PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

28 November 2001

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By authority of the Victorian Government Printer

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The Lieutenant-Governor

Lady SOUTHEY, AM

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FIFTY-FOURTH PARLIAMENT — FIRST SESSION

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Andrianopoulos, Mr Alex	Mill Park	ALP	Lim, Mr Hong Muy	Clayton	ALP
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Carli, Mr Carlo	Coburg	ALP	Mildenhall, Mr Bruce Allan	Footscray	ALP
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Jasper, Mr Kenneth Stephen	Murray Valley	NP	Thompson, Mr Murray Hamilton	Sandringham	LP
Kennett, Mr Jeffrey Gibb [1]	Burwood	LP	Thwaites, Mr Johnstone William	Albert Park	ALP
Kilgour, Mr Donald	Shepparton	NP	Trezise, Mr Ian Douglas	Geelong	ALP
Kosky, Ms Lynne Janice	Altona	ALP	Viney, Mr Matthew Shaw	Frankston East	ALP
Kotsiras, Mr Nicholas	Bulleen	LP	Vogels, Mr John Adrian	Warrnambool	LP
Langdon, Mr Craig Anthony Cuffe	Ivanhoe	ALP	Wells, Mr Kimberley Arthur	Wantirna	LP
Languiller, Mr Telmo	Sunshine	ALP	Wilson, Mr Ronald Charles	Bennettswood	LP
Leigh, Mr Geoffrey Graeme	Mordialloc	LP	Wynne, Mr Richard William	Richmond	ALP

[1] Resigned 3 November 1999
[2] Elected 11 December 1999
[3] Resigned 12 April 2000
[4] Elected 13 May 2000

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Wednesday, 28 November 2001

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 9.37 a.m. and read the prayer.

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Auditor-General: child protection report

Mr LONEY (Geelong North) presented report, together with appendices and minutes of evidence.

Laid on table.

Ordered that report and appendices be printed.

METROPOLITAN AMBULANCE SERVICE ROYAL COMMISSION

Report

Mr BRACKS (Premier) presented, by command of the Governor, report of November 2001.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Auditor-General — Performance Audit Reports on:

Departmental performance management and reporting — Ordered to be printed

Management of claims by the Victorian Workcover Authority — Ordered to be printed

Statutory Rule under the *Gaming Machine Control Act 1991* — SR No. 121

Victorian Institute of Forensic Mental Health — Report for the year 2000–2001.

BUSINESS OF THE HOUSE

Standing and sessional orders

Mr BATCHELOR (Minister for Transport) — By leave, I move:

That so much of standing and sessional orders be suspended on Wednesday 28 November 2001 so as to allow —

(1) After statements by members, in lieu of part of the period of 2½ hours provided by sessional order 9:

(a) general business order of the day 76 relating to the Scotch College Common Funds Bill (the bill) to be considered; and

(b) consideration of the remaining stages of the bill.

(2) In the balance of the period of 2½ hours, a matter of public importance pursuant to sessional order 9 to be proposed and discussed.

(3) In the event of general business order 76 or discussion on any remaining stages of the bill not being disposed with at the conclusion of the 2½-hour period, the bill shall be set down on the notice paper for the next sitting and any member speaking at the time of interruption may, upon the resumption of debate thereon, continue such speech.

Motion agreed to.

Mr BATCHELOR (Minister for Transport) — By leave, I move:

That so much of standing and sessional orders be suspended today so as to allow:

(1) A motion 'That the house takes note of the report of the Metropolitan Ambulance Service Royal Commission, volumes 2 to 5, November 2001, and summary volume, November 2001' to be moved immediately at the conclusion of questions without notice today.

(2) Debate on the motion shall not exceed 2 hours. The Speaker shall put the question forthwith at the expiration of that time period, or sooner if there be no further debate.

(3) In the event of business being interrupted today pursuant to sessional order 3 at 2.00 p.m. and not disposed of, the house shall, at the conclusion of debate on the motion, immediately resume debate on such business. The member speaking at the time of interruption may, upon the resumption of debate thereon, continue such speech.

Motion agreed to.

Ms DAVIES (Gippsland West) — By leave, I move:

That so much of standing and sessional orders be suspended today so as to allow general business, notice of motion 75, to be moved forthwith.

Motion agreed to.

GAMING AND TOBACCO ACTS (AMENDMENT) BILL

Introduction and first reading

Ms DAVIES (Gippsland West) introduced a bill to amend the Casino Control Act 1991, the Gaming Machine Control Act 1991 and the Tobacco Act 1987 to further

regulate gaming and prohibit smoking in places where gaming machines are played and for other purposes.

Read first time.

Second reading

Ms DAVIES (Gippsland West) — By leave, I move:

That this bill be now read a second time.

The Gaming and Tobacco Acts (Amendment) Bill amends the Casino Control Act 1991, the Gaming Machine Control Act 1991 and the Tobacco Act 1987 with a view to reducing problem gambling associated with gaming machines in Victoria without unduly penalising recreational players and gaming venues.

Victorians lost $2.37 billion on poker machines in 2000–01.

Problem gamblers comprise only about 2.1 per cent of Australian adults and about 15 per cent of regular gamblers, but they bear a disproportionate burden of gaming machine losses. The Productivity Commission estimated that players with moderate to severe gambling problems contributed 42.3 per cent of the spending on poker machines nationwide in 1998–99.

To extrapolate, Victoria has around 76 000 problem gamblers who contributed around $1 billion of the $2.37 billion spent on poker machines in Victoria in 2000–01.

Problem gambling can result in impoverishment, psychological problems, relationship breakdown and domestic violence. It is estimated that for every person who suffers with a gambling problem at least five other people are affected to varying degrees by that person's problems.

The bill focuses on four key areas to address problem gambling arising from the use of gaming machines.

Banning smoking in gaming venues

Banning smoking in gaming venues has multiple benefits. It provides a smoke-free workplace to staff of gaming venues, who must currently endure long hours in a smoky environment. It provides a healthier smoke-free environment for patrons. It ensures a break in play for those using gaming machines who also smoke.

It is a cheap and simple measure for venues to implement and provides a positive half-step before a full ban on smoking in clubs and hotels is instituted, which is likely due to rising litigation and health concerns. Such a measure should give many patrons of gaming venues the time to get used to not smoking in parts of the venue without discouraging them from attending the venue in the first place.

For those with a gambling problem, breaking from the mesmerising, intense involvement with a machine is a most important and most difficult achievement.

Problem gamblers are more likely than the general population to be heavy smokers. This ban uses the dual addictions against each other. Players will need to take a break from one addiction in order to satisfy the other. During the break players will have the opportunity to reflect on how long they have been at the machines and how much money they have lost. This is more achievable during a break than during any uninterrupted period of involvement with a machine.

The bill amends the Tobacco Act 1987 to prohibit smoking in the gaming machine area of a casino or a gaming venue. Gamblers will have to leave the gaming room to smoke. This will create a break in play.

Both the people who smoke in gaming machine areas and the casino and venue operators who allow smoking to occur commit an offence punishable by a fine of up to $500 or 5 penalty units, or an infringement notice in the amount of $100 or 1 penalty unit.

A failure to display 'No smoking' signs in prominent positions at all the entrances to a casino gaming machine area or gaming venue is also an offence. It is punishable by a fine of up to $500 or 5 penalty units in the case of a natural person or $1000 or 10 penalty units otherwise.

The Victorian Casino and Gaming Authority may also take disciplinary action, including licence suspension, against the casino or venue operator. This is likely to be a more effective incentive for venues than any possible fine.

Changes to gaming machine capacity

Gaming machines lend themselves to problem gambling. They have short payout intervals and a rapid event frequency. Problem players are given little time to consider financial details. Under the current regulatory regime, very significant amounts can be lost very quickly and any winnings can be re-gambled immediately. The measures listed below will assist in slowing that rate of loss.

The duration of a session and the intensity of gaming are key factors distinguishing people with gambling problems from recreational gamblers.

Ban on note acceptors

The bill adopts the recommendation of the Productivity Commission that note acceptors be banned on gaming machines, providing for a prohibition on gaming machines that operate other than by coins.

By requiring coins be used in all gaming machines, the money able to be gambled each hour is restricted, slowing the intensity of play and potentially reducing problem gambling. A problem gambler may also be required to break their play when they need more coins than originally anticipated.

Cheque payments

The bill also adopts the Productivity Commission recommendation that winnings over $250 be required to be paid by cheque. This is achieved by requiring gaming machines not to pay out cash amounts over $250 and requiring venues to provide those amounts by cheque instead.

Paying winnings by cheque provides a significant break before a person decides to use money for gaming purposes again. The counterbalance to requiring payment of amounts over $250 by cheque is removing any facility for cashing that cheque immediately, for which the bill also provides. The maximum penalty for paying an amount over $250 other than by cheque, or for cashing a cheque, will be $10 000 or 100 penalty units.

Enforced breaks

The bill provides that a gaming machine must cease operating for at least 10 minutes after every 90 minutes of continuous operation, providing another method of restricting the duration of play. Enforced breaks were considered by the Productivity Commission to be likely to have a beneficial effect in aiding genuine consumer consent.

Time frame for change and penalties

Gaming machines currently lawfully placed in the casino or a gaming venue are exempt from these requirements for three years. This period has been determined with the five-year depreciation life of the machines in mind. Gaming machines installed after the commencement of the legislation are required to comply with the design requirements.

The maximum penalty for failing to install such gaming machines within the required time will be $100 000 or 1000 penalty units. This is an equivalent penalty to that prescribed under section 70 of the Gaming Machine Control Act 1991 for using a gaming machine for which approval has been withdrawn by the Victorian Casino and Gaming Authority.

Ban on automatic teller machines within venues

The bill provides for a ban on automatic teller machines (ATMs) from gaming venues. It will be a condition of any casino licence and of any approval of premises as suitable for gaming machines that no ATMs be permitted in a casino or gaming venue. ATMs are also not permitted in any premises adjoining the casino or venue that is owned or occupied by the casino or gaming venue.

Problem gamblers are more likely than non-problem players to withdraw money from an ATM located within a venue whilst gaming. ATMs will be required to be located so players will have to take a break from gambling in order to obtain more funds.

This will result in the most expansive exclusion of ATMs in Australia in terms of the area from which ATMs will be banned. Unlike other jurisdictions, however, the bill does not ban the use of EFTPOS facilities.

Patrons wishing to access funds for expenditure in the venue will be able to do so, but the more personal contact required by using EFTPOS facilities will give responsible venues a more ready capacity to monitor potential problem gambling.

The ban does not apply to ATMs that are presently in a casino or gaming venue until the expiration of the current contracts between operators and the owner of the ATM.

Removal of incentives to play gaming machines

The bill also provides that neither the casino nor other gaming machine venues are permitted to offer any prize or other incentive to encourage people to participate in gaming, other than the winnings derived from bets placed on gaming machines. Providing a reward or loyalty scheme may be penalised by a fine of up to $10 000, or 100 penalty units.

Player reward and loyalty schemes are said to be an inducement to continue gambling and may be likely to encourage problem gambling behaviours. Such inducements are already banned in relation to gaming in New South Wales.

Conclusion

Problem gambling is a serious social issue causing wide and growing concern to the community. Last year in Victoria, total net expenditure on gaming machines was estimated to be $2.37 billion — an increase of 9 per cent on the previous year. It is estimated that problem gamblers contributed $1 billion to that profit.

This bill will not solve all the difficulties associated with problem gambling. It does, however, contain a number of significant steps to reduce problem gambling and engender a more responsible gambling environment. Serious measures are needed to urgently address a very serious problem.

I commend the bill to the house.

Debate adjourned on motion of Mr BATCHELOR (Minister for Transport).

Debate adjourned until Wednesday, 12 December.

MEMBERS STATEMENTS

Insurance: voluntary organisations

Mr LUPTON (Knox) — Recently I attended a working bee to beautify the Ferntree Gully railway station. I worked with Keep Australia Beautiful Victoria, and during the work I became aware that that organisation had been unable to obtain public liability insurance for its members who work as volunteers outside of an office. One of the results is that all the people who attend these functions and work outdoors are not covered by any public liability insurance.

Keep Australia Beautiful Victoria has been trying for a considerable time to obtain public liability insurance without any success. I understand it has had meetings with the Department of Finance and other insurance brokers to no avail.

This is the International Year of Volunteers, yet the volunteer system in Victoria is falling down because public liability insurance is not being made available to those people who work outdoors. I would like the Minister for Finance to investigate the possibility of having public liability insurance made available to those volunteers who work outdoors so that they can be protected in case of injury while they are performing volunteer work in the International Year of Volunteers.

Murray Goulburn schools fashion awards

Mr JASPER (Murray Valley) — I wish to bring to the attention of the house that the 13th Murray Goulburn schools fashion awards will be held at Wangaratta town hall on Friday, 7 December. These fashion awards have developed into a unique opportunity for rural students of arts, technology and design to exhibit their works to the wider community and to compete with their peers for awards. It is believed that it is the only event of its type for secondary students to be staged in Victoria and southern New South Wales. Over 500 entries will be received from students from up to 25 secondary schools throughout north-eastern Victoria and beyond. The cost of organising this year's event will be up to $3000 and is being sponsored by Wangaratta High School, Ovens College and Galen College. I am extremely disappointed that the Minister for Education has rejected my request for funding support to ensure the successful staging of this event.

In response to my request the minister said in glowing terms that:

> The endeavours of the students, staff and community volunteers and sponsors who have developed these awards over the past 12 years with this outstanding event provide an exemplary model for other school and community interactions.

She went on to say, however:

> I am unable to respond directly to the request for financial support. Please be assured that I fully endorse the awards program.

It is extremely disappointing that the minister has not agreed to financially support the Murray Goulburn schools fashion awards to be conducted at Wangaratta, but I congratulate the dedication of the teachers involved who will ensure they are successful.

Ballarat: Wendouree West project

Ms OVERINGTON (Ballarat West) — I wish to report on the progress of the Wendouree West community renewal project in my electorate of Ballarat West. I have the privilege of chairing the steering committee and want to thank and congratulate the wonderful people who have so readily become involved. So far the Bracks Labor government has committed $3.1 million to this project, and it will stand as a model for other community renewal projects.

This project is owned by the residents — from participation in the subcommittees to the residents committee and through to the steering committee. In particular I thank and acknowledge the residents elected to the steering committee: Gayle Britten, Joan Parker, Kevin Waugh, Barry Stannard, Faye McIntosh and Paula Castro, along with the convenors of the

subcommittees, Tony Chew, Wendy Middleton, Lynne McLennon, Kevin Zibell and Hedley Thompson.

There has been tremendous whole-of-community support across Ballarat for this project from the City of Ballarat and across all agencies and departments, from the manufacturing and business sectors and from the media. The media have taken up this project and have been very positive about community renewal in this area.

The project is not just a redevelopment of old public housing stock; it is about empowerment of the residents of that community to make their own choices about how their community is shaped. Already a community jobs project is planned, as is the redevelopment of parks and sports reserves as well as a wetlands project.

Barwon Water: board member

Mr PATERSON (South Barwon) — The government must immediately review its appointment of Labor mate David Withington to the board of Barwon Water. A former Cain government media unit spin doctor, Mr Withington is accused of falsifying a federal government funding application when he was marketing and public relations manager for the Geelong council.

In the Auditor-General's report the watchdog reveals that Mr Withington signed the funding application without authority and accused him of making false claims in the application. The Bracks Labor government appointed Mr Withington to the board of Barwon Water in yet another revelation of Labor mates getting jobs under this government. Premier Bracks must urgently decide whether a Labor mate who is prepared to make deceptive government funding applications is fit to remain on the board of a statutory authority.

The Auditor-General also exposed the honourable member for Geelong as making false claims regarding the sale of Harding Park, which was concluded without the City of Greater Geelong even being informed of the supposed $1 car park offer, according to the Auditor-General. This was despite claims by the ALP that council had turned its back on the deal.

The Bracks Labor government has turned being loose with the truth into an art form, and the ALP is to be condemned.

Greater Geelong: administration

Mr LONEY (Geelong North) — Yesterday the Auditor-General released a damning report on the City of Greater Geelong and its administration, which was followed up today by the *Geelong Advertiser* saying 'Misguided … inappropriate … deficient' and 'That's our city'.

The SPEAKER — Order! It is disorderly to display newspapers in the house.

Mr LONEY — The Auditor-General's report goes directly to the way in which our city is run and supervised, and it goes to the highest levels of that bureaucracy. The report goes beyond a single incident; it goes to the heart of who knew what and when they knew it.

Honourable members interjecting.

Mr LONEY — Including the honourable member for South Barwon. Who knew what and when — —

The SPEAKER — Order! The clock has been stopped. I ask the house to come to order to allow the Chair to hear the honourable member for Geelong North.

Mr LONEY — The report outlines a city bureaucracy without direction, without discipline and without leadership. It portrays an organisation in which the highest levels of the city's bureaucracy have clearly taken their eye off the ball.

It goes further. This issue cannot be written off as simply the actions of some mid-level bureaucrats, as is being attempted to be done today. This issue goes to an issue of no supervision, no direction and no full reporting to the council — all of which are outlined in the Auditor-General's report. This is an issue about accountability at the highest levels. The Geelong community is demanding accountability, and accountability starts at the top!

Dennis Kadmon and Anne-Marie Becu

Ms DAVIES (Gippsland West) — I wish to acknowledge and commend the incredible volunteer effort being put in by Dennis Kadmon and Anne-Marie Becu for and with many young people in Bass Coast shire. Dennis and Anne-Marie are running an innovative and highly successful youth music program. They are actively involved virtually every night of the week taking in about 25 to 30 young people at a time. They are inspiring and assisting these young people to develop the skills needed to work together, to write their own music and to perform it both live and on their own compact disc. They travel between Wonthaggi, Corinella and San Remo to do so.

