambool, Flemington or Moonee Valley at this stage. Going down to the Warrnambool races was my father’s annual holiday. I think he went there every year for about 50-odd years. It is a great carnival, but in the nine years I have been in this place there has not been a time when Parliament has not sat during the Warrnambool race meetings.

Dr Napthine — We need to keep the jumps races going.

Mr DELAHUNTY — We have to keep the jumps races going. As the member for South-West Coast reminds me, there is a lot of concern that we could lose jumps from the racing carnivals across Victoria. We will keep on at the Minister for Racing to ensure that does not happen.

This legislation also transfers responsibility for the registration of bookmakers and bookmakers key employees to the Victorian Commission for Gambling Regulation. Some of the background to this amendment is that it is supposed to provide for better operations, with internet gaming and that type of thing, but as the member for South-West Coast said earlier in this debate, it is far too little, far too late.

I was involved in a parliamentary inquiry conducted by the Economic Development and Infrastructure

Committee which looked at the thoroughbred breeding industry. At that stage Betfair was coming into Victoria. We did not handle that very well, and again we know that an enormous amount of money has gone out of Victoria to either Tasmania or the Northern Territory. I think the taxation rates in the Northern Territory are much more acceptable than those in Victoria. My understanding is that it is around a 0.3 per cent tax rate compared to 1 per cent for the Victorian bookies. You can see why some of the Victorian bookies have moved interstate and you can see why a lot of money is now transferred interstate. The Victorian government missed the opportunity and this legislation introduced by the Minister for Racing, even though we are supporting it, is far too little, far too late.

Mr JASPER (Murray Valley) — I am pleased to join the debate on the Racing and Gambling Legislation Amendment Bill 2008. I have listened to the contributions made by a large range of members on this bill, recognising the importance of the racing industry to the state of Victoria. The member for South-West Coast reminds me that it is worth probably between \$3 billion and \$5 billion to the economy of the state. It is an important industry.

I also listened to the comments made by the member for Geelong, and I want to pay tribute to his late father, who was the Minister for Sport and Recreation during the 1980s. I believe we had no better minister over that period of time. He was a friend to members on all sides of the Parliament, and I had the highest respect for him, as did members on both sides of the house. He was always responsive. The other thing that was important about Neil Trezise was that he knew sport and recreation. He knew the industry and what it was about. He went to races. He knew the people who were in the industry and who contributed to it, and he listened with a great deal of interest to them.

I also listened to the excellent contribution of the member for South-West Coast and contributions others on this side of the house made recognising the importance of the industry and the need for change to bring it up to date, particularly as far as the bookmaking industry is concerned. Mention has been made of the bookmaking reforms working party, and many of its recommendations are contained in this legislation. As the member for South-West Coast said earlier, it is too little, too late.

It needs to be understood that in Victoria we had something like a \$600 million betting industry which dropped to about \$400 million. The industry has drifted to the Northern Territory, where it has gone from around a \$400 million industry up to a \$5 billion

industry. I think that highlights the importance of the industry to the state of Victoria and the problems experienced by the bookmaking industry. This legislation looks to improve that situation, and it is a step in the right direction, but it needs to go further. It is interesting to see the recommendations that have been made and the provisions contained in the legislation that have been mentioned by some of the members who have made a contribution.

I want to refer particularly to my electorate of Murray Valley and the importance of the industry to us in that part of the state. Let us consider the Wangaratta Turf Club, for instance. The shadow Minister for Racing, the member for South-West Coast, visited Wangaratta recently with me. We met and had discussions with representatives of the racing club, and they brought us up to date with the importance of the industry. I am sure the shadow minister was impressed with the facilities that we have at Wangaratta. A volunteer committee has done enormous work over a long period of time. Contributions have been made by the industry and some by the government towards the development of that facility. The importance of the facility for the future needs to be recognised.

What we on this side of the house are concerned about is the reduction in the support being provided to the thoroughbred industry in country Victoria. In Wangaratta we have lost one race meeting in the current racing season, and we could lose others. The investigations being undertaken are pitting one race club against another. Racing Victoria is going to look at what the three clubs in north-eastern Victoria — Wangaratta, Wodonga and Benalla — will do in the future. It is critical that these clubs operate in country Victoria and maintain their important contribution to the economy of those particular areas, and I speak particularly of Wangaratta.

The minister and I were able to visit the stables of John Ledger, who is a great trainer in north-eastern Victoria and is training approximately 70 horses at this stage. Unfortunately the family had a bereavement. His son, a jockey, fell at a race meeting in Wodonga and passed away. This was a dreadful blow to the family, but they have come through that and are working hard because the racing industry is the industry they know. They mentioned to us the loss of their son through a racing accident, but said it had strengthened the family and the support they give to the industry.

The government is saying it is interested in racing right across Victoria but what it is doing is causing country Victoria to lose its position in the racing industry. I want to make sure that the government understands the

importance of the Wangaratta Turf Club to people in the Rural City of Wangaratta and that it should continue to operate into the future and be a strong club. It should continue to be provided with a range of race meetings and not be reduced to holding a small number of race meetings, such as has happened in Towong in the electorate of Benambra. The racing club there had two meetings but the government removed one, so now it actually has only one race meeting a year. It is a fine club and it operates well, but it will have difficulty maintaining its position in the circumstances.