The program has only minimal financial support from Davey House in Wonthaggi and the Interchurch Council. It needs greater financial support, and I ask that the Minister for Youth Affairs in another place look into the possibility of providing that assistance. But mostly I wish that this Parliament offer heartfelt thanks for the outstanding care, concern and talents these two remarkably giving people are offering our young. Dennis and Anne-Marie deserve our support, our admiration and our gratitude.

Disability services: community visitors report

Mrs ELLIOTT (Mooroolbark) — Of profound concern is the failure by the Minister for Community Services to fulfil her obligation to table the annual report of community visitors appointed under the Intellectually Disabled Persons' Services Act 1986. Section 62 of the act states:

> (1) The Community Visitors Board must as soon as practicable after the end of each financial year and no later than the following 30 September submit to the Minister a report on the activities of community visitors during the financial year.
>
> (2) The Minister must cause the annual report of the community visitors to be laid before the Legislative Council and the Legislative Assembly before the expiration of the fourteenth sitting day of the Legislative Council or the Legislative Assembly as the case may be after the annual report has been received by the Minister.

The 14 days have expired and the Minister for Community Services is in breach of the act. She is obviously hiding a report which shows that this government has failed to make any significant progress in improving the lives of Victorians with an intellectual disability who are living in residential care, despite the government's claims to the contrary. The government has not acted sufficiently on the recommendations contained in the Auditor-General's report on services for the intellectually disabled, which found that:

> … the intention of the act that the rights of people with an intellectual disability be safeguarded is not always realised.

The minister is hiding from scrutiny while Parliament is still sitting. She must release the report immediately.

Moira Kelly

Mr HARDMAN (Seymour) — I rise to congratulate the rotary clubs of district 9790, Moira Kelly and the Children First Foundation, because on Sunday at a very special event the Children First Rotary Farm was opened at Kilmore East by the Governor, John Landy. The event was reported on the television news that night and there has also been a story about Moira on *Australian Story*, which told people about this amazing person.

I have never been more inspired in my life than by this person, Moira Kelly, who gives so much of herself to others. There were children at the farm on Sunday from Iraq, for example, who were missing limbs but who were very smiley and happy and still able to play bongo drums and enjoy their lives very much. The farm is an absolutely amazing set-up which was put together by volunteers from within the Rotary clubs and from outside that organisation. The initiative has inspired a lot of people to get in behind this organisation, and it is a great story that should be told over and over again.

Operations for children such as those from Iraq and other countries are arranged in Australia and performed by doctors voluntarily because the families of the children cannot afford to pay for them.

ALP: Melbourne federal member

Mr LEIGH (Mordialloc) — I wrote to the now federal shadow minister for communications, Mr Lindsay Tanner, on 21 June 2000, seeking access to documents relating to his involvement in the Nunawading re-election scandal in 1985. In a police report dated 19 December 1985 this new-generation Labor parliamentarian was allegedly involved in the Nunawading scandal and, along with other people such as the now state Minister for Transport, refused to talk to police.

Mr Tanner subsequently responded by letter of 26 June saying he had nothing to do with the issue. On 12 July I supplied him with a copy of the document that showed he had been involved in the Nunawading scandal. He responded in this manner:

> … I had no involvement in the Nunawading how-to-vote card issue. I was asked to participate and I refused.

Mr Tanner knew what was going on, and when police sought access to him to get to the truth of what happened in that scandal Mr Tanner — one of these new-generation Labor members of Parliament — refused to provide police with the evidence that could have led to the rorters. The people of Victoria should remember that these people sought to cheat the voters of Victoria. They cheated the people of Victoria and the federal shadow minister for communications thinks it is no big deal.

David and Julie Hayes

Mr MAXFIELD (Narracan) — I wish to congratulate David and Julie Hayes for receiving the

Tattersalls award for enterprise and achievement. David and Julie Hayes were behind the establishment of the Blackwood Centre for Adolescent Development based in Hallora, south of Warragul. The centre takes students from 12 to 17 years of age for six months. The youths at risk who attend the centre speak very highly of the support they get from David and Julie, as well as from other staff. Some 96 per cent of the students who complete the program return to school, enter the work force or go on to undertake technical and further education courses.

Julie and David take on many extra jobs and unpaid duties above and beyond what one would expect from our teachers. They drive the bus, they clean and they become honorary probationary officers. They have undertaken extra study and research at their own expense and the fundraisers they have organised have not only kept the centre running but have also funded the construction and upgrading of most of the buildings on site. Those funds have been raised by Julie and David, along with many others who have followed their vision for the Blackwood centre.

David and Julie Hayes have to be congratulated for their fine and tremendous achievement. We in the community can be very proud of their wonderful efforts.

SCOTCH COLLEGE COMMON FUNDS BILL

Introduction and first reading

Mr DOYLE (Malvern) introduced a bill to enable Scotch College to establish investment common funds for the collective investment of trust funds and for other purposes.

Read first time.

Second reading

Mr DOYLE (Malvern) — By leave, I move:

That this bill be now read a second time.

This is a private members bill under which Scotch College will be authorised to establish one or more common investment funds for the collective investment of trust moneys held by or for the benefit of the school.

Scotch College, its students and various causes connected with the school are the beneficiaries of a large number of trust and benefit funds. These trust and benefit funds may be established in a variety of ways, including:

the bequest of money by will to the school, or for a purpose connected with the school in the will of a former student or friend of the school; or

gifts or subscriptions for a particular purpose, such as a new building, sporting facilities or other specific educational facilities; or

the setting aside of moneys by the school council for a particular purpose.

These trust and benefit funds are currently held on trust by various bodies, including:

(a) Gardiner Hill Pty Ltd, a company established by the school for the purpose of holding investments. In 1999 Gardiner Hill was appointed as trustee of approximately 115 individual trusts, most of which were created by the wills of former students for the purpose of providing bursaries, scholarships and prizes;

(b) the Scotch College Foundation, an unincorporated association through which subscriptions, gifts and bequests are used to fund a variety of building and developmental projects and to assist students; and

(c) private individuals, the executors of estates or other trustees of funds for the benefit of the school.

The school wishes to be able to pool moneys from various trust funds and invest them collectively to obtain economies of scale in investments and to minimise administrative costs.

Equitable principles governing the operation of trusts, however, would not permit the trustee of the various trust funds to invest them collectively unless they were pooled in a type of investment permitted by law or there was a specific authority permitting pooling in each of these wills and trusts deeds under which each trust fund was established.

One type of investment permitted by law for the collective investment of trust funds is a common fund, operated by an authorised trustee company under the Trustee Companies Act 1984.

Many trustee companies operate common funds established under the Trustees Companies Act 1984, in which the various trustees holding trust funds for the benefit of the school could invest moneys.

The school would prefer, however, to establish its own common fund, so that the strong personal links between the donors and beneficiaries of the trusts and the school are maintained.

In order for a company to establish a common fund under the Trustees Company Act, it must first be approved by the Attorney-General to carry on business as a trustee company. Guidelines adopted by the Attorney-General in relation to authorising companies as trustee companies include minimum paid up capital requirements and the ability to provide a range of services in the trustee companies industry. These criteria could not be met by Scotch College or any of its associated bodies.

The preferred course is to seek to establish the Scotch College Common Fund. This will provide the following benefits:

the school may maintain close links with the trust funds and the use of the trust moneys;

administrative costs will be considerably less than maintaining each trust fund on an individual basis or using the services of a professional trustee or custodian;

economies of scale will be available in investing the various trust funds. Investments will be available through a common fund which would be impossible for many of the small trust funds, some of which have less than $500 capital.

Private members bills have been used previously to enable the establishment of common funds for other non-government schools, educational institutions and other bodies for educational or charitable purposes.

Provision for the establishment of trust funds also exists in the enabling legislation of large educational institutions, as, for example, in section 43 of the Swinburne University of Technology Act 1992. The provisions of this bill are based on the trust fund provisions of the Swinburne University Act, and this bill is also similar in scope and intent to the Roman Catholic Trusts Act 2001, and the Anglican Trusts Corporations Act 2000.

I commend the bill to the house.

The DEPUTY SPEAKER — Order! The Speaker has examined the Scotch College Common Funds Bill and is of the opinion that it is a private bill.

Mr DOYLE (Malvern) — I move:

That this bill be treated as a public bill.

Motion agreed to.

The DEPUTY SPEAKER — Order! I advise the house that a deposit of $1000 has been paid to the Department of the Legislative Assembly pursuant to standing order 168(d) to meet the expenses involved in the passage of the bill.

Mr MILDENHALL (Footscray) — The government does not oppose the bill. In a similar fashion to a recent bill dealing with the Roman Catholic Church, this is a machinery bill to enable the various foundations and investment vehicles of Scotch College to be consolidated into a common fund and to provide the legislative framework to enable that to occur.

Scotch College holds a prominent place in Victoria's education landscape by dint of its achievements, its reputation and its success in a range of endeavours. It also has a range of investment vehicles, from the Scotch Foundation to a number of former student networks, and it has a well-established and effective fundraising and investment administration.

The relationship between Scotch College and the house is manifest by the number of former and existing members who are former students. I note, for instance, not only that the former Premier was a student and the mover of the motion a former teacher but that Mr Stoney, Mr Lucas and Mr Baxter in another house and the honourable members for South Barwon, Murray Valley and Berwick in this place were students of Scotch College. So there is that close connection between Parliament and Scotch College.

Obviously the house wishes Scotch College all the best with its fundraising. The questions that I have surround issues like the priority the house has in bringing this matter forward and the priority the government has in terms of resourcing Scotch College. I note that Scotch College is a significant beneficiary of the recent federal government changes. I understand, for instance, that although the college has enjoyed a federal government subsidy increase of $123 per student for 2001, by 2004 the increase will be $576. This is part of the federal government's increase of 52 per cent in funds to schools in this category over the next four years.

I note that although that would manifest itself in a figure well over $500 000 for Scotch College, by comparison a high-achieving and prominent school in my electorate, Braybrook College, would receive the equivalent of around $8000 in total over that time.

Although I compliment Scotch College on its success in managing to draw on the goodwill of its former students and the support of the community, I know that a school like Braybrook College, with its extraordinary sporting success — its under-18 rugby team has just managed to win the state championships and will play in the national championships — manages to collect fees from only 40 per cent of the families whose children attend the school, and 60 per cent of those families receive the education maintenance allowance, half of which is retained by the school. So only 60 per cent of that 40 per cent are able to pay, and that fee is capped at $127 per family.

I wonder what sort of public policy rationale we are seeing from a federal government which enables this extraordinary increase in funding to schools in the Scotch College category but which provides an insignificant and minuscule level of support to a school like Braybrook College, which has the same level of aspiration, the same level of school community commitment to the achievement of its students and the same level of staff and administration commitment to the goals and personal development of the young people who attend there.

By way of comparison I wonder whether we would ever see a situation in this house where help was needed to rationalise and provide a more streamlined legislative framework for administering the fundraising success of a school like Braybrook College. It is testament to the inequality in our education systems that those inequalities are being exacerbated and widened.

The DEPUTY SPEAKER — Order! I remind the honourable member for Footscray that this is quite an explicit bill. Although he may make passing comment on general education policy, I ask him to return to the bill.

Mr MILDENHALL — This bill is straightforward, and it is one I am sure nobody in the house would deny a speedy passage. It provides for the setting up of a common fund for the collection and investment of moneys for Scotch College. But Scotch College does not exist as an island: it is a prominent part of the landscape and framework of education in this state.

I have the honour on behalf of the Premier to assist in the organisation of the General Sir John Monash award each year. Sir John Monash was a well-known benefactor and prominent former student of Scotch College. His contribution to the state and the school was extraordinary. It is partly that legacy and that prominence that I am sure the school and the networks around it celebrate and honour by way of their activities. I only wish that at all levels of government we saw the need for and had the philosophical and political commitment to set about achieving a greater level of equity. I wish that one day I could stand up in this house and argue for the rationalisation of the successful network of investment vehicles that Braybrook College had by dint of its success in education and community support.

Having said that, Parliament can obviously assist the smooth and effective operation of the Scotch College networks by ensuring the bill's speedy passage. I wish the school and its support networks and foundations all the best in their endeavours.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

MATTER OF PUBLIC IMPORTANCE

Commissioner for ecologically sustainable development

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

> That this house notes the government's failure to meet its promise to establish the office of commissioner for ecologically sustainable development, who would have produced a Victorian state of the environment report and provide an independent audit of the government's compliance with environmental legislation, including the Flora and Fauna Guarantee Act.

Mr PERTON (Doncaster) — This is the first environmental matter of public importance to be brought into this house. I note that it is the Liberal Party that brings it into the house, and it is the Liberal Party that has the commitment to environmental sustainability and a commitment to the environment that has been demonstrated with government action at the state level from the time of Henry Bolte and the creation of the Environment Protection Authority, the national parks legislation and other environmental action, and at the federal level right back to Alfred Deakin and the Liberals in the early part of the century.

In proposing this matter of public importance for discussion, I make it clear that we believe the ability of either side of this house to deliver sustainable policies and sustainable government strategy and to take action

to ensure that those policies and strategies are put into place will be a crucial comparison for the voters of this state at the next state election. Ecological sustainability will be a point of difference between the parties. Sustainable development will be a point of difference between the parties. The point of difference is that ecological sustainability requires long-term plans, bipartisanship and community confidence in the direction of government. The Labor Party does not have this.

One has only to look at the *Age* editorial of last week bagging the Premier for his lack of vision and one has only to read all the political commentaries arising from the Premier's so-called vision statement of last Friday, *Growing Victoria Together*, to see that no-one is impressed with this government's ability even to create a vision, much less to carry it out. It is clear to me, to the political commentators and to a large and increasing section of the Victorian community that this Labor government, in particular its Premier and its Minister for Environment and Conservation, lack the desire and the skills to deliver the vision, community confidence and implementation which is required in these rapidly changing times.

For the government, 'ecologically sustainable development' is a term of propaganda, a spin doctor's phrase to place in front of government initiatives which cannot possibly lead to sustainability without a coherent vision and strategy. In other words, for the Labor Party policy formation and government action have not been transformed by ecological principles. The government is turning, spinning in rhetorical circles, without finding solutions to the difficult ecological circumstances we find ourselves in at the beginning of this century. It is locked up in discussion papers, reports, inquiries, and non-decisions.

For evidence of that we have only to consider the performance of the government in the matter that I raised in the house last night. Reports from scientists and others indicate an overcommitment in the Victorian forests to the timber industry. In the last year this Minister for Environment and Conservation has presided over a 60 per cent increase in woodchip exports from the native forests of this state. This is on top of a further record the year before, which was a 12 per cent increase on the exports in the last year of the Kennett government. That is the Labor Party — it is a party big on rhetoric, big on spin, and low on environmental performance.

The judgment of the people was demonstrated in the federal election, with a doubling of the Green vote in Victoria and all the expert evidence indicating that that increased Green vote was at the expense of the Labor Party, which had its lowest primary vote since 1931! That is an indictment.

Mr Lenders interjected.

Mr PERTON — In response to the comment of the honourable member for Dandenong North, in Victoria, where the Labor Party had marked down five seats to win, it won just one, and there was a 2 per cent increase in the Liberal vote in this state.

My challenge leading up to the next election is to demonstrate that Liberal policy formulation is governed by the desire to ensure ecological sustainability; community sustainability; sustainability of individuals; economic sustainability; and of course, sustainable government. One has only to examine the record in the 1980s and 1990s as between Liberal and Labor to know that there is only one party in this state that can deliver sustainable government. As honourable members all recall, the Liberal Party came to power in the midst of near bankruptcy of the state of Victoria — and it took us seven years to restore the finances of the state. It is only when the finances of the state are in balance and when debt is low that government can be sustainable and can take action to help the community.

This is well pointed out in a speech by the former federal Minister for the Environment, Senator Robert Hill, who made a speech in a Business Council of Australia forum in 1999, where, speaking of all Australians, he said:

> Our responsibility therefore is to adopt the principles of sustainability in our lives, in our businesses, in our government practices, to ensure that when finally this country, as with other states, writes up sets of environmental accounts as well as economic accounts, we can be as proud about our ecological record as we are about our economic record.

In other words, these are difficult times, as change presses upon us and technology is now central to economic and societal change, and the transition to ecologically sustainable development presents us with very interesting opportunities and some daunting challenges. If we get it right, there will be prosperity arising from a society living in harmony with nature and not against nature.

What is the record of this Labor Party, and why is this motion brought to the house today? In the ALP's 1999 election policy, 'Greener cities — Labor's plans for the urban environment', there was a central and costed promise that Labor would legislate to establish a commissioner for ecologically sustainable development who would provide an ombudsman-type role for

considering public complaints, table a state of the environment report that will review the objective scientific information about environmental quality and the progress made on improvement strategies, and audit compliance with environmental legislation, including the Flora and Fauna Guarantee Act and native vegetation retention controls.

The budget for the first term of government was to be $4 million: $1 million in 1999–2000; $1 million in 2000–01 — two years that have passed us by — $1 million in 2001–02; and $1 million in the final year. But after two years there has been no legislation introduced into the house to establish that office. There was an ambiguous mention of the proposal in the 2000–01 state budget, which gave no funding details. The government's discussion paper on the proposed commissioner for ecologically sustainable development was not published until December 2000. In releasing that discussion paper the minister said:

> The establishment of a commissioner for ecologically sustainable development is a key policy in the government's environment platform.

If it is a key policy, the minister should be judged on her failure to deliver. Even if the minister now sets up the office in the first sittings of the next Parliament, there is no hope at all that the state of the environment report will be completed before the next state election and clearly no ability on the part of the commissioner to actually make a sensible audit of legislation such as the Flora and Fauna Guarantee Act.