The club wrote to me earlier this year on the basis that it wanted to retain at least those two meetings. It met all the requirements of Racing Victoria and still lost a meeting. If it met all the requirements, why did Racing Victoria do that? Here we see the situation where Racing Victoria is saying, 'Where can we make the most money? Where can we get to the best race meetings?'

Racing Victoria is packing the race meetings into the bigger areas with the bigger race clubs and those that are closer to metropolitan Melbourne, and we in the country areas are missing out. There has to be balance in all of this. I have said this over the years I have been in the Parliament in relation to all sorts of areas I have been involved in — we need to get balance. We in many parts of country Victoria do not have the density of population that would provide relevant services and big crowds at such functions. The government needs to say, 'How do we get that balance and maintain that in country areas?'

I want to make clear to the Parliament what is as far as I am concerned the importance of the Wangaratta Turf Club to the people of Wangaratta and the importance of all of these race clubs across country Victoria. We should not pit one race club against another; rather we should see how individual clubs can service their area.

In relation to the racing industry generally, I look at the codes and what has happened to us in Wangaratta as well with the harness racing club. Following an investigation harness racing at Wangaratta has been removed and race meetings are being conducted at Shepparton. This has had a devastating effect on the code of harness racing. Greyhound racing is going well in some respects, with a race meeting at Wangaratta every week of the year, but it is also battling. The code wants to spend money at Avian Park Raceway in Wangaratta but is not getting support from the harness racing industry, so I am now making representations again on the basis that this should be looked at.

An investigation into the harness racing industry has been undertaken through Stratcorp Consulting. The belief was that a harness racing facility could not be sustained in north-eastern Victoria, either at Wangaratta or at Wodonga. However, I believe we deserve to have a harness racing facility in conjunction with a greyhound racing facility in Wangaratta. I am not tying that to the bill; it does not relate to the particular bill before us, but it relates to the whole of the racing industry.

We need to understand the importance of the industry to country Victoria. Whilst the legislation before the house recognises there are difficulties as far as the bookmaking industry is concerned and has sought to address some of those issues, my belief is that the government needs to recognise the importance of the industry and bring in amendments to enable the industry to continue to provide economic support for us right across Victoria, not only during the Spring Racing Carnival in Melbourne.

It has been mentioned that some people will be at the Melbourne Cup next Tuesday. I will be at Wangaratta, because Wangaratta will be having a fine race meeting. There will be a big crowd there. I am sure other members will be at other race meetings at other places across country Victoria. It is important that we recognise the importance of those meetings being conducted in country Victoria. With these comments I want to make sure that we in the Parliament understand the importance of these areas of sport and recreation being provided in country Victoria and, particularly in my case, in relation to the operation of the Wangaratta Turf Club.

We need support not only from Racing Victoria but from the government. The government should continue to provide funding for the industry and for those of us who operate and are involved in country racing. Funding should be provided for those areas so that they can continue into the future. The legislation before the house is a step in the right direction. Let us keep moving and make sure that there is a true understanding of the importance of the industry. Let us not allow the Minister for Racing to come in here and indicate he is interested in country racing and then support what Racing Victoria is doing in reducing the importance of these race clubs in country Victoria, including north-eastern Victoria and my electorate of Murray Valley.

Mr CAMERON (Minister for Police and Emergency Services) — On behalf of the government I thank the honourable members for South-West Coast, Yan Yean, Morwell, Lowan, Cranbourne, Geelong,

Mildura and Murray Valley for their contributions. It is good to see broad support for this legislation, notwithstanding the debate going to local issues. They are of course a core part of racing in local areas across this great state. I wish the bill a speedy passage.

Motion agreed to.

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

Third reading

Motion agreed to.

Read third time.

STALKING INTERVENTION ORDERS BILL

Second reading

Debate resumed from 28 October; motion of Mr HULLS (Attorney-General).

Ms GREEN (Yan Yean) — It is with great pleasure that I join the debate on the Stalking Intervention Orders Bill 2008. The overall objective of this bill essentially is to preserve the current system of stalking intervention orders, with some minor technical changes — that is, until the stalking intervention order system can be comprehensively reviewed by the Department of Justice.

On 24 June the Family Violence Protection Bill was introduced into this Parliament, and I was pleased to speak in support of that bill at that time. That legislation will repeal the Crimes (Family Violence) Act 1987 and create an enhanced system of family violence intervention orders and a new system of police-issued family violence safety notices. At this time I would like to commend the Victoria Police for the extremely important work it has done in relation to these matters.

The Family Violence Protection Act makes a consequential amendment to section 21A of the Crimes Act 1958 to preserve the operation of the Crimes (Family Violence) Act, despite its repeal, in relation to stalking intervention orders. However, it is not intended that stalking intervention orders will be made under the Crimes (Family Violence) Act once it is repealed. Instead stalking intervention orders will be made under the Stalking Intervention Orders Bill — the legislation before us currently.

The Stalking Intervention Orders Bill essentially preserves the existing system of stalking intervention orders under the Crimes (Family Violence) Act, with some minor and technical changes. These changes include updating the firearms and bail provisions so that they parallel the provisions in the Family Violence Protection Act. This is necessary to ensure that there is no confusion about how firearms and bail are dealt with in matters relating to family violence and stalking intervention. Other changes include updating search and seizure powers so that they also parallel the provisions in the Family Violence Protection Act, except, importantly, the provisions related to the control of weapons. This is necessary to ensure there is no confusion about police powers to enter and search premises in matters related to intervention orders.

Other changes in this bill include aligning the maximum penalty for the breach of intervention orders to the maximum penalty provided for in the Family Violence Protection Act, being two years imprisonment. This is in line with advice provided by the Sentencing Advisory Council, which is appropriate. Finally, the bill is restructured and key terms are defined to provide greater clarity.

The control of weapons provisions, to which I referred earlier, will not be changed to parallel the Family Violence Protection Act provisions as it is believed this would involve too great a change in policy to make prior to the review of the stalking intervention order system which will consider these issues. It is anticipated that when the bill is passed the Stalking Intervention Orders Bill will commence concurrently with the Family Violence Protection Act. The Stalking Intervention Orders Bill is simply an interim measure to preserve the current system of stalking intervention orders until it can be comprehensively reviewed by the Department of Justice. This review was certainly foreshadowed in the second-reading speech on the Family Violence Protection Act. Stakeholders are aware that a comprehensive review of the stalking intervention order system will be undertaken and that this is regarded as an interim measure.

Our government takes these matters extremely seriously in relation to family violence, protecting victims of stalking and providing a mechanism against these types of crimes. I commend the work done by Victoria Police in relation to this matter. I commend the Stalking Intervention Orders Bill to the house.

Dr SYKES (Benalla) — I rise to speak on the Stalking Intervention Orders Bill, the main purpose of which is to provide for a system of intervention orders in cases of stalking. Let me make it clear that I am of

the view that stalking can be a significant issue and it is extremely important that existing legislation protects people against stalking.

In the 10 minutes I have to speak on the bill I would like to explore the role of firearms in examining the harm caused by stalkers, as a considerable part of the bill relates to the seizure of firearms and their subsequent return where appropriate. I wish to relate my comments specifically to clause 9, which deals with the cancellation or suspension of a firearms authority.

From my reading of this bill it is my understanding that the underlying premise is that access to firearms increases the risk of harm due to stalking. I invite the Parliament to check the figures. It is my understanding that the homicide rate in Australia for the last 80 or 90 years has been consistent at about 1.6 per 100 000 people. During that time, particularly since 1996, I think it is correct to say that the rate of homicides involving firearms has decreased because of the toughening up of firearms legislation in the 1990s. However, rather than a reduction in homicides per se that has resulted in method substitution. Homicides have been committed by other means, such as increased use of knives, machetes and blunt objects, by glassing and by the use of fists and feet. Therefore it would be wrong to conclude that ownership of firearms per se is necessarily a risk factor or an increased risk for people associated with stalking.

Another related issue is the role of legal ownership of firearms in homicide. I refer to a publication put out by the Australian Institute of Criminology, *Trends and Issues in Crime and Criminal Justice*, which talks about the use of handguns in Australia. Its conclusion is that over the past 10 to 15 years, although the overall use of firearms in violent crime has declined, handguns have increasingly become the weapon of choice. The publication also notes that the majority of handguns used in crime appear to be illegal. This confirms a view that I hold — that is, that the majority of firearms involved in homicides and suffering are illegal firearms. Therefore this fact must cast doubt upon the effectiveness of clause 9 of the bill, which intends to reduce the risk to people from stalking but relies on the premise that the stalker has a legally owned firearm.

I would also like to ask the minister in his summing up to provide further information to the house on the matter of the use of firearms in the perpetration of suffering or injury to people who are the subject of stalking. In support of the proposition that I have just raised I would also suggest that the legal users of firearms constitute a low risk in relation to the likelihood of injury or suffering to innocent people or

those people subject to stalking. It relates to a comment made to me a couple of weeks ago when I was at the clay target competition for secondary school students in northern Victoria. The wife of the instigator of that competition stated that none of the thousands of students who had competed in the competition had committed a firearm-related offence. I repeat: not one. That is a credit to the competition, the organisers and the participants.

That experience reinforces why I seek comment from the minister in his summing up as to his expectation of the benefits of this particular clause, given that it would appear — as I have suggested and the evidence I have presented supports — that the legal owners of firearms do not perpetrate crime or inflict injury. In fact crime and injury are more often inflicted by illegal owners of firearms, and this legislation does not necessarily enable the ability to seize the firearms of those who own them illegally.

Another issue that I would like to raise in my presentation is the issue of the potential abuse of the powers and restrictions in this legislation associated with what I would refer to as frivolous intervention orders. In the last 12 months or so a close friend was involved in a dispute with a family member in relation to a family matter. Out of spite his sister took out an intervention order to prevent him from causing her any harm, but the outcome of that intervention order being taken out against him was the seizure of his firearms, which deprived him of one of his great pleasures in life — that is, fox or rabbit shooting on the weekend. I hope these amendments will help minimise the frivolous abuse of the intention of this legislation, which is to protect people who are genuinely at risk of stalkers and people who may abuse firearms.