Mr Lenders — Honourable Deputy Speaker, I draw your attention to the state of the house.

Quorum formed.

Mr PERTON — Before I was interrupted, I said that if the establishment of the office of a commissioner for ecologically sustainable development is a key policy, the minister will be judged on her failure to deliver.

Public discussion on the paper closed in February 2001 and no other documentation has been published since then. Last Friday Premier Bracks published his blueprint, *Growing Victoria Together*, which has a section entitled 'Promoting sustainable development'. Its forward proposals do not mention the position or the proposal — not one word about the central promise that this government made in seeking the Green vote in the last election. The only place I find that the minister or the Premier have talked about this topic is in press releases in launching policies. It is an example of the fact that for this government ecologically sustainable development is just a spin doctor's phrase to throw out before a program.

It is so important to get this right. The Business Council of Australia, representing the big employers of the country, has a strong and active campaign for the pursuit of sustainable development. An older report of the World Commission on Environment and Development entitled 'Our common future' defines sustainable development as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. This stuff is so important.

The Australian Conservation Foundation (ACF) sees this as the future of sustainability, not just for the environment but for the economy and for people. The introduction to its report entitled 'Natural advantage' states:

> Discard the old rhetoric, forget what you've heard before; the drive for environmental sustainability can deliver great economic productivity, new industries and new markets, as well as a clean and healthy environment. Old paradigms such as the green movement versus corporate Australia, or jobs versus the environment, need no longer apply.

Mr Nardella interjected.

Mr PERTON — I note the honourable member for Melton is laughing at the ACF's introduction. The report continues:

> New industries, and the 'cleaning and greening' of old industries, offer huge opportunities for our nation. The way forward is to harness environmental sustainability and our dynamic and pluralistic society as the motor for a 21st century Australia.

The commissioner ought be monitoring the Flora and Fauna Guarantee Act. It is quite clear that many endangered species in the state are losing in the battle to feral predators. Recently I was in the Wyperfeld National Park and raised queries about the performance of the conservation policies within that park. It is clear that fox baiting, for instance, is only taking place in 1 per cent of the park and that mallee fowl numbers are actually falling, not increasing, under the stewardship of this government.

I do not have much more time in the debate, but a number of colleagues will be contributing, including the honourable members for Sandringham, Dromana, Prahran, Evelyn — —

An Honourable Member — And the honourable member for Polwarth?

Mr PERTON — And indeed the honourable member for Polwarth, provided the government does not filibuster. An honourable member for Monash Province in the other place, Andrea Coote, is working closely with us to ensure that when the Liberal Party produces its policy before the next state election, that policy will provide a very strong basis for resolving many of the problems that we face in this country.

While we have made great progress under Liberal governments in respect to air and water quality there is still a long way to go. The Australian environment still faces serious problems of degradation, including habitat destruction, urban environmental problems, poor inland water management, ozone depletion, land degradation, logging in old growth forests, and complex environmental issues along the coast as well.

Government cannot do it all on its own. Government has to lead and provide good stewardship on its own land and provide an example to all others in its performance on the environment, but it very much falls to the individual as well. We have to have a partnership between government, business, non-government organisations and every individual. Individuals are seeking the information with which they can make that contribution. We see it with people cooperating with paper, plastics and glass recycling. If the information is before them, they will undertake the tasks.

When the Liberal Party is elected to power it will make sustainability its hallmark. It is a Liberal concept, it is a Liberal term, and the Liberal Party will provide to the community the leadership that it has asked for and demands.

The DEPUTY SPEAKER — Order! The honourable member's time has expired. The honourable member for Shepparton has 10 minutes.

Mr KILGOUR (Shepparton) — I am pleased to speak on the matter of public importance because the issue that we are talking about today is a matter of absolute importance to the electorate in which I live, and to rural Victoria in general.

It is a shame that many people who reside in city areas do not understand the issue of sustainability in agriculture. They do not understand that it is those areas in country Victoria that grow the food for the city people to eat and drink. If we do not look after our environment and ensure the sustainability of our agriculture there will not be food in the future. We would have seen many areas of northern Victoria become wasteland had we not put in the programs we have. Those programs have been put in place well in the past.

I take the point of the shadow minister on the concerns about the promise to establish the office of the commissioner for ecologically sustainable development, who would have produced reports et cetera. He would also have looked at areas like I have in my electorate and at catchment management and would have seen what was being done. He would have overseen the future direction of sustainable agriculture, which is most important for my electorate of Shepparton.

The sustainability of agriculture through to the end of the century will be seen to be very successful. It was only a few short years ago that my electorate was looking at a very bleak future indeed. Shepparton irrigation district was starting to become a bit like the lands that you see in other areas of northern Victoria around Kerang, et cetera, with the salt coming up, bringing saline waters with it and ruining the vegetation that had been there for so long. If somebody had left Shepparton between 1945 and 1950 and come back at the turn of the century they would have been unable to believe their eyes as to what they now see in the Shepparton irrigation district.

What was formerly dusty, parched land with wheat and sheep has become the fruit market of Australia. It has become the area where we grow stone fruit, pome fruit and tomatoes and from where we are now seeing so many different types of fruit brought to the Melbourne, Sydney and Brisbane markets and exported around the world. We have seen the tremendous increase in the amount of cows being milked on dairy farms on those beautiful green, irrigated pastures. But with 40 years of irrigation came many problems.

We saw the European migration. People were prepared to take up smaller fruit blocks and use new methods, which they brought from places like Italy and Greece, and were able to grow better fruit — the type of fruit they required. We saw new farms. We saw the extension of bulk milk handling make whole practices in the farming area change. We saw the invention of the Tatura trellis system that came from what was the Tatura research farm and which is now the well-named Institute of Sustainable Agriculture. This institute has one thing in mind: to ensure that our irrigated lands of northern Victoria are able to sustain the massive production in the future. We are seeing extra production on our dairy farms and fruit orchards.

However, after 40 years of pouring water on to these lands to ensure that we grew the grass — in those days

nobody seemed to think too much about the drainage of the lands — we have seen the problem of salinity. It was a problem that somebody like John Dainton, who as a dairy farmer at Ardmona noticed salinity on his property and woke the Goulburn Valley up to what could happen in the future if nothing was done. With the help of people like Jeremy Gaylard of the agriculture department and many others the salinity program was put into place. The program brought together the City of Greater Shepparton, the government departments and the farmers to understand what this program was going to do and what the needs were to ensure that we would not see a barren land in the future.

We saw being put together a massive drainage program and a massive amount of ground-water pumps. Ground-water pumps were put in to bring water from under the ground to make a shandy with the water in the irrigation channels to enable the water to be reused to grow fruit and grass. Ground-water pumps were supported by the government and put in on farmers' properties. Properties that were starting to see the fruit trees die then saw a rejuvenation in those wonderful orchards that provide the massive amount of fruit that is grown in the Goulburn Valley.

We saw a change too in the way farmers handled their land. We saw a change in laser grading to ensure that the irrigation water that was being put on the land was able to flow evenly across the land and into what became reuse dams, to be pumped around to be used again and not just allowed to go down into a drainage channel to float away and take all the nutrients off the land.

We had to reduce the farm nutrient run-off. We found that rivers like the Murray and the Goulburn were being badly treated by getting nutrient run-off, and that was one of the major issues that needed to be addressed. The Goulburn River to this day still needs a great deal of work done on it. I remember as a 10-year-old fishing in the Murray River up near Cobram. If you caught a redfin you could see the three black stripes on its back at a metre under the water. Try and do that today with fish in the Murray River! The river is such that it looks brown rather than green, and it is disappointing to sit on its banks.

I know the honourable member for Frankston, who has been to the district and sat on the banks of the Murray River, saw that river run by. Let me explain to her the issue of the colour of the water and why that water is like it is. I am pleased to say that the honourable member for Frankston came to me at one stage when I was speaking on a bill about sustainable agriculture and catchment management and said, 'I really don't know what you're talking about'. I was pleased to show her the massive growth in irrigated pasture and the problems; to show her places like the Mosquito and Muckatah depressions, where the water that comes off properties is now drained away properly into the river because of massive drainage programs. We put into place drainage programs that provided for water from farms to drain into a main drain to get the water off properties, which is just as important as getting the water on to properties. Every farm had to have a whole-farm plan for the proper use of water and to plan how tree planting around the farm perimeter could aid the property. The area developed into the food bowl of Australia.

We have seen a massive increase in food produced from many companies: SPC and Ardmona, which hopefully will come together to become one major fruit company; Campbells Soups and Tatura Milk Industries; Rosella Foods in Tatura; and Bonlac and Murray-Goulburn, which are producing food today that is exported around the world.

We are looking at the Lower Goulburn flood study to see how we might be able to let the water flow across the land naturally to the Murray River rather than being banked behind levy banks, which surely are going to break again and cost millions of dollars to repair. I support fully the Lower Goulburn flood program, which I think will create a much better environment for people in the future and provide much better certainty, yet still let the land be used.

We need to bring together our water authorities — Goulburn Valley Water and Goulburn-Murray Water. We need to bring together the councils. We need to bring together the catchment management people and the government departments to ensure that we are all working with one issue — that is, the economically sustainable agricultural future of northern Victoria. Without that we will not see a future where we know we can continue to go across the world with our fruit and dairy products and make the Goulburn Valley in Victoria, Australia, the place it is, not only because of what that will do for the countries in the rest of the world who buy our products but because of what it will do for the sustainability of places like Shepparton, Numurkah and Tatura in the irrigation area.

Today, as we focus on this matter in this Parliament, it is of absolutely vital importance that we understand that an economically viable future lies in the sustainability of our agriculture. We must look after it. Governments must support it by getting people there, the locals, to understand that we need to work together.

Ms GARBUTT (Minister for Environment and Conservation) — The hypocrisy of the honourable member for Doncaster is absolutely breathtaking. He certainly does not let the facts get in the way of a good story. The record is quite clear that the opposition has no credibility on the environment or on sustainability. I brought into the house today the first state of the environment report ever produced in Victoria, in 1988. There was a Labor government then. There was a subsequent report on the environmental condition of Victorian streams, and another one in 1991, *The State of the Environment Report — Agriculture and Victoria's Environment.* I am sure the honourable member for Shepparton would be interested in that as well.

Those of us who have been in politics a while know the significance of those dates. Those reports are clearly substantial documents that were produced under previous Labor governments. We had the then Office of the Commissioner for the Environment producing state of the environment reports. It is interesting that the first such reports in Australia were produced by the Labor government, but they stopped as soon as the previous Liberal government got into power. What happened to the Office of the Commissioner for the Environment? It was abolished by the previous Liberal minister.

That spells out the attitude of the current opposition, including the shadow minister for conservation and environment, who was a member of the previous government which was so concerned about the environment that it abolished the office and stopped the state of the environment reports. Therein lies the story that was not told by the honourable member for Doncaster. He could have spoken for days and not mentioned that crucial little fact!

He also mentioned the Flora and Fauna Guarantee Act. What was the record of the previous government on that act? The previous minister proudly proclaimed in the house that she would save the golden moths orchid. What happened? She got up a few months later and announced that it had become extinct. She allowed developers to build and dump rocks on land on which it was found, and then she decided it was all too hard and walked away. The only time she had the chance to do anything about it under the Flora and Fauna Guarantee Act she walked away and did absolutely nothing.

More than that, the Scientific Advisory Committee did not meet for 18 months because she had not appointed anyone to it. It developed a huge backlog of listings for protection under the Flora and Fauna Guarantee Act — for example, not one new species was listed in 1999. However, I have listed 44 new species in 2000–01 and cleared up that backlog.

The history of the act is quite clear: the previous Labor government brought in a visionary piece of legislation; and although ignored and trampled on by the previous government, it has been restored and again acted on by this government. This government is clearly committed to ecologically sustainable development and to the triple bottom line. We have built that into all our decision making, including cabinet decision-making processes, our legislation and all our programs.

We are proceeding with the position of commissioner for ecologically sustainable development. I remind the honourable member for Doncaster that we are only halfway through our four-year term. It is going to be a long four years for him, isn't it? We are proceeding also with sustainable development programs. Sustainability is built into what we are doing, but the main obstacle to sustainability is quite clearly the opposition. Let us look at some of the major obstacles that the honourable member for Doncaster presents.

First, the most notable and lamentable was the Liberal Party's deep confusion and division over marine national parks, and that continues. The opposition had an unprecedented opportunity to be part of a world first, but it squibbed it and went to water. Members of the opposition failed to demonstrate any environmental credentials at all. They were divided on the issue: the honourable member for Doncaster called for the full and absolute implementation of the Environment Conservation Council (ECC) recommendations, but his leader was calling for fishing to be allowed in marine parks! They were absolutely divided — and that attitude continues.

Recently we had an inspirational visit from Dr Sylvia Earle, named Hero of the Planet by *Time* magazine. Not one Liberal Party MP could find the time to meet with her! She was deeply insulted, but that reflects the opposition's absolute lack of commitment to marine parks, to the environment or to sustainability. It used the inclusion of a section 85 statement as a bare-faced excuse to oppose that legislation — and I remind the house that section 85 of the Constitution Act was used more than 250 times by the opposition when in government. Members of the opposition are the kings of section 85!

Honourable members would have noticed that yesterday this house finally passed legislation establishing the Victorian Environment Assessment Council (VEAC). That will replace the ECC, which in turn replaced the Land Conservation Council. It has

taken us months and months to get that legislation through because of the obstruction of the honourable member for Doncaster. In fact he supported that legislation in this house but was rolled by his party while the bill was between houses and then put up a whole range of amendments to cripple the council by limiting its scope and causing endless delays.

That legislation has now been passed, not with all the strength this government would have liked, but it has been passed nevertheless. I was delighted to announce that the first reference of the newly established VEAC will be to assess whether the Angahook-Lorne State Park needs upgrading to a national park.

Another issue that occupied the upper house yesterday and will occupy this house again is the farm dams legislation.

Honourable members interjecting.

Ms GARBUTT — Perhaps I need say no more! The legislation is about environmental sustainability for waterways. It is clearly about protecting the long-term health of Victoria's waterways. Ironically it is also about protecting farmers' security of access to water as well as economic development — it is a true triple-bottom-line piece of legislation. What is happening here? The Liberals put up one set of quite unworkable amendments in this house, but they ditched those when the bill was on the way to the upper house and then came up with another set of unworkable amendments.

Mr Perton interjected.

Ms GARBUTT — No doubt we will be talking about that, too. But if you want a demonstration of the government's commitment to ecologically sustainable development, the farms dams bill is it. If you want a demonstration of the Liberal Party's total opposition to ecologically sustainable development, the farm dams bill illustrates it perfectly.

The government is demonstrating its clear commitment to ecologically sustainable development and to triple-bottom-line outcomes. I refer honourable members to the $30 million Water for Growth program that I initiated, which is about encouraging and supporting farmers through grants and initiatives to improve their water efficiency. It is about using water for irrigation much more efficiently, about using less but getting better growth, better development and more jobs out of it. That is changing the application of water in the agricultural sector.

All honourable members would be aware of the government's commitment to restoring the Snowy River to 28 per cent of its original flow. We have committed $40 million in this current budget to that program, which will mean farmers will use the water in the northern irrigation systems much more efficiently. Efficient irrigation use will save water, which can then be put back down the Snowy and the Murray, so schemes are now under way to develop those efficiencies.

I refer honourable members to the Gippsland Lakes rescue package, which I launched about 12 months ago. The Gippsland Lakes are once again in the news, because a final CSIRO study shows that we must control nutrients flowing into the Gippsland Lakes. As I said, I announced the $1.9 million rescue package about 12 months ago, and more recently I announced another $500 000 package which tackles the issue of nutrients going into our waterways. Once again we are encouraging farmers to control the nutrients that flow from their properties and control the use of irrigation water, which is about the sustainability of our waterways, our lakes and ultimately our beaches and marine life.

I refer to the $22 million Victorian stormwater action program. The government is encouraging local councils to establish stormwater management plans to clean up our waterways, and we are managing it much better. That program is ultimately about cleaner, healthier rivers and, once again, long-term sustainability. Clearly this government has the runs on the board and is showing leadership when it comes to sustainability and waterway management.

I will now quickly refer to comparative records relating to that environmental watchdog, the Environment Protection Authority (EPA). Under this government we can call it a watchdog, but under the previous government it was muzzled, it was weakened and it was silenced. It became an absolute lap dog, which demonstrates the previous government's lack of commitment to the environment.

Honourable members interjecting.

The ACTING SPEAKER (Mr Seitz) — Order! Interjections are disorderly. The honourable member for Doncaster!

Ms GARBUTT — The previous government turned it into a lap-dog.

Mr Perton interjected.

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member for Doncaster! The minister will address her remarks through the chair. I ask the honourable member for Doncaster to desist from interjecting.

Ms GARBUTT — One of the first things we did — —

Mr Perton interjected.

Ms GARBUTT — Well, it is just as well I did not do it, isn't it? You are inventing things. You are making up stories again.

Mr Perton interjected.

Ms GARBUTT — You are making up stories again! One of the first actions of this government was a $4 million boost to the EPA, which had not had a budget increase like that in years under the previous government. That boost allowed the authority to establish an audit team to pick up people who were making illegal emissions into the air, into the water and onto the land and therefore increase the number of prosecutions. The government addressed the low levels to which penalties for pollution offences had fallen and substantially increased them. Under the previous government penalties had not increased for 10 years! The government also gave the EPA a new weapon and local communities greater power under the neighbourhood environment improvement plans.