The other comment I would like to make is that just last week I, along with other members of this house, participated in the politicians clay target shoot at the Melbourne Gun Club. I congratulate the Victorian Field and Game Association, particularly Russell Bates for his organisation of that event, and also Olympians Russell and Lauren Marks, who showed great understanding and coached us to success. I recall that the Acting Speaker was the winner of that award a few years ago, courtesy not only of his natural inherent ability but also of the wonderful and steady coaching of Lauren Marks.

An issue raised that is relevant to the bill is that of handguns and the ability to retain a licence or permit. It would appear that in recent times there has been a change to the interpretation of the requirement for participation in approved events to maintain one's

pistol licence. Apparently now the Victorian authorities do not recognise participation in interstate and overseas competitions as being appropriate for approval in retaining a licence. This is a ludicrous situation. Victorian pistol shooters who are good enough to compete internationally and interstate are deemed ineligible to be licensed pistol holders in Victoria because they have been busily participating interstate and overseas rather than in Victoria. That is an issue that needs to be addressed in the overall context of ensuring the responsible use of firearms and in protecting people against stalkers who may use firearms.

Business interrupted pursuant to standing orders.

Sitting continued on motion of Mr CAMERON (Minister for Police and Emergency Services).

Dr SYKES (Benalla) — I conclude by encouraging the government to continue to involve stakeholders in the discussions on the practical implementation of firearms legislation and in particular involving the Firearms Consultative Committee to ensure that public safety is assured to the maximum possible extent, but that that is done without undue negative impact on legal firearms owners. With those remarks I support the bill.

Debate adjourned on motion of Mr CAMERON (Minister for Police and Emergency Services).

Debate adjourned until later this day.

Remaining business postponed on motion of Mr CAMERON (Minister for Police and Emergency Services).

ADJOURNMENT

The ACTING SPEAKER (Mr Nardella) — Order! The question is:

That the house do now adjourn.

Auburn South Primary School: funding

Mr BAILLIEU (Leader of the Opposition) — I raise a matter for the attention of the Minister for Education. I ask the minister to spell out as soon as possible the extent of future funding support for schools in my electorate, including Auburn, Glenferrie and Auburn South primary schools, and in particular to respond to multiple requests and provide Auburn South Primary School with the detailed strategy to deal with the enormous growth problems it faces in its catchment.

Hawthorn has a number of great schools, and I have often described Hawthorn as a place of learning and living. We have both independent and government schools, and they all do a terrific job. Some have received the appropriate capital support in recent years, and we are grateful for that. I refer in particular to Camberwell High School, Camberwell South Primary School, Hawthorn West and Auburn South primary schools. Other schools are in great need. The Auburn Primary School in Rathmines Road is in desperate need of master planning funds and project planning funds. It is an old campus and has an active community, and it has had some federal funding in recent years. Glenferrie primary has similar issues and it needs further support. All the schools in Hawthorn are under great pressure because of the inner suburban population growth, and they all have special needs in regard to capital support and support from the government.

I particularly focus on Auburn South Primary School, which is a great school that runs a primary school program, the International Baccalaureate and has a strong parent group. It has had some recent support with the consequence that it has a new hall. Auburn South Primary School is facing an extraordinary situation that requires extraordinary support, but it has not had any indication on how the government is planning to move. By that I mean the development at Tooronga Village, which is close to the primary school. Stage 1 of that development, which is being undertaken by Stockland, includes some 400 apartments and 110 townhouses. The developers have indicated that as a result of stage 1 there will be 50 to 100 additional students who will fall into the catchment area of the school.

The primary school has already its maximum enrolment, and it is a very tight fit on its existing site. Given the confirmation of those numbers by the developers, it is urgent that the government respond to the request for a strategy to deal with those additional students and to advise what financial support and what timetable the school should be operating on to deal with it. This development was problematic in its genesis, but that is not the issue. The issue here is the infrastructure and the community support structures that go with a development of this size. It is imperative that the minister act soon to assist the school in its future planning and provide that financial support.

Energy: retail market

Mr DONNELLAN (Narre Warren North) — I wish to raise a matter for the Minister for Energy and Resources. I call on the minister to ensure that all Victorians are able to benefit from the healthy

competition in Victoria's retail energy market. It came as no surprise to me last week to learn that Victoria has been ranked the hottest competitive retail market in the world. The 2007 World Energy Retail Market ranking was recently released by the energy and utilities research centre, Vassa Ett.

Victoria was ranked first, ahead of South Australia, Great Britain, New South Wales and Texas when it came to customers exercising competitive choice of retailer. The benefits of a competitive retail energy market are numerous. As we know, there is nothing like competition to drive down prices, and that is what the competitive market in Victoria has delivered.

A large number of Victorians are switching retailers at the moment and enjoying these benefits. In many ways this is the brainchild of the Hawke and Keating federal governments which introduced competition to government-owned enterprises and encouraged competition in the delivery of payments through the National Competition Council. I note that the Kennett government took that on board and introduced competition, but it was very much the brainchild of the Hawke and Keating governments. But it is not easy for everyone in the market to understand what retail energy offers. Not all Victorians are equally placed to benefit from the advantages of competition. In order to switch electricity retailers, customers need to have access to simple, understandable information, and that is pretty difficult for some people who find it difficult to read their bill.