So this government is daily implementing ecologically sustainable development programs. It is making decisions along economically sustainable development lines, and it is paying attention to the triple bottom line. All we see in the opposition parties is division. The honourable member for Doncaster is promising everything to conservationists. The federal Liberal Minister for Forests and Conservation, Wilson Tuckey, wanted to log national parks. They are members of the same Liberal Party which has refused to ratify the Kyoto protocol.

The Liberal Party, whether in government or in opposition, has absolutely no environmental credibility and not a shred of environmental commitment. It demonstrated in government that it did not care less about the environment, and it is still demonstrating that in opposition. It is clear that this motion is a political stunt by a very lazy shadow minister with no credibility at all.

Mr THOMPSON (Sandringham) — The matter of public importance asks this house to note the government's failure to meet its promise to establish the office of the commissioner for ecologically sustainable development, who would have produced a state of the environment report and provided an independent audit of the government's compliance with environmental legislation, including the Flora and Fauna Guarantee Act.

I can only surmise that the response to today's matter of public importance will be taken up by subsequent speakers, because I have not heard a reason advanced as to why the office has not been established. Perhaps the answer to that question can be seen in the fact that the longest unanswered questions on notice in this house relate to the Department of Natural Resources and Environment. It is important that government is open and accountable. However, a question on notice about mediation processes in the Otway Ranges that was placed on the Assembly's notice paper over 12 months ago has not had an answer. In the other place answers are required within 30 days. Where is the government's response to this issue?

I turn to the issue of sustainability. One definition of sustainability for the government might be to do nothing or to embark on 350 or 500 inquiries or review processes and then sit on them so there is no commitment to achievement and no commitment of government resources to deliver appropriate leadership. Victoria and Australia have the opportunity to be world leaders. In many areas of environmental management Victoria is regarded as a world leader. The state's coastal policy development is a consequence of some outstanding initiatives undertaken during the tenure of the last government.

The Victorian Coastal Council was established to oversee the development, management and restoration of Victoria's coastline. Other important jurisdictions acknowledge that we have led the world in these frontiers. We need clean currents in our rivers, blue oceans and green forests. We also need clean policies, but most importantly we need to bridge the gap in the information flow between the bureaucracy and the political leaders of the day and to then disseminate that information to the wider community so there is a practical ownership of sustainability.

What is sustainability? The Business Council of Australia has adopted the World Commission on Environment and Development's definition of sustainable development. That organisation says that sustainable development:

> … meets the needs of the present without compromising the ability of future generations to meet their own needs.

The BCA's report goes on to elaborate what its response will be. It notes that its first response is commitment — and this government has failed to commit. Secondly, instead of government decisions we have indecision. This is no more markedly illustrated than by the government's failure to deliver on its election promise to establish the office of the commissioner for ecologically sustainable development. There needs to be an engagement with the community and with business. Partnerships are needed in agriculture, industry, households and schools. However, instead of engagement in Victoria there is disengagement. There needs to be momentum, but this government is floundering in a sea of inquiries with no practical commitments or outcomes. Practical rewards need to be delivered to the stakeholders in terms of good achievements on the ground, but in many ways this government stands still with no practical record of achievement to illustrate its contribution.

Mr Nardella — Who wrote this for you, Murray?

Ms Duncan interjected.

Mr THOMPSON — Essentially the government has taken its hands off the wheel. I am willing to acknowledge contributions where there has been strong leadership.

Some honourable members have interjected. I would like to illustrate the fact that outside this chamber — —

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member for Sandringham knows that interjections are disorderly and should be ignored.

Mr THOMPSON — It is important that there is engagement, not only in this chamber but also outside. The Business Council of Australia has taken a very strong lead in this field. The head of the BCA's environment committee, Greg Bourne, who is the regional president of BP Australasia, has taken a keen and practical interest in this field. It is saddening that at a government level Victoria once led the nation in acknowledged international terms. One example is the environment, and another is information technology. They no longer have that level of pre-eminence.

It is important that we do not live in the past. The minister took some pride in showing the house 13-year-old documents; however, if we are to have a level of retrospectivity and a review of achievements on the ground, one can look at the establishment of the Environment Protection Authority, the Land Conservation Council and the Trust for Nature conservation program by Liberal governments of the day. The Honourable Bill Borthwick, a highly respected conservation minister, regarded the establishment of the EPA as the spark of his greatest political achievement. All those were very strong and powerful achievements. That is not to ignore the establishment and great work of the Land Conservation Council and the Environment Conservation Council in recommending the proclamation of a range of parks.

The marine parks legislation was mentioned. If one wants any objective commentary one only has to refer to the *Age* editorial which reviewed the fate of that piece of legislation. The government withdrew this legislation from this chamber and was not prepared to bring it on for further debate. It is important that there be an ongoing commitment by the government to constructive reform.

I commented on the importance of information sharing throughout government departments. Perhaps the failure of information sharing is best illustrated by the devastation of a several-hundred-year-old Aboriginal scar tree in the Cobboboonee State Forest that was part of a protected zone. Although it was one of the greater habitat trees in the district, it was ringbarked. That illustrates the failure to communicate. It is all very well having vertical communication between the bureaucracy and the political leadership, but there must be strong and practical leadership on the ground.

There is the experience of what is being done in Ireland, for example, where a green schools program illustrates the importance of collaboration between government and the community in the dissemination of information. It may be that a commissioner for ecologically sustainable development could supervise such a program.

There is the excellent example of the very constructive program that is working very well on the ground in that jurisdiction where students learn about good environmental practice in schools — saving energy, recycling waste at home and revegetating precincts with indigenous vegetation to help the development of flora and fauna.

In Victoria we have a government today that has no comprehensive policy regarding the constructive development of wind farms. We have a government today that has seen its base primary vote at its lowest level since 1931 and the green vote going across to the Green Party. We have the issue of beach renourishment, where there has been a failure to commit effective funds on the ground. There is perhaps no better example than the decision in this week of sitting that the Wildlife (Amendment) Bill, which is to protect dolphins on Port Phillip Bay, is not going to be

debated this business week. Last summer 350 warnings were given to boat operators on Port Phillip Bay because they were not observing the present laws. The bill which I understood was to be debated before the house this week would have given enforcement officers the power to implement penalty infringement notices to protect one of the marvels of Melbourne.

Last week there was a meeting on ecological sustainability in the Alexandra Gardens where myriad displays were presented to the people of Melbourne. Where was the government represented in that presentation? I understand there was an excellent display where people had the opportunity to both experience nature and also understand the ways that a better framework could be developed.

We have the issue of marine pests in Port Phillip Bay, which are one of the most significant risks to the fishing industry in Victoria, both commercial and recreational anglers. The government has failed to deliver, and nothing illustrates that better than — —

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member's time has expired.

Mr HOWARD (Ballarat East) — It is with great pleasure that I speak on this matter of public importance. The way this government manages our environment is clearly a matter of public importance to all people across Victoria. I find it totally hypocritical for the honourable member for Doncaster to have stood up, cried his crocodile tears in front of us and cried out, 'Where is the commission for ecologically sustainable development? Where is the state of environment report?'. Those crocodile tears ran down his cheeks. He must be somewhat embarrassed to be able to stand up behind that rabble that calls itself the Liberal Party when you look at the policies it is putting forward in terms of our environment and when you look at the history of the Kennett government in terms of the environment.

We heard earlier from the Minister for Environment and Conservation about the history of the former Labor government, which when it left office had in place a commissioner for the environment that had been putting out state of the environment reports. What happened when the Kennett government came to office? Where are these treasured reports that would have been produced by the Kennett government that the honourable member for Doncaster is calling for? The Kennett government closed down the Office of the Commissioner for the Environment. It stopped producing state of the environment reports, so how can the honourable member for Doncaster stand up here and seriously try to put forward the credentials of the Liberal Party in regard to environmental management? It has no policies. It is a policy-free zone in terms of the environment.

Mr Perton interjected.

Mr HOWARD — So let me contrast the position of the honourable member for Doncaster with the stance taken by the Bracks Labor government.

The Bracks Labor government is very committed. From day one the Bracks government has shown it has been totally committed to working towards a sustainable environment and to redressing as many as possible of the issues we have seen in our community. Even members on the other side of the house have highlighted some of the environmental concerns that we know are still very serious in this state and that require significant work. I stand proudly behind the Bracks government with regard to the works it has already undertaken.

I know that when the Bracks government leaves office many years hence it will have set in place a very sound system of management of our environment, where people across our community, including different departments of government and more broadly right across the community, will understand what sustainable environmental management means. They will seriously be acting in ways that ensure that we can have a future for ongoing generations. Whether it is in business, industry or on the land, or whether it is families in their own residential areas, they will understand through the supportive activities of this government how they can and should act to preserve our environment.

This government has already put in place a number of principles, recognising that the triple bottom line is something that is accepted right throughout our government. All government departments have been looking not just at bottom economic lines in terms of the way they want to see this state progress but at social outcomes and, more significantly, from the point of view of this debate, at environmental issues. The triple bottom line is something this government is pushing not just within the Department of Natural Resources and Environment but right across the government of this state of Victoria, and it is pushing it out there in the community.

This government has already done a number of things to show how serious it is in this area. It has established, for example, the Sustainable Energy Authority, ensuring that Victorians have access to energy-efficient choices. It has shown clear commitments to positive

greenhouse outcomes and will continue to work to show that. It continues to promote better quality of life for current and future generations in all aspects of this government's administration and, as I have said, it will continue to do so.

It has brought forward legislation strengthening the Environment Protection Authority in its role of protecting our environment and dealing with issues relating to pollution and so on. It has shown that it is serious about giving the EPA the teeth it needs to be able to ensure that contaminants are not put out in the environment. This government has said there will be no more dumping of hazardous waste. It is now working towards establishing sites where hazardous waste can be properly treated and can be contained or recycled and so on. It will ensure a very different way that this society deals with its wastes in the future. This government has worked in many areas to do that.

It has put forward a number of other significant pieces of legislation to do with the Victorian Environmental Assessment Council. What happened to that? We seemed to have agreement, first of all, when we spoke to the honourable member for Doncaster in regard to the role of the VEAC. But what happened when it came before the house? The Liberal Party flipped this way, it flipped that way, it did a backflip and said, 'It is all right to have a VEAC providing it only looks at public land', because it seems to think the environment does not affect private land.

So in the upper house, where we know members of the opposition have the power to either prevent legislation from going through altogether or chop it into little bits or do what they like with it, they said, 'No, as far as we are concerned the environment and the VEAC will not have any opportunity to look at private land', even though we know catchments and ecosystems act across significant boundaries from public into private land. This was a significant action that the Liberal opposition took which has curtailed the effectiveness of the VEAC. Nonetheless, we have set up the VEAC now, and as its first action it is looking at Angahook park to study the values of the flora and fauna in that area and how perhaps that could be established as yet another national park.

The marine parks bill has been raised by most speakers who have already spoken. What happened about that? If the Liberal Party were serious about the environment, it would have supported this government when it supported the reports of the Environment Conservation Council in developing a very significant system of marine national parks. But what did it do? It wanted to play politics with that one too. Hence, we do not have marine national parks in this state because the honourable member for Doncaster could not get his party support behind that one.

Let us look at other issues. The farm dams issue came before Parliament last week — again, very significant legislation. Instead of the bill gaining support from a party which should support it — and any party serious about the environment would have supported that bill, knowing it is very sensible legislation with a serious amount of consultation taking place to ensure that it is workable — what did the Liberal Party do? The Liberal Party seriously tried to change the bill in this house, and then when it went to the upper house it again moved amendments which would have made that farm dams policy unworkable.

The Liberal Party is not serious about the environment in any way, whereas this government continues to work on bringing forward significant legislation and on having a policy across the whole spectrum of government to ensure that future generations of Victorians can get on with their lives, whether it be in an agricultural or an urban setting, knowing that they can live in harmony with their natural environment, that it will be preserved and enhanced, and that the level of degradation that has been caused by 200 years of white man living in our state can be redressed appropriately for the future.

When the honourable member for Doncaster stood up here this morning he must have been thoroughly embarrassed given what the Kennett government inherited when it came to office. It saw that Labor had the credentials as a party and as a government that was working to enhance and preserve our environment. What policies has the honourable member for Doncaster put forward as shadow minister? He knows he cannot put forward any policies because as soon as he does, when he goes back to his party room he finds all this politicking going on and he cannot get agreement.

It must have been with some embarrassment that he stood up here as the shadow minister for conservation and environment, knowing that he could not get full party support. Sometimes I believe the honourable member for Doncaster is serious about enhancing our environment, but unfortunately he cannot get his party with him. The shadow minister comes out with crocodile tears when he asks, 'Where is our state of the environment reporting?', yet what did he say when the Kennett government ended the Office of the Commissioner for the Environment and ended the state of the environment report? He was silent. The shadow

minister's credentials are questionable, and those of his party are very questionable also.

Mr DIXON (Dromana) — I will commence my contribution with a quote from Professor Ken Wiltshire which probably sums up what we are on about here:

> You need to recognise that the words 'ecology' and 'economy' come from the same root source in the language.

Being an old Latin scholar, that means a lot to me.

> They both mean the careful husbanding of resources. So there really shouldn't be a fundamental dilemma between the two concepts of economy or economics and ecology.

That about sums it up.

The matter of public importance is about the promise from this government that we would have a commissioner for ecologically sustainable development. That promise has turned out to be spin, as is so much of this government's policy — it is all spin, no substance. One of its other promises was that this commissioner would give us a state of the environment report for the state of Victoria. We have yet to see one.

I noticed that the minister showed us with great glee a 13-year-old document and said, 'Here it is — in 1988 we did one'. Then she showed us a little thin one from 1991 and said, 'Look, we have done one — here it is'.

Ms Duncan — And then?

Mr DIXON — And then — that is right — here they are in government and they have done absolutely nothing about it. Labor cannot hang its hat on what happened 13 years ago or 10 years ago. When it is the government it is in a position to do something. It has been the government for over two years and what it promised is not there. It was a promise made under a policy and it has not happened. Victorians have seen nothing. In fact money has been committed in the budget to this promise and we have seen nothing for that as well. I have a few ideas about where I would like that money spent in my electorate.

If this commissioner existed he or she would report in the state of environment report on Victoria on three major issues in my electorate. One is the wildlife legislation, which for some reason has been torpedoed just when it is needed — in the last sitting week before summer. Where has it gone? Why has it been withdrawn?

Swimming with dolphins and sightseeing are very important parts of our sustainable tourism industry on the Mornington Peninsula. The Dolphin Research Institute was very pleased with the bill and wrote to me. Its letter says:

> A key thrust of the amendment will empower DNRE to employ the precautionary principle and limit the impacts on dolphin tourism based on ecologically sustainable thresholds. This is a significant shift from the present situation that essentially puts the onus on managers to 'prove' that negative impacts will occur before they can limit expansion or reduce activity.

Also, Judy Muir from Polperro Dolphin Swims wrote to me. Her letter says:

> Polperro Dolphin Swims and its principals have determined to address the issues of ecological sustainability as it relates to tourism and the resources that the industry relies upon to promote tourism. We are particularly interested in this in relation to dolphins and whales.

This legislation, which had a lot of support locally, has just gone. I will be ringing those organisations when I finish my contribution. They wanted and needed the legislation to be in place this summer, especially the part of the bill that the honourable member for Sandringham referred to that would allow for on-the-spot fines for people who approach dolphins and whales inside the maximum limit.

The current regulation — which is a good regulation — is about interfering with whales, and that is an indictable offence. However, even though 350 warnings have been given out to people who have crossed that boundary there has been only one prosecution. That regulation is clearly unworkable and it is not there to apply to the people who are interfering on a minor scale — even accidentally — with dolphins and whales. We have to protect this valuable resource in our bay because that is what sustainable tourism is all about. If you destroy the resource — that is, if the dolphins go away as a result of being harassed too much by passing boats, sightseers and swimmers — you have lost the industry and you have lost an important link in the environment of Port Phillip Bay.

Summer is approaching and all reports are that it will be a very busy summer on the bay. Many people will be holidaying close to home and will not be travelling interstate or overseas. We will have a huge number of people down on the bay, which means there will be a lot more jet skis, a lot more power boats and a lot more harassment of the dolphins. Now would have been the ideal time for this legislation to come in. It would have allowed time for it to go through this house and the upper house and to be proclaimed so that that very important regulation would have been able to be used and the wildlife and fisheries officers would have been able to start booking people and giving on-the-spot fines for interfering in a minor way with the dolphins.

That would send out a very powerful message to all the boat owners around the boat ramps, where word gets around very quickly. Unfortunately that is not going to happen, and therefore in the short term we will see some major damage to the sustainability of that very important part of our tourism industry on the Mornington Peninsula.

The second issue I wish to raise is the Gunnamatta outfall — that is, the outfall which drains the eastern treatment plant at Carrum. This is a huge issue in my electorate — in fact, it was the no. 1 issue in the recent federal election campaign. The Liberal candidate, Greg Hunt, took this issue up and worked on it with the Clean Ocean Foundation and the Surfriders Foundation. It is no wonder he achieved over a 4 per cent swing, because this issue was identified before and after the election as the no. 1 environmental issue and the no. 1 issue in my electorate.

If the commissioner existed and was not just a figment of the government's imagination and spin the commissioner would have reported that something needed to be done about that issue. The outfall and the treatment of sewage is not sustainable. People are sending everything down the sewers and drains. It then goes to the eastern treatment plant where it is treated only to a secondary level. It then goes out the outfall into Bass Strait. We should have education policies to encourage people to send far less down the pipes into the treatment plant and we should have the treatment plant operating to at least a tertiary level taking out many more chemicals and solids so that what comes out of the treatment plant would be far more easily able to be recycled. Not only the quality but the quantity of water coming out at the end would be improved and could be recycled for a whole lot of uses. In fact a couple of major users are sitting there waiting for this to happen, and they are prepared to pipe the recycled water for various agricultural ruses.

This process is currently at a very important stage because Melbourne Water Corporation is putting together its capital works program for the future and is giving it to the Environment Protection Authority, which will licence the corporation on that. It is a critical phase, but there has been deafening silence from this government. There has been no opinion expressed on this issue. There has been no communication between the government and the Surfriders Foundation and the Clean Ocean Foundation. In fact they often say to me that I am the only one from this level of government who is talking to them, and that should not be. I am the opposition local member and I have a stake in the issue, but this is a state government issue. Environmental sustainability will be a major investment and a major consideration for this state, and yet we have heard no word at all on it from this government.

They have washed their hands of it, but they should be involved because it is so important.

The third issue I raise is that I am sure if the commissioner existed and was not a figment of the government's imagination his state of the environment report would discuss the Point Nepean National Park, which surrounds the army land at the old Norris Barracks. I have raised the issue time and again in this place. When the coalition left government in 1999 the flora and fauna studies, the environmental studies, the infrastructure studies — all the studies of the land that belongs to the federal government — had been done and were sitting on the then minister's desk, therefore the current minister has them sitting on her desk. Absolutely nothing has happened, even on the easy bit. A large part of the army land is natural bushland, and even on the easy bit of saying, 'Okay, we'll take that from the federal government, because it wants to give it to us as a Federation gift', nothing has happened. We could incorporate the bushland into the national park easily! That is all that is involved.

I know that the government is avoiding the issue of sustainability in terms of tourism and development on the army land with the heritage buildings there because it will require a lot of money and it dare not have any private money spent on public land and is afraid to commit to it. That is why it has sat in the too-hard basket for two and a half years. I am sick of waiting; the locals are sick of waiting. It requires a decision and the government will not make decisions. Even if it took the easy way out and said to the federal government, 'The rest is too hard for us. We'll take the natural bushland. Let's incorporate that into the national park', that would be something and would be a large addition to our national park, yet we have nothing happening.

In conclusion those are my three major issues: the Gunnamatta outfall, the army land at Point Nepean, and the one I am very disappointed about. When I leave this chamber I will get on the phone to talk to all the dolphin operators down there who expected this to happen who will be bitterly disappointed that it has not happened. I will be down there in my boat watching. If there is harassment of dolphins and they are injured and leave our bay it is on the head of this government.

Mr HELPER (Ripon) — It gives me a great deal of pleasure to join the minister and my colleague the honourable member for Ballarat East and other speakers from this side of the chamber in debunking what the opposition has put up here today as a matter of

public importance. The government is clearly committed to the commissioner for ecologically sustainable development. It is an election promise, and unlike the framework in which the opposition operates we as a government keep our election promises. We will keep this promise as we have kept all other promises.

The argument by the opposition that it is remiss of the government that the position has not been put in place yet comes two years into a three-year term. One has to wonder what the opposition is scared of. Is it scared of an early election? Is it scared of not being able to hold its troops together to pass the role of the ecologically sustainable environment commissioner through the Parliament? Is it scared it will not be able to hold its own troops in the upper house, as it so shamefully failed to do on the farm dams legislation?

Let me go into that shameful record of the opposition in relation to environmental matters. After all, as the minister and my colleague the honourable member for Ballarat East have outlined, it was the opposition in government that dismantled the commissioner's role — abolished it, did it in, did it in the eye! — yet it has the sheer hypocrisy to raise this matter of public importance because it feels it can score political points on an environmental issue — which is shameful in its own right — by suggesting that the government is not keeping to its commitments. We are clearly keeping to our commitment.

Let me dwell on the despicable behaviour of the opposition in raising environmental issues to score political points. During my short experience in this chamber I was most impressed at how cooperation can occur between the National Party and the government over something as fundamental as the farm dams issue. On an incredibly important environmental issue confronting this state or any state or nation, if not the most important, water, we were able to work in cooperation with and in a bipartisan way on the farm dams legislation. What does the Liberal opposition try to do? It tries to score pathetic political points on an issue that ought to be bipartisan.

Let us look at some of its other environmental credentials as a Liberal opposition. On marine parks it absolutely buggered it up and fluffed it up and deprived this state — —

Mr Perton — On a point of order on the matter of language, Mr Acting Speaker, the honourable member used an unparliamentary term in misrepresenting the fact that it was the minister who withdrew the bill and the Liberal Party which was prepared to pass it.

Mr HELPER — On the point of order, Mr Acting Speaker, my understanding of standing orders is that only one issue can be raised in a point of order. I will address the first issue raised by the honourable member for Doncaster — that is, the allegation that I used unparliamentary language. If he has taken offence at the language I used, I withdraw that language.

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member for Ripon has withdrawn.

Mr HELPER — Let me continue and let us see where the other sensitivities of the honourable member for Doncaster lie. After all he will be facing his party room when another matter of public importance put up by the opposition, unquestionably at his instigation, has been a complete flop.

Let us dwell on the important and pressing issue of water. What is the Bracks government's record on this important issue of water resource management and sustainable management of the state's rivers, streams and catchments? It was the Bracks government that released the first ever report card on the health of our streams. It was the Bracks government that committed $20 million to catchment restoration programs. It is the Bracks government that is developing the state of rivers health strategy.

As I suggested earlier, let us analyse the position of the Liberal opposition — I must stress that, because the National Party has indeed taken a very honourable and constructive role on this issue. Firstly, the Liberal opposition started off in this chamber, no doubt to the embarrassment of many of its own members, by moving the infamous 3 per cent amendment, the one that was going to deprive the Murray–Darling Basin catchment of 25 per cent of Victoria's water allocation. When that got knocked out in this chamber, with the cooperation of — I will praise it again — the National Party, it went to the upper house.

What did the Liberal opposition do there? It came up with another lamebrain idea: that unless the catchment is critically damaged it is a free-for-all in dam construction and water allocation. What an absolute harebrained idea! I do not know how the Liberal Party environment spokesperson can stand up in his party room, pretend to have green credentials and allow his colleagues to come up with these lamebrain ideas. I do not even attribute the stupidity of this idea to him, but it is obviously loitering somewhere in their midst. It is about time you did a purge!

I shall quote the press reports on the Liberal Party's upper house amendment to the farm dams bill. Today's

Bendigo Advertiser quotes the remarks of the Deputy Leader of the National Party, Barry Steggall, and states:

> But he remained concerned that the Liberal's latest proposed amendments could damage the positive aspects of the legislation.
>
> 'The current Liberal plan is the fourth position that Liberal MPs have taken up in the past five weeks', he said.
>
> 'Among other things the implications of these amendments are that catchments will have to be stressed before preventative action can be taken to stop more overallocation of water'.

What an indictment from what has traditionally been considered the Liberals' own side of politics! I expect that the National Party will keep up the pressure on the Liberal Party to finally get a good outcome on this.

An article in today's *Age* states:

> The Liberal Party is moving to weaken laws that would safeguard the state's rivers by controlling the proliferation of farm dams.
>
> The state government's farm dam bill requires licences for all dams for irrigation or commercial use, irrespective of whether they straddle a watercourse. It is supported by the National Party, the Victorian Farmers Federation, scientists and conservationists.

You have to be joking when you come into this house trying to criticise the government about its environmental credentials when your own are lying in tatters on the floor of the Legislative Council. The Liberals' credentials are zero, zilch, nil!

I stress again the divisions between the National Party and the Liberal Party. The article continues:

> National Party water resources spokesman Barry Steggall said the amendments meant proof of damage to catchments would have to be provided, thwarting preventative action.

In the last few moments remaining to me in this debate I stress again that this government can hold its head high in terms of its environmental credentials. This government can and does go to the public stating unequivocally that it is committed to the establishment of a commissioner for the environment; that is our policy position, and we will implement it. It is about time the Liberal opposition developed a position at all.

Ms BURKE (Prahran) — I join the debate on today's matter of public importance in this house, which calls on this house to note the government's failure to meet its promise to establish the office of commissioner for ecologically sustainable development, who would have produced a Victorian state of the environment report and provided an independent audit of the government's compliance with environmental legislation, including the Flora and Fauna Guarantee Act. I do so because I think we have reached the time when our communities are well and truly ready for action. Ecologically sustainable development is the way forward to achieve quality of life for the future. It will benefit both corporations and private individuals, and in particular our youth expect it of us.

We have heard that for many years from the Australian Conservation Foundation and also from Environment Victoria, which have been persistent in their message, and finally it is getting through not only on an Australia-wide and statewide basis but particularly on a global basis. And issues like — —

Ms Duncan — Kyoto?

Ms BURKE — Issues like the development of the Kyoto protocol are most interesting. Let us just talk a little bit about Kyoto. Some 57 countries are involved in the Kyoto protocol. Only one has signed — Romania. There are major continents that are not included. Countries like India and China are not included.

It is time to get real about the environment. It is no longer appropriate to just fling words around about who is right and who is wrong, and who is clever and who is not clever.

As I said, ecologically sustainable development is the way forward, and there are many examples out there of people telling us that day by day. I have noted recently that the Business Council of Australia has stated that it believes the pursuit of sustainable development is necessary for the future prosperity and wellbeing of the world. The council also believes that corporations, along with government and the community, have an important contribution to make in this area. That corporate contribution is best realised through excellence in management — financial, environmental and social — demonstrated through their corporate activities, products and services.

Statements made back in 1987 in the world commission of environment and development encouraged the Business Council of Australia to take the position and adopt the definition of 'sustainable development' as being 'development which meets the needs of the present without compromising the ability of future generations to meet their own needs'. It is hard for any of us to disagree with that statement. Yet we are now in 2001, and almost in 2002. This government has made little progress other than issuing motherhood statements in an ALP policy. Governments must lead the way.

Let me remind the house that when this government took office in 1999 it had $1.7 billion to spend on policy. When the former Kennett government came to office in 1993 it had a $30 billion debt to wipe out before it started policy.

For any government to say in this house that it has the high moral ground on the environment is an insult to the people that Parliament serves. Everybody who is in government tries to do what they can to balance the environmental issues between one group and another. That is not so easy to do. If it was so darned easy we would have China and India incorporated into the Kyoto agreement and would have the 57 countries lined up and signed up.

It is a fact that we have to face that you need money as well to start, and you definitely need leadership. But submissions to the views to set up the commissioner for ecologically sustainable development closed on 23 February 2001. Is it as hard as that? One would have to ask why, how, when and even if the government had any ideas of what the dreams for this process and the dreams of so many people in the environmental movement were.

Reading through the consultation paper released in November 2000, one would have to ask: who wrote the policy for the establishment of the commissioner for ecologically sustainable development? The paper tells us clearly that they have left the country. Anyone with real passion for the way forward does not need 28-odd pages about what the commissioner will do, how it will be achieved, what the role of the Ombudsman will be, or where the Auditor-General fits in. It is an insult to the environmental community. If anyone had a real passion to establish the office of the commissioner, they would have a 5-minute job to tell the commissioner what was demanded for our future.

What is more, to think that the government has had $1 million in its budget every year to achieve it and we have not even had the commissioner appointed or an audit of the condition of our environment throughout Victoria! There are 78 municipalities out there that could tell you very quickly what the state of their environment is. The federal government has done an enormous amount of work on the state of the environment. Admittedly, it will be the state government that combines the work of both and actually achieves real change.

Local government is a major player in ecologically sustainable development. Local government people are land use planners; they are road makers, flood mitigation workers and salinity control workers. Their waste reduction is clear, and there is evidence of the community backing them in that. They look after parks and gardens and recreational pursuits; they are building and planning authorities — the list goes on and on.

When we were in government we carried on what was being taken into consideration with planning by the government before us, in Viccode 1. In Viccode 2, we looked clearly at the issues of how we could improve the environment. The Committee for Melbourne is committed to environmental sustainability. As part of its global compact agreement the committee is working with leading environmentalists on major projects to implement a vision for Melbourne as a sustainable city.

But we also see the value of rural Victoria and its capacity to improve the environment. The process has to be worked through. For people to stand up here and say, ‘I do it better than you’ is rubbish. The only thing that is worth anything is continuing to move forward and making a difference. We will always struggle. If the world is not keeping up with us we will have trouble with the environmental impacts from the rest of the world.

The people of Melbourne are the best recyclers in the country. We recycle 2.2 million tonnes of material per year, which is 30 per cent. Melbourne’s drinking water is among the highest quality in the world. It needs attention now. People concerned about our dams, including the Doctors for Native Forests, will tell you about what is happening in the Thomson Dam. We get nearly 30 per cent of our residents out there cleaning up Australia. Melbourne’s trams are an amazing environmental achievement and will be an important part of the future.

Today we need to be talking about working together a lot more and understanding the difference in the debate, what rural people feel and how we can attend to that, and understanding business. There is no doubt that anyone who wants to heat a swimming pool and was previously using gas or electricity knows it is a hell of a lot better to use the sun. All the benefits in protecting the environment are clear. We have to change people’s ways and bring them with us. Leadership is the way to do it.

To think that we could sit around for two years talking about what sort of thing the commissioner for ecologically sustainable development will do is an insult to the people we serve. It is an insult to the people who are passionate, as many of us on both sides of the house are, about what should happen with the environment. It is the way forward. Our youth expect it. It will also make our products better for export. We can

see what happens with mad cow disease and any disease we get in our food, including our fruit — everyone drops it like a hot cake. Given our distance from other major growers, this country has the capacity to make great changes.

I would like to see a lot more discussion about how we can do it together. I would like to see the commission established as fast as possible. I would like to see the audit of the environment of this state before this house as fast as possible. I wish that committee well, and I look forward to the work of the commissioner coming into operation speedily.

Ms DUNCAN (Gisborne) — It also gives me great pleasure to speak on this matter of public importance. It is probably the first time — and I suspect the only time — that I will ever agree with the honourable member for Doncaster on something, and that is that the environment and ecologically sustainable development are a matter of public importance.

Just to make a comment on a point that the honourable member for Sandringham made, when he said that to date he had not had anybody give him an explanation about why the office of commissioner had not been established, I note that the honourable member for Ripon addressed that directly. I will also, by saying we will be doing it — watch this space. I expect that when the government introduces the bill to establish the office of the commissioner for ecologically sustainable development the honourable members for Doncaster and Prahran will be giving us their full support, that they will not be doing backflips and saying one thing in the caucus room and in the chamber and then another behind closed doors while the bill is in transition between this house and the council.

There appears to be a kind of black hole of thinking. Bills can leave this house looking as though they have achieved their stated outcomes, but they disappear into the ether, which I presume is somewhere between here and the Legislative Council chamber. Perhaps a magnetic field is operating. All commonsense and logic goes out the window. What we start to see is party politics taking precedence.

I disagree with some of the previous speakers, who have given the honourable member for Doncaster far too much credibility. It is almost suggested that the honourable member for Doncaster cares deeply for the environment but unfortunately he is stymied by a party that does not share his views. I think that puts too much credibility on the honourable member for Doncaster. He likes to walk the walk — he tries to walk the walk, but whenever he talks the talk he should note the comments from the people he is speaking to, who absolutely cannot believe that this man can say what he says in public and then do what he does when he has the opportunity to do so.

It is extraordinary that the honourable member for Doncaster would have the audacity to introduce this matter of public importance for discussion. It really is another case of being a born-again greenie. We have seen it in debate on all manner of bills.

Mrs Peulich — Mr Acting Speaker, in view of the quality of the performance of the honourable member for Gisborne, I wish to draw your attention to the state of the house.

Quorum formed.

Ms DUNCAN — What we should call the honourable member for Doncaster in future is the member for Don't Do as I Do, Do as I Say. When in government members opposite do one thing; when in opposition they do another. They have brought forward a statement calling on the government to establish a commissioner for ecologically sustainable development — which the government will be very happy to do. I repeat: I look forward to the honourable member for Doncaster cheering the government when the bill establishing the office comes to the house, but we will see what sort of response we actually get.

The honourable member for Doncaster has proposed a matter of public importance calling for the establishment of the office of the commissioner for ecologically sustainable development. He is the same man who said 'Mmm' when Mr Kennett cut, slashed, and reduced funding to the Department of Natural Resources and Environment. The most frightening thing for someone in my position at the time was to actually watch those cuts — not just the government trying to save money, et cetera, but watching the loss of expertise from the Department of Natural Resources and Environment. We lost the most qualified and most experienced people in that department — people who collectively had hundreds of years of intimate knowledge of our forests and had worked in and overseen them for many years. Many of those people left in disgust because they could do nothing to stop it and could do nothing to assist.

When the honourable members for Doncaster and Prahran gave quotes on the environment they quoted that radical greenie group the Business Council of Australia — the epitome! The honourable member for Doncaster seemed to continuously link the environment with concepts like the triple bottom line, which

acknowledges all three aspects: the environment, the economy and the social impacts of the previous two. It raises the issue of what would happen if Victoria were in recession. Would it then be okay to wind back all those things and let the environment go backwards? I guess the answer would be yes when you have an opposition that in speaking to the farm dams bill said, 'We should wait for a river system to be stressed before we act'. What an insightful opposition? What an enormously green opposition! It is unbelievable. I say to the honourable member for Doncaster that even under that scenario we do not have to wait very long — —

Mr Perton — Tell us how much woodchip comes out of the Wombat State Forest!

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member for Doncaster has made his contribution to the debate. I ask him to stop interjecting across the table. The honourable member for Gisborne, without assistance.

Ms DUNCAN — Thank you, Mr Acting Speaker. As the honourable member for Doncaster would be aware, we will probably not have to wait very long for that little trigger because the government knows, as I imagine the honourable member for Doncaster would know, just how stressed almost all of our river systems are. The good side of this is that we will not have to wait long to find out. I noticed the honourable member for Doncaster looked embarrassed and was quiet when the minister was on her feet, reeling off time after time, issue after issue the sorts of things that the — —

Mr Perton — On a point of order, Mr Acting Speaker, I ask the honourable member to withdraw those words. She is lying in respect of what occurred in this house, and I ask for the withdrawal of those words.