In order to switch electricity retailers, customers need to have access to that simple information. I call on the Victorian government to ensure that Victorians are aware of our competitive retail energy market, able to understand competing market offers and able to readily change their retailer if they choose to do so. This is important to reduce the costs they pay for electricity, and it is important that the government assists in this matter, because some people are really not able to do this easily. I encourage the minister to do so as quickly as he can and provide customers with a simple way of doing this so they can change retailers and further encourage competition.

Ambulance services: Horsham station

Mr DELAHUNTY (Lowan) — I raise a matter for the attention of the Minister for Health. The action I seek from the minister is that he approve funding for the fast-tracking of the replacement of the Horsham ambulance station. I visited this station in 2006 and was appalled at the condition of the building. The ambulance station is being eaten away by termites,

making it unsafe and unfit for staff to work in and people to visit. If this were a privately owned facility, I believe it would be condemned by the Victorian WorkCover Authority. I raised this matter three times in this Parliament during 2007, yet after many requests neither the minister nor any Labor politician visited the station when they were in Horsham for the community cabinet last week.

The Ambulance Employees Association and its state secretary, Steve McGhie, also called on the minister and the Premier to visit the 47-year-old station, but again no-one turned up. Fifteen paramedics work in this termite-infested building. It has very limited female amenities, and there is only one room for training, storage and sleeping in the small amount of time they have. In 2006 a Rural Ambulance Victoria facility report said the building needed upgrading. This ambulance station provides paramedic services 24 hours a day, 7 days a week, servicing a large area of western Victoria, from Ararat to the South Australian border along the Western Highway. I want to highlight some of the difficulties of servicing those activities from that centre. Until about a year ago mental health patients who were assessed as needing to be transferred to Ballarat, 2 hours away, used to be transferred there overnight. Unfortunately under the new government guidelines these people have to be housed at the Wimmera Base Hospital until the second crew comes on the next morning. If we could have a bigger facility, we would be able to fit in more paramedics, and they would be able to help these mental health patients.

While am talking about ambulance services I also want to mention hospital transfers. These are an enormous cost burden on our small country hospitals because, as we know, these patients often have to be moved from a country hospital to a regional or metropolitan hospital, and this cost burden falls back onto the hospital. The Victorian patient transport assistance scheme is another one I would love to talk about. The member for South-West Coast, the member for Murray Valley and I have contact with many people who are concerned about the availability of VPTAS services. I want to come back to the key point. I request the Minister for Health to fast-track and, importantly, replace the termite-infested and unsafe Horsham ambulance station.

Victoria University: boatbuilding programs

Mr NOONAN (Williamstown) — I wish to raise a matter for the Minister for Skills and Workforce Participation, and the action I seek from the minister is that she support a move by Victoria University to relocate its TAFE-based boatbuilding programs from

the Newport campus to a waterfront position at the old Port of Melbourne Authority site in Williamstown. By way of background, Victoria University is the only registered training organisation in this state to offer certificate level boatbuilding courses. The university currently offers a certificate II in engineering, a boatbuilding pre-apprenticeship; and a certificate III in marine craft construction. Both of these courses provide boatbuilder and shipwright training in the construction and repair of all types of vessels from small pleasure craft and work boats to large ships. The vessels may be constructed from wood, fibreglass, aluminium or steel. Students are also taught core skills, including occupational health and safety, boatbuilding terminology, workplace communication, drafting, hand and power tool use and craft construction.

All in all, there are about 55 to 60 students enrolled in the various courses offered by the university. Given the uniqueness of the training, students are drawn from all parts of Melbourne and Victoria, including some from Gippsland, the Mornington Peninsula, Geelong and the Bellarine Peninsula. Additionally I am advised that there are three students from Tasmania enrolled in the university's boatbuilding stream.

The university also offers an incredibly popular advanced boatbuilding hobby class on a Tuesday nights. In preparation for this adjournment matter I spoke to Bill Pride, the 81-year-old teacher of this class. Bill is what I would describe as a local identity and was the subject of one of my member statements earlier this year after he was awarded a Medal of the Order of Australia. He advised me that many of his students simply have a passion for all things maritime and use their time to learn the ancient craft of traditional boatbuilding. Bill told me that he has 17 regulars in his class, including Seaworks Foundation committee member Rod Page. Bill's class is so popular that he has to maintain a waiting list for would-be enthusiasts. Bill officially retired in 1988 after 30 years as a shipbuilder and manager with the Port of Melbourne Authority. It seems appropriate that now, 20 years later, Bill is part of a push, along with Victoria University, to have the boatbuilding courses moved from Newport to the old Port of Melbourne Authority site on the Williamstown waterfront.

The site is managed by Parks Victoria and has been the subject of a comprehensive master planning process this year. The existing Melbourne Harbour Trust shed at the front of the site could be an ideal location for the new university facility. With street frontage and water access, the site lends itself ideally to a development of this nature. It is also envisaged that the complete site will be transformed in years to come into a vibrant

tourist and educational precinct that celebrates Williamstown's unique maritime heritage. As a first step to realising this great vision for the site I would ask for the minister's involvement in this plan and again seek her support for the move.