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member for Doncaster has taken exception to some words spoken by the honourable member for Gisborne. Will the honourable member withdraw those words?

Ms DUNCAN — I withdraw the words the honourable member for Doncaster found offensive. The honourable member for Doncaster also claims that there was sustainability under the former government. Tell that to the Wombat State Forest, and tell that to the local conservationists, who during the seven years of the previous government watched the wood utilisation plans in the state forest absolutely accelerate!

I also noticed when the minister was speaking that the honourable member for Doncaster interjected and said, 'You are just good at cutting down trees'. I say to the honourable member for Doncaster, 'Not as good as you, mate'.

The ACTING SPEAKER (Mr Kilgour) — Order! Will the honourable member for Gisborne speak through the Chair!

Ms DUNCAN — Let us look at what occurred in the Wombat State Forest over the seven years of the former government. There are some lovely graphs that demonstrate where the log volumes, residual volumes and volume of B-grade logs were under the Kirner government. Then we see the graphs when Mr Kennett came to office. The honourable member for Sandringham talked about the need for the flow of information. There was no flow of information; there was an absolute desert of information. Look at the indicators under Mr Kennett's government, including residual, woodchips, B-grade logs and volumes of logs, because they all head skyward!

Mr MULDER (Polwarth) — I rise to make a contribution on the matter of public importance. I congratulate the honourable member for Doncaster for his work in getting up a matter of public importance on the environment. I think it is the first one we have debated.

On several occasions the honourable member for Doncaster has said that I am the luckiest politician in the state because I have the most beautiful electorate in the state. How right he is in that regard.

One can only condemn the Labor government for its lack of action in establishing a commissioner for ecologically sustainable development. One has to look at why this delay has occurred. In view of recent events the only reason I could establish was that the Premier and his mates have not decided on which Labor hack is going to get the role. We have already seen it take place in the past week with the appointment of Jim Reeves. Obviously the government is standing back and saying that it will hold off on this appointment until it has been through the list of all its mates. It will find someone, whether or not he is qualified in the environment, and will pop him straight him into the role.

There is no doubt that that is what is going on and what has caused the delay. It is what causes most of the delays in terms of the Labor government not acting in an appropriate and responsible manner and not operating in an open and accountable manner. The establishment of the commissioner's position is wholly and solely dependent on finding the right Labor hack to fit into a nice slot for the Labor government.

Labor has committed $4 million over four years in additional funding for the Department of Natural Resources and Environment — another nice motherhood statement. It committed $1 million in 1999–2000 and the same in the years 2000–01, 2001–02 and 2002–03. The Labor Party is now entering its third year in government and we have seen absolutely nothing. Is it any wonder the tag of a do-nothing government is starting to hang very firmly around its neck. Is it any wonder that Victorians across the board, and particularly Victorians who take a keen interest in the environment, are starting to have huge doubts and misgivings about this government and its absolute commitment to the environment.

In relation to the processes we have in front of us one needs to look no further than the beautiful Polwarth electorate to see how the government is handling the planning issues surrounding the kerosene and gas-fired power station at Stonehaven. This is a process that would have been handled by the commissioner. The commissioner would have been involved very early in the planning processes of the AES power station, but in this instance the planning minister adopted a different procedure. You would think that a Labor minister could at least get one point of it right — that is, if he were going to put the power station into a Liberal electorate, as he has done in the Polwarth electorate, he would ensure that that electorate bore the brunt of that decision. But how smart is the Minister for Planning? He put the power station right on the edge of the Polwarth electorate!

So as a local member I have $250 million worth of development in the Polwarth electorate — there will be 100 construction jobs and 15 full-time jobs — but all of the minister's Labor mates in Geelong are going to get the pollution from it. How smart is that? At least if they had their commissioner in place the commissioner would have said, 'Hold on, Minister, this is absolutely outrageous! You're going to kill Geelong. You're going to have all of your members in Geelong jumping down your throat'. They should have had the commissioner in place. The commissioner would have told the Minister for Planning, 'Don't do it'.

What have those hopeless Labor members — the honourable member for Geelong, the honourable member for Geelong North, and Elaine Carbines from another place — done about this issue? They have sat on their hands. The honourable member for Geelong has marched in here with a petition against his own government, with 6000 signatures, and this is what has happened. Not having a commissioner in hand, the honourable member has had to produce — —

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member for Polwarth seems to be having some problems with his throat. We are hearing him very well, but if he would like to quieten down and have a drink of water I am sure it would make for better running of the house.

Mr MULDER — Thank you, Acting Speaker. What has happened? As I was saying, we have seen the honourable member for Geelong come in here with a petition — bearing 6000 signatures! — protesting against his own government's decision, against his own minister's decision, because they did not get the right advice.

And who is out there representing the people of Stonehaven and Bannockburn and the people from the action group who are working hard on the establishment of this power plant? The honourable member for South Barwon, the honourable member for Bellarine, Ian Cover, from another place, and I are the only ones who have been taking a proactive role, assisted by, of course, the shadow minister, the honourable member for Doncaster, who has been running through the freedom of information process, meeting with the concerned residents and raising all of these issues.

But what is happening to the people who suffer the respiratory diseases in Geelong, the people who have chronic asthma? What sort of representation are they getting from their Labor members in Geelong? They are getting none. They are getting nothing at all.

Had a commissioner been in place the commissioner would have said to the planning minister, 'Don't proceed with this. This is very, very dangerous for your Labor members in Geelong. In fact, they could be unseated'.

I raise another issue — namely, the issue of pure decency in relation to this whole process in Geelong. That was an act by the mayor of Geelong, Cr Stretch Kontelj, in making a donation of $1000 towards the action group to help it fight the cause at the Victorian Civil and Administrative Tribunal. I thought that was an absolutely decent gesture by a decent person. When the residents of Geelong, Bannockburn, and Shelford could get no action whatever from the minister of the day and got poor representation from the Geelong Labor members, it took the Liberal Party's representatives in the area and a donation from the mayor of Geelong to help to fight this cruel and unnecessary process and overcome the anguish that the residents had been put through.

What would have happened had the commissioner been in place? The commissioner would have looked at planning issues. In and around the AES power plant are people who have moved into that area in good faith that they were moving into a rural environment. Their concerns relate to issues such as tank water. I do not know what will happen when the machine at the AES power plant starts up and switches from gas to kerosene. Will a great plume of black smoke puffing into the air cause the white washing to be brought in from clothes lines on those days? We do not know what will happen, but the residents are concerned about air quality and their loss of amenity. The real issue is: what action has the government taken in relation to these people's concerns?

A commissioner would have looked at that process. He would have taken on board those concerns about integrating and planning and the environmental issues and looked into the concerns of the people in that area. The Labor members for Geelong would not now be facing the most embarrassing situation of having to table a petition against their own government.

An Honourable Member — Because they don't care!

Mr MULDER — They do not care about people. They do not care about people with respiratory diseases, they do not care about children, they do not care about the environment around Geelong. It is the Liberal Party representatives who are fighting to protect people's rights, as we always have done in the past and as we always will do in the future.

I comment briefly on the commissioner's role in relation to rural Victoria. It always appears to me that we in rural Victoria, and farmers in particular in rural Victoria, seem to get the wrong edge of the sword in the way people view our dealing with environmental issues. It makes me sick every time I see articles in the metropolitan newspapers pointing to rural Victoria and saying that nothing is really happening out there to address environmental issues.

I would love a number of those people to come with me on a tour of the Polwarth electorate to look at some of the rivers, creeks and streams and see the work that has been done by Landcare groups and some of the farms where farmers are implementing forestry practices with their normal day-to-day farming practices. I would love people to go and talk with the Corangamite Catchment Management Authority and discuss with it the work it is doing with farmers in nutrient control on properties. Rural Victoria is moving ahead at a far faster rate, I believe, than environmental initiatives are and should be taking place in the metropolitan area.

It totally amazes me to walk into some of the bigger hotels here in the city. I know the honourable member for Gisborne would not have been in a men's room — and I do not expect that she would — but in unison about 25 little urinals all flush in time based on a sensor that is set up on the wall and about 50 litres of drinking water goes straight down the tube.

People who frequent these places travel out to rural Victoria on the weekend and say, 'Look at the farming practices here. Are they right or are they wrong?'. Rural Victorians are doing a fantastic job in terms of the environment because they are proactive. Their metropolitan counterparts could give far better service by looking at the practices taking place in rural Victoria.

The Liberal Party will continue to fight for rural Victorians' rights. It is the party that stood up against the Victorian Environmental Assessment Council Bill and stopped that stupid dams bill, which was a template for the whole of Victoria. It is the party that stood up for farmers' rights again on animal legislation. We will continue to fight for rural Victoria. We are the party that people recognise as a party that — —

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member's time has expired.

Ms LINDELL (Carrum) — It gives me great pleasure to join the debate on the matter of public importance. To take the debate beyond the honourable member for Polwarth, his is the party that did away with the Office of the Commissioner for the Environment and never produced a state of the environment report in seven years in government. I am really glad to have seen and heard the support of so many honourable members for the bill to establish a commissioner for ecologically sustainable development — —

Mr Perton interjected.

Ms LINDELL — Thank you for that, honourable member for Doncaster — another great contribution from you!

The ACTING SPEAKER (Mr Kilgour) — Order! Will the honourable member for Carrum speak through the Chair!

Ms LINDELL — I look forward to the day when all the opposition members who have spoken today stand up and support the government's bill. I do not look

forward to their ever being in government again, but I am sure that a commissioner for ecologically sustainable development would be heartened by the fact that they will have job security and will not have their role extinguished under a future Liberal government.

Mr Perton interjected.

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member for Doncaster has made his contribution.

Ms LINDELL — I will talk about some of the fabulous environmental projects which this government has put in place and which have benefited my electorate of Carrum. Earlier this year at Carrum beach, I felt honoured to launch the $22.5 million program for stormwater management and improvement. Three little dolphins came in to say hello and play in the shallows of Carrum beach on a very nice Sunday morning. The minister also came down to Mordialloc and presented our local council with a $239 000 cheque for stormwater drain replacement at the Mordialloc shopping centre to stop the debris going straight out into Port Phillip Bay.

We have an innovative program funded under the stormwater management program that has seen five local councils working with the construction industry to reduce the amount of litter and rubble from building sites that enters our drainage system. Honourable members might know that in much of my electorate drains along the foreshore empty straight into Port Phillip Bay. Projects that look at reducing the litter that comes from shopping centres and building sites are very important to bayside councils. The honourable member for Sandringham, I think, talked about some educational projects in Ireland involving green schools which encourage their students to take part in tree planting, recycling their litter and things like that.

I am pleased that the minister will be coming down to a very fine school in my electorate, the Patterson Secondary College, where a group of students has been working with the Frankston and Kingston councils, the Friends of Edithvale-Seaford Wetlands, members of the Kananook Creek Association, Friends of Seaford Foreshore Reserve, and of course with Melbourne Water Corporation and the coast care action department of the Department of Natural Resources and Environment. They have been doing substantial amounts of planting along the foreshore and are now putting together a brochure for a signed walk that covers 16 kilometres from the wetlands at Seaford through to link up with the walk along Kananook Creek, and then further along the foreshore through Seaford. The minister will come to launch that walk and to congratulate the children from whom this program came as a result of their involvement in the Alpine School, which is a year 9 leadership program that was established by this government.

I will talk a little about some of the crocodile tears that have been wept on the other side of the chamber today. The honourable member for Dromana raised the issue of the upgrade at the Carrum treatment plant and the outfall at Boags Rock. I do not think there is anybody in this chamber who does not look for an improvement in the outfall at Boags Rock. It is an issue that has not just arrived; it has been around this place for a long time, but it seems that the honourable member for Dromana has only just discovered it. Now, when the Carrum treatment plant is being upgraded, we have this terrible problem. I do not think I heard one word from him about it in the seven years he was in a position of some influence in the government and could make a difference, but now when the work is almost done it is good to see that he is out there fighting.

The Edithvale-Seaford wetlands has finally been Ramsar listed, something much awaited and anticipated in my electorate. Finally, after many years of hard work, we see this happening. I just realised that I promised my colleague the honourable member for Melton that I would say a few brief words. I will finish my contribution there.

Mrs FYFFE (Evelyn) — I am pleased to speak on this matter of public importance concerning the environment:

> That this house notes the government's failure to meet its promise to establish the office of commissioner for ecologically sustainable development who would have produced a Victorian state of the environment report and provided an independent audit of the government's compliance with environmental legislation including the Flora and Fauna Guarantee Act.

This was a promise made in 1999 by the then Labor opposition, and what have we got? Labor promised to provide an ombudsman-type role for considering public complaints; to table a state of the environment report in Parliament that would review objective scientific information about environmental quality and the progress made in improved strategies; and to audit compliance with environmental legislation, including the Flora and Fauna Guarantee Act and native vegetation retention controls. Labor said it would legislate to establish a commissioner for ecologically sustainable development. It promised to commit $4 million to be spent at $1 million a year starting in 1999 and going to 2003. And what have we got? We do not have a bill, the discussion paper was not published

until December 2000, public discussion closed in February 2001 and there has been no other documentation since them.

The Bracks government's *Growing Victoria Together* has a section entitled 'Promoting sustainable development', which simply does not mention the position. It is like all the major projects and all the other things that we are supposed to have had in this state. All we have had is endless committees. Is it 530 or 546?

Mr Perton — Five hundred and thirty-five.

Mrs FYFFE — I am sorry — 535! One gets tired of counting them all. Sustainability is a major issue for business, government and the public. It is a major issue for the farms and farmers in my electorate, which include vineyards; strawberry growers; pome fruit producers; flower growers; beef growers; sheep, horse and goat farmers; hydroponics; and the timber industry. I was interested on Sunday to visit a farm I had not visited before which had more than 300 goats. The farmer was looking to export goat meat — an absolutely fantastic business that is growing extremely well — and is concerned about the environment and about the sustainability of the business.

The one common thread that runs between all of the farmers that I have met in my electorate is the concern about sustainability, because every farmer wants to hand on their land to their sons or daughters; they want their grandchildren to work on the land. That is what sustainability means — that is, that what I do to the land, working on the land, leaves it in the same condition as I found it. All the farmers in Victoria are working towards this.

Farm practices have changed dramatically in Victoria over the past 30 years. As Mr Kilgour said in his speech, we have changed a lot. Farmers are searching for solutions. They want to do what is right. They want to control the amount of sprays being used on their vineyards and orchards. They want to make sure that their ploughing of the land does not impact on the stream flows or the creeks, and they try to make a profit. If one listened to the government benches one would think that trying to make a profit is illegal, but without farmers willing to put all they have on the line to go into debt, without these courageous and visionary people, we would not have the wonderfully wide variety, freshness and quality of food that we have today.

The country's balance of payments would be in dire straits without the export of farm produce. The nation's balance of payments is vital to its future prosperity, and so is the balance of our environment. The sustainability of our environment cannot be put aside. A commitment was made in 1999. Here we are in December 2001 and still nothing has happened. If we look at endangered species we find we are losing the battle against predators such as foxes and wild dogs. There is the spread of weeds on state land. The government's stewardship is failing dismally. A person who is farming property that is adjacent to state-owned land could have blackberries or ragwort spreading. Most of their time is spent repairing the broken down fences that the Department of Natural Resources and Environment is not looking after, controlling the department's weeds, and trying to control the wild dogs, foxes and rabbits that are living on DNRE land.

The people of Victoria have shown they want to support their environment in their response to education campaigns on recycling. We are leaders in recycling because a government led the way. And what have we got? A government that is not doing anything to follow up on a promise it made prior to the election. We need a government to lead by example. We need a government that raises the bar for the farmers of this state, for the people in our community who value the environment they live in.

The people who live and work on the land do so because they love it. It is something they really respect — and far more than the token environmental concerns expressed today by honourable members on the government benches. In fact the honourable member for Gisborne made a good speech. She is one person who seems to understand the environment, and we will miss her after the next election because her contribution is very good on issues such as these. She tries to understand these issues. As I said, we need a government that leads by example and raises the bar, not a government that abrogates its responsibilities or that is concerned only about jobs for its mates.

We do not need a minister who lets her department run riot and who holds up development because her staff are so busy trying to think of reasons why you cannot do anything rather than how you can sustainably work with the environment to have economic prosperity for the people of Victoria. The minister and her department want to lock up the bush and lock up the forests to keep you out and not allow anyone to go in and pursue any recreational activity on the people's land. There is a small, select group of people who have so much power and who are making it so difficult for others who want to spend time in the bush. You try to pitch a tent anywhere now. It is extremely difficult to go and camp on the Victorian people's land, because this department works at why you cannot do anything, not how you can

do it while working with the people. The minister is allowing her department to take control.

Other states are moving into sustainability, but Victoria is getting left behind. The honourable member for Carrum talked about dolphins, saying that it was wonderful to have them, and attacked what the Kennett government did — or, as she claimed, did not do. But why are we not debating a bill this week to give the enforcement agencies greater powers to protect the dolphins in Port Phillip Bay? Each January I spend quite a lot of time fishing on the bay, and I have seen what the hoons do to dolphins and seals. Why are we not bringing in legislation this week to help the enforcement officers by giving them more power and protecting them from the hoons who are scaring these beautiful animals? What do we have instead? More words, but no action!

This government takes no action. Nothing concrete happens to protect the environment, and that is appalling. The nation wants it, the state wants it, and the people of Victoria want it. The minister has totally abrogated her responsibilities, as she has on so many issues. I have mentioned the issues of wild dogs, weed control, burn-offs and fire tracks. There is also the fact that farmers have to pay for the lease of land abutting creeks and rivers but are then told by the Department of Natural Resources and Environment that they must fence it off. They pay to lease land that they must fence off so they cannot go onto it and their stock cannot go onto it — and then they are expected to control the weeds on that land.

This department is trying in every possible way to make it impossible for people to farm. There are narrow strips of land running alongside rivers and creeks that have noxious weeds that are spreading everywhere. Farmers pay for the leases and the fences, and they are then expected to control the weeds on the state's land when the state will not do anything to help them. It is an appalling state of affairs, and the sooner the Premier talks to the minister so she runs her department in the way it is meant to be run — for the people of Victoria — the better. People should have an environment that they are proud of, are proud to live in and are proud to farm alongside.

Mr NARDELLA (Melton) — This matter has to be seen in the context of the various government and opposition policies. I will speak extensively and authoritatively on the Liberal Party policy on the environment.

Hang on, do you want me to give that policy to you again? I will give it to you again.

There isn't any policy!

Having noticed me pause twice, honourable members can see the opposition's absolutely shameful position in bringing this matter before the house. It is opportunistic! Even after two years in opposition and after being the shadow minister for two years, the honourable member for Doncaster is now in the position of having no policy on the environment. The Leader of the Opposition has had to appoint a shadow parliamentary secretary to develop and put together a policy for him because he was and is still unable to do it because he is lazy.

Mr Perton — On a point of order, Mr Acting Speaker, I ask the honourable member to withdraw those words. I do not have a parliamentary secretary, but I thank the honourable member for his good wishes in offering me one.

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member has found those words offensive. Would the honourable member for Melton like to withdraw?

Mr NARDELLA — No.

The ACTING SPEAKER (Mr Kilgour) — Order! I ask the honourable member for Melton to withdraw the words that were found to be offensive by the honourable member for Doncaster.

Mr NARDELLA — I withdraw the words that he has a parliamentary secretary.

The SPEAKER — Order! The honourable member for Melton, continuing his contribution!

Mr NARDELLA — Let's move on and have a look at the state of the environment reports, comparing those from 1988 with those from 1991. Honourable members can see a wad of reports in my right hand, but my left hand has nothing in it, which demonstrates the state of the environment reports under the Liberal government. Under the Kennett government none was produced, because this opposition, led in part by the shadow minister for conservation and environment, stood still and was quiet when the Office of the Commissioner for the Environment was abolished.

Members opposite went out of their way to abolish that position, yet they come in here today and say, 'Where is it? You've had two years. Where is it?'. The hypocrisy of the Liberal and National parties is absolutely stark, because they abolished a position they still do not want. That demonstrates the lack of authority the shadow minister has within his own party.

He could not get it up. He did not say anything when Kennett was — —

Honourable members interjecting.

Mr NARDELLA — There are a number of things he probably could not get up! However, with regard to this policy, he could not fight the Kennett government and the Premier of the day, yet he can come in here and say, 'What are you doing?'.

The government is working towards this, but one of the most interesting aspects of our consultative process on the report, which has received 67 submissions, is that there has been no submission or documentation or policy position put to the consultative panel by the Liberal Party or by the shadow minister, the honourable member for Doncaster. He has been silent. During the past two years he could not put together a position on this issue, even when the government has put it out for consultation.

It is ludicrous that this matter of public importance is before the house today. It is an extremely lazy opposition. It will not have any policy next time around, and we do not support the matter of public importance.

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member's time has expired. The time for raising matters of public importance has expired.

ROAD SAFETY (ALCOHOL INTERLOCKS) BILL

Introduction and first reading

Mr BATCHELOR (Minister for Transport) introduced a bill to amend the Road Safety Act 1986 and the Sentencing Act 1991 with respect to the use of alcohol interlocks as a condition of granting a driver licence or permit to certain disqualified drivers and for other purposes.

Read first time.

FORENSIC HEALTH LEGISLATION (AMENDMENT) BILL

Introduction and first reading

Mr THWAITES (Minister for Health) — I move:

That I have leave to bring in a bill to amend the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997, the Control of Weapons Act 1990, the Intellectually Disabled Persons' Services Act 1986 and the Mental Health Act 1986 with respect to security patients and persons subject to supervision and for other purposes.

Mr PERTON (Doncaster) — I ask the minister to give a brief outline of the contents of the bill.

Mr THWAITES (Minister for Health) (*By leave*) — The bill implements a number of recommendations that come out of the Vincent review into the forensic medical centre relating to better security and other related matters.

Motion agreed to.

Read first time.

SENTENCING (AMENDMENT) BILL

Introduction and first reading

Mr HULLS (Attorney-General) introduced a bill to amend the Sentencing Act 1991 to provide for a drug treatment order as a new sentencing order, to amend the Magistrates' Court Act 1989 to establish a Drug Court Division of the Magistrates Court, to amend the Corrections Act 1986 with respect to the custody of a person subject to a drug treatment order and for other purposes.

Read first time.

CRIMES (DNA DATABASE) BILL

Introduction and first reading

Mr HULLS (Attorney-General) — I move:

That I have leave to bring in a bill to amend the Crimes Act 1958 with respect to forensic samples and for other purposes.

Mr PERTON (Doncaster) — I ask for a brief description of the contents of the bill.

Mr HULLS (Attorney-General) (*By leave*) — This bill will enable Victoria to be part of a national DNA database.

Motion agreed to.

Read first time.

PARLIAMENTARY COMMITTEES

Inquiry references

Mr BATCHELOR (Minister for Transport) — By leave, I move —

That pursuant to the Parliamentary Committees Act 1968, the following matters are referred to the undermentioned joint investigatory committees:

(1) To the Road Safety Committee — for inquiry, consideration and report by 30 April 2003 on:

(a) the incidence, causes and appropriate means of addressing road crashes involving vehicles leaving the road and colliding with roadside objects;

(b) the liability and accountability issues relating to roadside utility poles, trees and other fixed objects;

(c) appropriate risk management guidelines and practices for roadside hazard management in various speed zones; and

(d) the need for change to legislation or statutory requirements to implement any recommendations made as a result of this inquiry.

In conducting the inquiry, the committee is to seek information from government and non-government agencies, motoring and environmental organisations, local government, utility companies, the community and any other body responsible for the placement or removal of roadside objects. In particular, the committee is requested to examine practices in other jurisdictions.

(2) To the Road Safety Committee — for inquiry, consideration and report by 31 October 2002 on the factors influencing the fluctuations in the number and severity of crashes involving death and serious injury on Victorian roads from 1988 until the present, and in particular to:

(a) examine the death and serious injury rates amongst pedestrians, passengers, motorcyclists and over 50-year-olds from 1988 until the present;

(b) examine the effect of public advertising campaigns on changing road user behaviour and reducing road trauma from 1988 until the present;

(c) examine the impact on road safety of government policy, and of legislative and regulatory changes, from 1988 until the present; and

(d) investigate and consider measures that would improve driver behaviour, including enforcement activities.

(3) To the Law Reform Committee — for inquiry, consideration and report by 30 September 2002 on industry sectors, in particular hairdressing, removalists, carpet cleaners and whitegood retailers, to see where mandatory codes should be introduced to protect consumers dealing with these industries.

(4) To the Law Reform Committee — for inquiry, consideration and report by 30 September 2003 on the Administration and Probate Act 1958 and in particular to have regard to issues including, but not limited to:

(a) the desirability of new legislation and procedures to deal with the administration of a deceased person's estate;

(b) whether the act should be amended to provide alternative mechanisms for the resolution of disputes that involve small estates;

(c) whether the Magistrates Court and the County Court should also be given jurisdiction to deal with grants of probate and administration and deal with disputes relating to wills; and

(d) whether amendments are necessary in relation to the charges and commissions of solicitors who also act as executors.

(5) To the Law Reform Committee — for inquiry, consideration and report by 30 September 2002 on the system of oaths and oath taking in Victorian courts and the making of statutory declarations and affidavits with reference to the multicultural community and in particular to have regard to issues including, but not limited to:

(a) the significance of sacred texts to witnesses, other parties and jury members of particular faiths;

(b) the provision of a sufficient range of appropriate texts and minimum standards in this regard for all Victorian jurisdictions;

(c) the provision of cultural awareness training to all court staff and persons before whom affidavits are sworn and the development of appropriate and sensitive practice by all such persons; and

(d) whether the classes or groups of people currently permitted to witness affidavits and statutory declarations are sufficiently accessible to, and reflective of, the diversity of the Victorian community.

(6) To the Environment and Natural Resources Committee — for inquiry, consideration and report by 30 September 2002 on:

(a) the impact of European carp in Victorian waterways;

(b) the options for the long-term management and eradication of carp from Victorian waterways which support the protection of native flora, fauna and habitat; and

(c) the identification of new and emerging industries that can utilise carp, consistent with the protection of native flora, fauna and habitat.

(7) To the Family and Community Development Committee — for inquiry, consideration and report by 30 September 2002 on:

(a) The current conditions that clothing outworkers work under. Such examination should include, but is not limited to, consideration of:

(i) terms and conditions of engagement;

(ii) health and safety issues; and

(iii) social integration issues.

(b) Current forms of community engagement by Victorian councils and ways to enhance and promote greater community engagement within existing councils as part of their governance arrangements.

(8) To the Drugs and Crime Prevention Committee — for inquiry, consideration and report by 30 September 2002 on:

(a) The extent and nature of fraud and white-collar crime in Victoria;

(b) The impact of new technology supporting e-commerce on the opportunities for fraud;

(c) The current and proposed state, commonwealth and international strategies and initiatives in relation to dealing with fraud and white-collar crime; and

(d) The need for policy and legislative reform to combat fraud and white-collar crime in Victoria.

Motion agreed to.

The ACTING SPEAKER (Mr Kilgour) — Order! If the Leader of the House is happy we may take this opportunity to break for lunch, considering that we will have future discussion on the ambulance inquiry straight after question time.

Sitting suspended 12.52 p.m. until 2.03 p.m.

QUESTIONS WITHOUT NOTICE

Urban and Regional Land Corporation: managing director

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to the fact that he has described Mr Jim Reeves as a past friend, and I ask: can the Premier advise the house why he blatantly lied to Victorians in order to protect his own political skin?

Honourable members interjecting.

The SPEAKER — Order! Will the Leader of the Opposition repeat the latter part of his question.

Dr NAPTHINE — I refer to the fact that the Premier has described Mr Jim Reeves as a past friend, and I ask: can the Premier advise the house why he blatantly lied to Victorians to protect his own political skin?

Mr BRACKS (Premier) — I clarified today exactly what I meant. I have known Jim Reeves — —

Ms Asher interjected.

Mr BRACKS — If you want to hear, I have known Jim Reeves for about 30 years, and what I meant by 'past friend' is that I have known him for a long time. He remains a friend, but he is also going to be the best person for that job in Victoria!

Rural and regional Victoria: nurses

Mr RYAN (Leader of the National Party) — I refer the Minister for Health to the fact that the number of nurses employed by country hospitals to meet the enterprise bargaining agreement with the nurses union is now in excess of the government-allocated level for each hospital. Given that funding for overallocation nurses ceased on 31 October, will the minister commit to renewing that funding, or is it his desire for the boards of country hospitals to be left with the choice between running down their reserves or sacking the nurses whom they employed in good faith?

Mr THWAITES (Minister for Health) — The nurses enterprise bargaining agreement is very good news for hospitals, very good news for nurses and, most importantly, very good news for patients, because it will mean more nurses to give better quality of care to patients.

This government has done what it said it would do: it has funded 2650 extra nurses across the state. The Leader of the National Party would be well aware that his government cut nursing positions by 2000, whereas I am able to advise the honourable member that this government has fully funded 97 extra positions in the Gippsland region through this enterprise bargain agreement.

Ansett Australia: replacement airlines

Mr LEIGHTON (Preston) — Will the Premier inform the house of the benefits to Victoria of the Fox–Lew bid for Ansett Australia?

Mr BRACKS (Premier) — I thank the honourable member for Preston for his question. The benefits of the Fox–Lew bid are numerous, and I will go through some of them for the honourable member for Preston and members of the house. The first benefit is that the airline will remain in Victoria, and that is a clear benefit. The second great benefit is, importantly, that it will employ Victorians. The third benefit will be the injection of some $1.2 billion into an enterprise as a full service carrier and a second airline, which will be great for Victorians and good for the nation as well.

The enterprise will bring some 29 new A300 airbuses — a new fleet of planes — into the country as part of the lease arrangement and

somewhere between 3000 and 4000 jobs into Victoria and 7000 to 8000 jobs nationally. More jobs and more value, and it will be based in Victoria!

Compare that with what appears to be the preferred option of the federal government, which has effectively been exposed in the past week — that is, the Lang Corporation bid in conjunction with Virgin Airlines. What would that bid by Chris Corrigan — the bid by Lang Corporation — mean in jobs? It would mean 2500 jobs, and it would also mean, importantly, that the Ansett name would go out of business altogether and we would not have an airline in Victoria. That is what the Lang Corporation bid means!

I am pleased that the Fox–Lew consortium, which has been selected to purchase the business by the Ansett administrators, has been given an assurance by the federal government that it will not stand in the way of its bid. I welcome that announcement, as it means the purchase can go ahead, but it is concerning to see the true agenda of the federal government clearly revealed on the front page of today's *Australian Financial Review*. That article states:

> Transport magnate Mr Lindsay Fox yesterday accused the federal government of trying to kill Ansett airlines after the Prime Minister, Mr John Howard, had refused to help the Tesna syndicate buy the airline.

It goes on to quote Mr Lindsay Fox:

> I think ultimately the government might want Ansett to die.

He has discovered what the rest of us have known for some time and what the federal transport minister, Mr Anderson, has said — that is, that the federal government never ever wanted to get Ansett up into the air. It is reluctantly accepting this bid because this is the only one which will put value into the business and which will be a true and full carrier.

I welcome the investment from two Victorian businessmen, who will operate a full service carrier. It will be a good addition to the skies, and it will be a proper, full service based in Victoria. I hope and pray that the federal government will get behind the airline now that there is nothing in the way of this bid.

Urban and Regional Land Corporation: managing director

Mr CLARK (Box Hill) — I refer the Treasurer to the Urban and Regional Land Corporation Act, which states that the chief executive officer of the URLC is to be appointed by the board of the URLC after consultation with the Minister for Planning and the Treasurer. Did the Treasurer support the process and the subsequent selection of Mr Jim Reeves as managing director of the Urban and Regional Land Corporation?

Mr BRUMBY (Treasurer) — This is an appointment of strategic significance to the state government. The government's new policy agenda for the Urban and Regional Land Corporation is about achieving strong urban renewal projects as well as strong regional development projects. This policy puts a new emphasis on this corporation — one which the former government never had — and puts a focus not just on the metropolitan area but on the regional areas of Victoria as well.

The Minister for Planning introduced legislation recently to focus on that change of direction, and he has been driving that change in the new organisation. Obviously Mr Reeves, who has extensive experience in urban and regional renewal, will lead the Urban and Regional Land Corporation in that new direction. The corporation needs somebody with that sort of experience and that sort of capacity to manage change and to take it into the new era — one which the former government could never take it into because it did not care about regional areas.

As required under the Urban and Regional Land Corporation Act, I was consulted on this appointment. I endorsed the views of the Minister for Planning that we needed a capable leader with experience in large urban renewal projects who could take the corporation beyond what has been its traditional role.

The fact is that a process has been put in place and the best candidate has been chosen — and he will be an excellent chief executive officer of the corporation.

Local government: rural promotion

Mr HELPER (Ripon) — I ask the Minister for State and Regional Development to inform the house of the latest action the government has taken to promote rural and regional Victoria in cooperation with local government.

Mr Leigh — Read the same speech — —

Mr BRUMBY (Minister for State and Regional Development) — At least I can read.

Honourable members interjecting.

Ms Asher interjected.

Mr BRUMBY — It's a statement of fact. He is one of your greatest supporters!

Earlier today the Premier, the Minister for Local Government and I met with the regional mayors, the regional cities group, which is the group of 10 mayors and chief executive officers from the major provincial cities across country Victoria. The establishment of the group was an initiative put in place by the Premier shortly after our election in October 1999, and the government has had meetings with the group on a quarterly basis since then. It is a positive initiative, something the former Kennett government never did, where we built the process with the regional mayors about how we can best develop economic opportunities in country Victoria.

Over the past few months, the regional mayors have been developing a proposal for the marketing of country Victoria to accelerate the rate of new investment. They put a proposition to the government for a marketing campaign entitled Regional Victoria — The place to be. It is a proposal for state government support. It is an excellent submission and was put today by the regional mayors. In detailing the context and background they say this:

> The revival has started.
>
> New state government policy initiatives in regional development, arts, tourism, small business, health and education have already renewed industry and community confidence. This provides an excellent foundation on which to now aggressively market the benefits of living, working and investing in regional Victoria.

The 10 mayors and chief executive officers put it pretty well.

In response, today the government was able to announce that we will make available $1 million over the next two years in partnership with the regional councils for this marketing campaign to aggressively market regional Victoria as the place to be in terms of new investment and development opportunities. I know this is an initiative which will have the wholehearted support of the National Party and the Liberal Party, because they are always so positive about what is happening in country Victoria! You can see the smiles; you can see the enthusiasm just radiating from the opposition!

The $1 million campaign supported by the government comes on top of the $180 million from the Regional Infrastructure Development Fund for transport; the $550 million regional fast rail project; the $96 million regional rail standardisation project; the significant boost to regional health, education, aged care and community safety facilities; the allocation of 45 per cent of the state's budgeted capital works to regional Victoria; the $105 million Latrobe Valley package; the regional fibre optic project on which the minister will make some announcements shortly; the relocation of 200 staff from the State Revenue Office to Ballarat; the proposed relocation of the Rural Finance Corporation of Victoria to Bendigo; and $157 million for salinity programs over the next seven years.