Planning: Glenelg

Dr NAPHTHINE (South-West Coast) — The issue I wish to raise is for the Minister for Planning. The action I seek is for the minister to lift the planning freeze which is still imposed on many properties in the area between Narrawong and Portland in the Glenelg shire. These properties are in an area under development plan overlay (DPO) 7. The owners of these properties have simply not been allowed to apply for a development plan or a building permit for their properties. They have been locked into this planning limbo by specific actions of the planning minister since mid-2006 — over two years ago. The landowners are distressed, frustrated and angry and many are facing financial crisis.

In September the Minister for Planning approved amendment C38 to the Glenelg planning scheme. This allows 24 rural living lots within the DPO7 area to escape from the planning freeze. These owners can now apply for building permits. I welcome this decision and congratulate those owners and wish them well. But the vast majority of landowners within DPO7 still remain in the planning deep freeze imposed by the Minister for Planning. They are banned by the planning minister from making even the most simple planning application affecting their properties. This planning deep freeze affects at least 21 families and significant areas of land. These families have been told they will now have to wait at least another 18 months to two years before they will have any hope of being able to apply for a building permit.

The map of the area affected by DPO7 shows there is simply no logic as to why some property owners have had the freeze lifted and others right next door have been left to languish. There is no logic in geography with regard to proximity to the coast or the topography or location of the land in any way, shape or form. I have fought hard for these landowners for a number of years, and I wish those who have been given the opportunity to apply for a building permit well. But the action I seek from the minister is to treat all the landowners in DPO 7 fairly and equitably and provide them all with the same opportunity.

All of those landowners should be taken out of the planning deep freeze and given the opportunity to apply for development and building permits through the normal process, as would anybody else in that area who

made an application. Why the minister has chosen some properties to be exempt from the freeze and others to still remain in the freeze is beyond comprehension, beyond logic and beyond any reasonable explanation. Therefore I call on the minister to treat owners who are suffering from the planning deep freeze fairly and equitably and to lift the planning freeze on all of the properties in the area known as DPO 7 in the Glenelg shire.

Graffiti: Frankston and Casey

Mr PERERA (Cranbourne) — The matter I raise is for the attention of the Minister for Police and Emergency Services. The action I seek is for the minister to ensure that grants for the removal of graffiti are available to the local councils, community and trade groups in Frankston and Casey so that we can join together and ensure that we have safe and clean suburbs that we can continue to enjoy living and working in.

Victorians consistently rank graffiti as the third most commonly perceived neighbourhood problem, after theft from homes and dangerous driving, according to Australian Bureau of Statistics surveys on crime. In the 2005 survey, more than one in four Victorians identified graffiti vandalism as a common problem in their neighbourhood. A 2005 Department of Justice survey identified graffiti as one of the top three issues of concern for Victorians, with 10 per cent citing it as their main concern.

People react to graffiti in lots of different ways, and many, especially the elderly, feel less safe because of the presence of graffiti. For some it is intimidating. It feeds into perceptions that an area is being impacted by crime, and people may avoid heavily graffitied areas, like shopping strips.

In addition, illegal graffiti results in considerable costs, which the public bears the brunt of. Delays on public transport can be created due to rolling stock having to be removed from service to be cleaned. Residents may have to clean graffiti from their own properties, and traders are regularly impacted by tagging on their businesses. We all bear the costs of having to remove graffiti from public assets through higher council rates and insurance premiums.

People in my constituency regularly raise with me their concerns about graffiti. In the cities of Casey and Frankston there are many hot spots where illegal graffiti appears, which is frustrating for residents and business owners. These include the shopping strips, council facilities and private residences in Cranbourne, Carrum Downs, Frankston North and Langwarrin.

I applaud the Brumby Labor Government for its tough stance on illegal graffiti, which includes heavy penalties and on-the-spot fines for carrying graffiti implements. Banning the sale of spray cans to minors will also make a difference. Graffiti-removing campaigns at the local community level can be very effective.

Roads: Bass electorate

Mr K. SMITH (Bass) — I wish to raise an issue for the Minister for Roads and Ports. I seek his support for the upgrading of a number of roads in the Bass electorate. We know the minister will be giving consideration to a number of road schemes across Victoria in the next budget allocation, so I would remind him of a number of the important roads in my area.

Firstly, there is the South Gippsland Highway in the Caldermeade-Monomeath area, which that is now very dangerous. It is a disgrace, particularly on the Melbourne-bound side of the road. In the words of Gordon Ramsay, it is just patches on top of patches on top of patches. This road is extremely unstable, and VicRoads seems incapable or unable to keep this road up to a safe standard. It is not far from where about five years ago the Shell petrol tanker slammed into a van full of visitors, killing several of them. We had warned VicRoads of the dangers, and it had just ignored our pleas to upgrade the road. No, it said, it had no money in the budget, and yet after the accident it found enough money, in the following week in fact, to upgrade that road and put a new top on it. The coroner was scathing in his criticism of VicRoads, but it did not bring back those who had been killed. I do not want to see this happen again in my area.

The next road the minister must consider is the Pakenham to Koo Wee Rup road and the Koo Wee Rup bypass. This is just an accident waiting to happen. The minister is aware of this, and I remind him that he has a responsibility to all road users, particularly to those in my electorate, to keep the roads safe. I am more than happy to take the minister down to these areas and show him the area firsthand.

While we are down there I will also show him probably the slowest road builder in Victoria. The company that has contracted to build the double divided Bass Highway from Grantville to Anderson. This contractor — I think it is Akron — is just playing games with VicRoads and the minister with the time it is taking to do this upgrade. The minister should be aware that all the trucks taking material to the proposed desalination site will have to travel on those roadways, and if they are held up by roadworks, I can assure him

that the Minister for Water and the Premier will not be very happy.

Then of course we have the Bass Highway from the top of the Anderson Hill through to Wonthaggi and on to Inverloch. This piece of road is third-rate and is breaking up now with just normal traffic, let alone the big trucks and cranes bringing equipment to the site. The road between Wonthaggi and Inverloch is just breaking up; it is extremely dangerous.

The minister should avail himself of the offer I have made to him to come down with me and see the conditions of the roads. He will be convinced, and I will be able to show him that allocating sufficient funds in the budget will be good for the roads. I will be pleased also to offer him lunch at the Killy Pub when he comes down, and that is a better offer than he is going to get from his upper house mates.

Canterbury Road, Blackburn South: safety

Ms MARSHALL (Forest Hill) — I wish to raise a matter for the Minister for Roads and Ports. The action I seek is for the minister to request that VicRoads review signage on local streets on the eastern side of Canterbury Road between Middleborough Road and Blackburn Road and make any necessary changes or upgrades to provide greater clarity for the residents and other road users in the Forest Hill electorate. As the minister may well be aware, the Forest Hill electorate has a significant proportion of residents who are over 60 years of age — 23 per cent to be exact — most of whom are vehicle owners and have lived in the area for a significant period of time. Thirty per cent of my constituents were not born in Australia and almost the same percentage use vehicles as their main mode of transport to and from work.

Whilst the opening of EastLink has seen a significant reduction in the number of cars passing through my electorate, particularly on this road, there is still a high volume of traffic during the week, especially at the peak travel times of mornings and afternoons. The local streets are used by the locals, with most travelling on short trips rather than using them as thoroughfares. These motorists are visiting friends, dropping the kids at school or simply doing a bit of local shopping and are rarely in a rush, unlike those who use Canterbury Road travelling from east to west or west to east.

During my time at the mobile booth I set up on Canterbury Road, Blackburn South, last Saturday, a constituent who resides on one of the streets I am referring to mentioned that residents and others are having difficulty turning east onto Canterbury Road,

sometimes due to the traffic and at other times due to poor visibility. She was not even sure she was within the law when turning right from the end of her own street.

I am thrilled that the Brumby government has been actively taking action to improve road safety in our suburbs, and I commend the government on its new road safety strategy which will see \$650 million invested over 10 years to improve the safety of our roads, with the aim of reducing the road toll by 30 per cent by 2017 and saving an extra 100 Victorian lives each year, which is something that every member of Parliament would like to see achieved.

In the past there have been accidents in this area of South Blackburn, just as there are on many busy sections of roads in our state. Whilst it is likely that there was a variety of factors involved in those accidents, I am sure the minister would agree that we should do everything we can to promote safe driving and ensure every step possible is taken to lower the number of road accidents that occur each year. I ask the minister to request that VicRoads undertake a review of this section of road and ensure that all signage is up to date.

Rail: Ferntree Gully station

Mr WAKELING (Ferntree Gully) — I wish to raise a matter of grave importance with the Minister for Public Transport. The action I seek is for the minister to ensure that immediate steps are taken to upgrade Ferntree Gully railway station to premium status. Violent crime has been an ongoing problem at the station, yet the Brumby Labor government refuses to listen to the concerns of my community and upgrade it. The latest incident in which a teenage girl was injured was another in a long list of reported incidents of crime at the station. Many residents have complained about the lack of facilities and the danger they face while waiting for trains on its unmanned platforms. The level of transit crime in Melbourne is now surpassing that experienced in London or New York, with 26 crimes a day committed on Melbourne's trains, 5 of which involve violence.

Some residents who live near Ferntree Gully station have told me they refuse to use it because of this issue, preferring the safety of their cars rather than catching a train from an unmanned station. The Brumby government's rhetoric on its commitment to public transport in this state is clearly juxtaposed by its refusal to upgrade this station and ensure the safety of patrons. I have raised this issue on numerous occasions in Parliament. Despite the Brumby government's

unwillingness to attend to this important issue, I will not rest until this urgent upgrade is delivered.

The upgrading of Ferntree Gully station to premium status would involve the employment of an attendant on the city-bound platform from the first to last train and the building of a much-improved waiting room. Ferntree Gully railway station is in dire need of this upgrade for the safety, comfort and peace of mind of all commuters who use it. In this year's budget, funding was allocated for the upgrading of some stations across Melbourne's suburbs, but commuters who use Ferntree Gully station have again been treated like second-class citizens when it comes to meeting their transport needs. The government's continued disregard for the transport needs of Ferntree Gully residents is truly appalling, and I call on the minister to rectify this situation immediately. Ferntree Gully railway station is an integral part of the eastern suburbs transport system, and to have people being deterred from using it because of proven fears for their safety is truly ridiculous.

The government must immediately upgrade Ferntree Gully railway station for the safety, comfort and peace of mind of all station patrons. I ask the minister to immediately allocate the funding needed to upgrade this station to premium status to ensure that Ferntree Gully residents are not left out in the cold.

Small Business Mentoring Service: funding

Mr TREZISE (Geelong) — I raise a matter for the attention of the Minister for Small Business. The action I seek is for the minister to ensure that the Small Business Mentoring Service provides effective mentoring services to small businesses in regional areas of Victoria, including the greater Geelong region. It is also important that the minister ensure there is effective publicity on the availability of the mentoring service in regional areas.

For the information of members, the Small Business Mentoring Service is a not-for-profit organisation of volunteer expert mentors who give their time and experience to help people in small businesses. At minimal cost an experienced mentor will talk to a person in small business about the issues they will face from time to time in the operation of their enterprise. They talk together about issues associated with the growth and prosperity of that small business, about the prosperous times and about the difficult times. In doing so I am aware that sometimes a mentor may have to suggest to a small business person that their business may not be viable in the long term. Options are then provided on how to move forward from there. However, often the opposite is the case and the mentor

can talk to a small business operator about how best to expand or grow their business. The service can help small business operators to look well into the future, look at their businesses in an objective manner and see where the opportunities lie in growing their business.

In seeking this action from the minister I am aware that the Victorian government has assisted and promoted the Small Business Mentoring Service in the past, because the Brumby government recognises the strength of this innovative service. In its August 2006 *Time to Thrive* statement this government committed to fund the service to provide a chief executive officer and to expand the service in Victoria. I am aware that with the funding assistance provided at that time, the Small Business Mentoring Service employed its first executive director, significantly upgraded its website and substantially expanded client services in Victoria. Given that previous support I urge the minister to ensure that availability of the service is fully and widely promoted in regional Victoria and importantly that the number of mentors available in regional Victoria is at a level that will allow the ongoing success of the service and in turn the ongoing success of small business enterprises, not only within the Geelong region but also in other regional areas and Victoria as a whole.

Responses

Mr BATCHELOR (Minister for Energy and Resources) — The member for Narre Warren North asked me to take action to ensure that all Victorians can benefit from the healthy competition that exists in Victoria's retail energy market. I thank the member for this action request. I know that he is hardworking. He wants to ensure the financial wellbeing of constituents in his electorate of Narre Warren North in these tough times. As energy minister I am particularly proud of the recent recognition Victoria has received for continuing to be the hottest or most competitive energy retail market in the world. The Victorian government has led the way in energy competition. Victoria took the top spot once again, with a switch rate equivalent to more than one-quarter of the total market. This past year the rate peaked at over 30 per cent. In terms of Victoria's customer switch rate it was the most active year ever recorded for any market in the world. The Victorian government has worked hard to ensure the competitiveness of the retail energy market.

There are lots of benefits to a competitive energy retail market, and the member for Narre Warren North referred to some of them. Customers can save money on energy bills if they shop around for the best deals from the dozen or so energy retailers that currently operate in Victoria — and I understand that even more companies seek to operate here because of the settings

that the Victorian government has established. The primary benefit of competition is that it curbs price rises. Providing a service for a cheaper cost is an advantage that will attract customers and increase market share. This is increasingly important in the tough economic times that we are currently experiencing. Other advantages include improved services, improved information, increased satisfaction and the availability of different products, such as green power. The Australian Energy Market Commission report earlier this year found that Victoria's retail energy market is fully competitive and is delivering price and service benefits to Victorian customers.

The Brumby government encourages Victorian energy customers to look around. It is important that they understand how to do it, and we will take steps to make sure that they can do so. The government will continue with its efforts to ensure that all customers can take advantage of this competition. We want to make sure that the competition delivers benefits to all Victorians, so we have established through the Essential Services Commission an energy choice hotline that provides information on how to choose an energy retailer in Victoria. This information is, of course, also available on the Essential Services Commission website. In addition, there are a number of commercial websites that compare energy offers between the various retailers.

The Victorian government wants to ensure that the benefits of competition continue, so it has been working closely with the Essential Services Commission to develop a new education and awareness campaign to ensure that all householders are able to access the competitive market offers that are available to all consumers. This campaign will advise consumers so that they can make the best choice. It will outline 10 simple steps for consumers to undertake before choosing an energy retailer. These steps can be used to assist Victorians to shop around for the better deals that clearly exist. They can also be used by customers who are phoned or visited at home by people who want them to consider alternative energy proposals. This campaign, which promises to be a successful one, will get useful information to energy consumers right across Victoria. It will give more Victorians access to more competitive energy retail products and get them a better deal for gas and electricity — one that will offer them the best possible savings in Victoria.

Mr MERLINO (Minister for Sport, Recreation and Youth Affairs) — The Leader of the Opposition raised a matter for the Minister for Education; the member for Lowan raised a matter for the Minister for Health; the member for Williamstown raised a matter for the Minister for Skills and Workforce Participation; the

member for South-West Coast raised a matter for the Minister for Planning; the member for Cranbourne raised a matter for the Minister for Police and Emergency Services; the members for Bass and Forest Hill raised matters for the Minister for Roads and Ports; the member for Ferntree Gully raised a matter for the Minister for Public Transport; and the member for Geelong raised a matter for the Minister for Small Business. I will ensure that those matters are raised with the relevant ministers for their response and action.

The ACTING SPEAKER (Mr Nardella) —
Order! The house is now adjourned.

House adjourned 10.37 p.m.