Mr Hulls interjected.

Mr BRUMBY — And of course the country racing plan! More in two years from this government than we saw in decades under the previous Liberal–National Party coalition.

Health: rural services

Mr SAVAGE (Mildura) — Is the Minister for Health aware of the perceptions in rural Victoria that the Department of Human Services is not giving rural health the priority it needs and deserves? If so, what action will the minister take to redress the situation?

Mr THWAITES (Minister for Health) — I thank the honourable member for his question. I am pleased to announce today that the Department of Human Services structure has been reformed to give a much greater focus to rural health. As of Saturday, 1 December, the Department of Human Services will for the first time in over a decade have a new position of executive director, rural and regional health and aged care services.

I am also pleased to advise the honourable member that the position of the head of that division will be filled by Dr Chris Brook. He will be a member of the executive reporting directly to the executive to give rural health a higher profile. We need to do everything we can to rebuild our rural health after the seven years of the opposition's closure of hospitals — 12 hospitals were closed. I am concerned about the National Party's next consultant's report. Is it going to be on rural hospitals and what will we get then?

Our government is putting much greater priority on these rural hospitals to ensure they can deliver to country people. That means we have increased not only the focus in the department but we have increased resources, more than doubling the resources for capital works, which means we have been able to begin major hospital upgrades at Kyneton, Colac, Myrtleford, Korumburra, Daylesford, Swan Hill and Wangaratta — all over country Victoria. The government has a big task: we have to fix the seven years of neglect, but we are turning it around.

We are also doing it in the ambulance sector in country Victoria, where we are now able to deliver two-officer

crewing in many locations and where we are prepared to talk to country communities about improving their services. That means a more flexible approach from the department. It means an approach that is driven by the real needs of country Victoria, and an approach where the department is organised to deliver that priority.

Urban and Regional Land Corporation: managing director

Dr NAPTHINE (Leader of the Opposition) — My question is again to the Premier. I refer to the fact that Mr James Edward Reeves was the director, company secretary and chief executive officer of Sovereign Brewery Ltd in Ballarat at the time it went into liquidation, losing nearly $4 million, including unpaid employee entitlements and tax, and being wound up by the Supreme Court, with creditors receiving nothing. Is this the same Jim Reeves that his government has just appointed to head the Urban and Regional Land Corporation?

Mr BRACKS (Premier) — Jim Reeves was employed for his 10 years involvement in Brisbane and SEQ 2001, and in that work between Brisbane and the New South Wales coast he oversaw significant urban renewal developments, in keeping with the role he will have in the Urban and Regional Land Corporation. He is eminently qualified for this position.

Dr Napthine — On a point of order, Mr Speaker, on the issue of relevance, the question was quite specific, as to whether it was the same Jim Reeves who was involved in sending a brewery bust. That is the question we want an answer to.

The SPEAKER — Order! The Leader of the Opposition has posed his question and has taken a point of order on the question of relevance. I was listening carefully to the Premier, and he was referring in his answer to a Mr Jim Reeves. Therefore he was being relevant. I will continue to hear him.

Mr BRACKS — As well as his role with the government of Queensland for SEQ 2001, he has also been chief of staff to the biggest council in Australia, the City of Brisbane, which is a $1.8 billion enterprise. It has been about urban renewal and regional development — exactly what he has been employed for in this corporation.

Dr Napthine — On a point of order, Mr Speaker, with respect to relevance, the Premier can involve himself in verbal gymnastics, but the question is: was it the same Jim Reeves who sent this brewery bust?

The SPEAKER — Order! The Leader of the Opposition is taking a point of order to merely repeat his question. The Chair has ruled on numerous occasions that it will continue to hear a minister so long as he is relevant. The Premier was being relevant, and I will continue to hear him.

Mr BRACKS — We know that organisations like Mirvac and a whole series of other developers attest to the capacity and quality of Mr Jim Reeves in this position. He will make an outstanding candidate, and he is the best person for the job.

Information and communications technology: regional links

Mr HOWARD (Ballarat East) — I ask the Minister for Transport to inform the house of the benefits to regional Victoria of co-located high-quality Internet and telecommunications services and how these benefits would be threatened if the regional fast rail project were not to proceed?

Mr BATCHELOR (Minister for Transport) — There is a stark contrast, is there not, between the government getting on with the job of delivering to regional Victoria and the Leader of the Opposition wallowing in the gutter. He is known as Gutter Napthine!

The SPEAKER — Order! I ask the Minister for Transport to desist.

Mr BATCHELOR — Honourable members would be aware that the government has a strong commitment to improving access to Internet and telecommunications services for regional Victoria. I am pleased to inform the house that as part of the regional fast rail project three consortia have been invited to tender for the installation of fibre-optic cabling along the regional fast rail corridors. This decision not only means the upgrading of the signalling and rail communications necessary for the fast rail project but also involves the use of the spare capacity to create significant opportunities to deliver low-cost, high-quality telecommunications services to regional Victoria.

Following the expressions of interest process — the short-listing procedure — I am pleased to announce that the three consortia have been issued with — —

Mr Perton — Is there a shortage of broadband capacity?

Mr BATCHELOR — The shadow spokesman, Mr Liberal IT, wants to know if there is a shortage of broadband capacity. There is a shortage of broadband

capacity — but he does not understand the issues. There is an absolute shortage of competition delivering high-quality broadband services to country Victoria, and that is what we will deliver as part of this project.

Through this request-for-tender process we have asked the three consortia — JEM, Vicinity and STCJV — to put in final bids that we expect to be able to evaluate early next year, in order to announce the successful bidder in March.

This is another terrific Partnerships Victoria project being delivered under the guidelines developed by the Treasurer. It is a policy that leads Australia in facilitating private investment in public infrastructure. At the same time, because of the way this government uses and encourages private investment, it will be able to ensure regional Victorians can be connected to the information age through access to improved, high-quality telecommunications services. This project will deliver enormous benefits to regional Victoria and the Victorian economy.

But this project would be put at risk if the National Party were to get its way with its choice of abandoning the regional fast rail project. The National Party wants to undermine and threaten the economic growth that the regional fast rail project will deliver, and the adoption of its treacherous plans would bring about the cessation of investment in regional rail. But it would also undermine these improved telecommunications opportunities that this government wants to provide to regional Victoria. We are taking broadband capacity to regional Victoria. This has been eagerly awaited by all the communities right along those rail corridors.

This will be a terrific project for regional Victoria, but if the National Party gets its way, it will take Victoria back to the Stone Age. It does not know the worth of expanded broadband capacity in regional Victoria and the economic and commercial benefits that will bring. If the National Party gets its way in abandoning the fast rail project, it will also be throwing out the window these improvements to regional broadband capacity.

Urban and Regional Land Corporation: managing director

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to the fact that Mr Jim Reeves's recent business experience includes managing a brewery that went bust — a brewery with no beer — and I ask: why does the Premier say that Mr Jim Reeves is the best person to manage the Urban and Regional Land Corporation, which has taxpayer assets totalling $250 million?

Mr BRACKS (Premier) — As I have already outlined, in view of Mr Reeves's previous occupations, both as chief of staff to the Lord Mayor of Brisbane — the biggest council in Australia, being an enterprise worth $1.8 billion — and in his experience with the planning and development body for a big growth area in Australia at that time, there is no doubt about his capacity. He has been assessed through the process as being suitable. He will be an excellent candidate for the job.

Building industry: performance

Mr SEITZ (Keilor) — My question is directed to the Minister for Planning. In view of the fact that the Keilor and Melton growth corridor in my electorate provides a significant amount of employment in the building industry, I ask the minister to inform the house of the latest information concerning building activity in Victoria.

Mr THWAITES (Minister for Planning) — I am very pleased to be able to advise the honourable member for Keilor that in October building activity was up by 57 per cent on the same time last year, from $716 million to $1.1 billion. This is something we should be pleased about and proud of. I am very glad that we have a building industry in this state that works very closely with the government, ensuring that we have a good development system and a very good construction industry.

I am also very pleased to advise the house that there has been a major increase in retail building activity — up some 127 per cent over the last year. There has been a significant increase in hospital and health care building, domestic building, residential building and industrial building. There are a number of noteworthy projects that ought to be mentioned. There are further developments at the Queen Victoria village site, the new quay development at Docklands, and the Warringal shopping centre. All of these developments mean more jobs for Victorians. That is something we should be behind.

I am also pleased to advise the house that the rural sector has performed well and that for October there were building approvals in the rural area of some $231 million — a 55 per cent rise on last year. That means more jobs in rural areas. That is something that the Minister for State and Regional Development and the Minister for Transport were emphasising earlier today. This is a government that remains committed to ensuring that the growth in our building industry is spread right throughout the whole state. That is why we

see such strong performance in our regional and rural areas.

The SPEAKER — Order! The time set down for questions without notice has expired, and a minimum number of questions has been dealt with.

METROPOLITAN AMBULANCE SERVICE ROYAL COMMISSION

Report

Mr BRACKS (Premier) — I move:

> That this house takes note of the report of the Metropolitan Ambulance Service Royal Commission, volumes 2 to 5, November 2001, and summary volume, November 2001.

From the outset, I congratulate the royal commissioner on his work. There is an enormous amount of effort involved in examining the evidence that has been collected for this report of the royal commission.

As most members would know, the royal commission goes back to a commitment of this government when in opposition. We committed to having a full royal commission on the Metropolitan Ambulance Service (MAS) outsourcing and privatisation project. Subsequent to winning the election we set up the royal commission. It is interesting to note that the then caretaker government also made a commitment, in an undertaking it gave to the Independents to secure government, that it would adhere to the undertaking to set up such a commission.

The report clearly states that the privatisation agenda of the previous government failed — and failed dismally. It brings into question the whole of the outsourcing processes which the previous government employed. It is a damning report on what was undertaken at that time, when one of the most important services in the state — that is, our emergency response system, a $500-million enterprise — was outsourced in a way which did not give value to the Victorian public.

I will go to four key areas where the royal commission report shows maladministration, malpractice and improper processes. The report finds that the handling of the outsourcing of the MAS functions was mismanaged and a disaster and that it failed the Victorian public. Secondly, the report finds that under the previous government the operation of the Intergraph service and the call centre involved improper and illegal conduct. I will repeat that, as this is a very, serious claim: the royal commissioner found improper and illegal conduct under the previous government.

The third principal finding of the report is that there was a systematic cover-up of documents and information prior to two elections. In 1996 and 1999, there was a suppression or cover-up of documents which related to the operation of the MAS by the former government. Fourthly, the royal commissioner, Mr Lasry, found that the cover-up involved improper conduct — and in one case potentially illegal conduct — by government officials and members of the staff of the former Minister for Health.

There can be no more serious claims than those in the report of the royal commissioner on those four key areas.

There are some 60 recommendations in the report that go to the heart of the administration of government and the operation of the emergency services in the state. I can say that in response the government of Victoria will as a matter of urgency treat these recommendations seriously and give their adoption our urgent attention.

I will outline some of the categories where attention will be given. Where illegality has been indicated to the royal commissioner and where he has advised of that illegality, we will refer matters about the persons who have acted illegally to the Director of Public Prosecutions. I can already say that, on receipt of the royal commission report, we have indeed done that: we have referred the matter of potential illegality to the DPP for a full and frank investigation. In the meantime, while that investigation is undertaken, the officer involved has been stood down from current duties.

Where the commissioner has found impropriety and public servants have been deemed to act improperly, we have also indicated today in response to the royal commission report that those matters will be given under delegation to the Commissioner for Public Employment for a full investigation under the provisions of the Public Sector Management Act and the disciplinary procedures that apply under that particular legislation.

Other key recommendations, which include an overhaul of the whole system, will also be adhered to by the government. Today I have asked the head of my department, in conjunction with the heads of Department of Justice and the Department of Human Services, to immediately establish a body to urgently review the recommendations relating to the operation of Victoria's emergency service dispatch system and to provide recommendations on how the system can be reformed.

In indicating that that work will be undertaken, I should say that since we came to government we have already undertaken significant work to improve the emergency dispatch system. The receipt of the royal commissioner's report will ensure that we have a much more comprehensive examination of those matters.

The report is an indictment of the previous government's approach to outsourcing. It goes to senior officers of the then Minister for Health's own department. It goes to systemic problems in departments and in senior advice that was given. It goes to cover up — —

Mr Honeywood interjected.

The SPEAKER — Order! The honourable member for Warrandyte has been interjecting incessantly. I ask him to cease!

Mr BRACKS — It goes to matters which were covered up on the eve of the 1999 election and before the 1996 election, as the royal commissioner has found. It is now up to the opposition, which was in government at that time: honourable members should note that in an undertaking to the Independents the opposition committed itself to having a royal commission and must therefore commit to these findings. Opposition members must say that they would implement the findings if they were in government. They cannot simply say that they will not adhere to the outcomes of the royal commissioner's report when they signed up to the very royal commission that has been undertaken.

The public deserves an apology from the opposition for the way it acted. While I understand the previous Premier, Mr Kennett, in a press conference today criticised the outcome of the royal commission, I would fully expect and hope that the current opposition has learned something in its period of opposition, has learned something from the royal commissioner's report and is prepared to say that what happened was wrong. If it does not say that and does not admit that practices were improper and in some cases illegal, if it does not admit that there were systemic problems, it is effectively condoning what happened — and it has learned nothing in the past two years.

Again I welcome the report and thank the royal commissioner and his staff for it.

Mr Smith interjected.

The SPEAKER — Order! The honourable member for Glen Waverley!

Mr BRACKS — It will be some comfort for the royal commissioner to know that his report has been tabled in the Parliament today following a damning report on this matter submitted in 1997 by the then Auditor-General, Ches Baragwanath, which also found systemic problems and recommended such an inquiry. An inquiry has happened, the findings are down and the government will implement those findings after further investigation. I congratulate the royal commissioner. I hope that the opposition has learned something in two years, will admit its mistakes and will say that it also commits to the outcome of the royal commission.

Mr DOYLE (Malvern) — After 249 hearing days, almost two years and a cost that the government agrees is at least $19.4 million — but as we know, when we factor in the real on-costs of the royal commission it is closer to $95 million — what has the public actually got?

Mr Maxfield interjected.

The SPEAKER — Order! The honourable member for Narracan!

Mr DOYLE — It has got something that has been a political royal commission from day one of its setting up through to its final reporting today.

Dr Dean interjected.

The SPEAKER — Order! The honourable member for Berwick!

Mr DOYLE — The Premier referred to the former government and made certain suggestions as to what it should now do as a result of this report. I can remember being on the Treasury bench when the now Deputy Premier came in here and went out to the media day after day to say that the then Minister for Health was corrupt, that the ambulance contract scandal was corrupt and that the then government and Premier were corrupt. The report says that none of that is true. It is as simple as that.

An honourable member interjected.

Mr DOYLE — No, it does not say illegality.

Honourable members interjecting.

The SPEAKER — Order! I ask the honourable members for Mitcham and Footscray to cease interjecting.

Mr DOYLE — Where did the Deputy Premier get his information? Through this report we now know where the information came from. We know that two of

the witnesses to the royal commission, Langridge and Fodero, who during the course of their evidence resiled from what they had said to the Deputy Premier, contradicted themselves and embarrassed the government to the point where it removed the terms of reference that allowed those witnesses to testify. After nine terms of reference were originally set down how many are reported on today? Four! What happened to the other five? They were gutted out of the royal commission. So Langridge and Fodero, two of the people that the Deputy Premier relied upon, could not even be relied upon under oath.

Whom else did he rely on? We now know it was a ministerial staffer, Mr Hugh Funder. What does the royal commissioner say about Mr Funder and the evidence he gave to the now Deputy Premier. His report states:

> In the meantime Mr Funder was making serious allegations to Mr Bornstein as to a cover up by Mr Kerr in relation to the 19 February 1996 ministerial briefing note, suggesting that Mr Kerr had orchestrated the destruction of documents at the minister's office and the MAS.

Then he concludes, and the report states:

> Mr Funder's evidence as to the extent of his recollection of events cannot be accepted and his evidence is generally unreliable. In providing information to Mr Bornstein he was not acting simply to disclose what had been suppressed but also with intent to cause political damage to Mrs Tehan in respect of the ministerial briefing notes and other matters. In those circumstances his evidence cannot be relied on at all to support adverse findings against others.

There are no adverse findings against others. He was the third person that the Deputy Premier relied upon.

Who was the fourth person? This is a story that is yet to be played out, but I promise you, Mr Speaker, that the opposition will not stop until it gets to the bottom of this. The fourth person was Mr Connolly. Who is Mr Connolly? I believe that during the course of the royal commission there was a report or a review on the investigation of the Forbes–Connolly matter by Tovey, QC. I can find no reference to the investigation of that very serious matter about the operation of the commission itself, but the opposition will not stop — it will finish up with that report and will make it public, because it goes to the heart of what was happening inside the royal commission.

I will briefly turn to some of the costs, because my colleague the honourable member for Berwick will also pick that up in his contribution. The opposition believes the cost of the royal commission to be $95 million. As the Premier said, there are allegations of illegality against Intergraph and its staff, and I will come to that. There is a recommendation to the Director of Public Prosecutions, and as the Premier said a particular officer has been stood down. One thing I would like to know, because it goes to the way the government is operating, is: was he told he had been stood down before the press conference? The Metropolitan Ambulance Service did not know. There was confusion out there, and it would not be beyond the realms of possibility that he was stood down by way of press conference rather than by the proper methods. That will also bear further scrutiny.

What happened to this range of people? Was their money lost? No, is the answer by the royal commissioner. Was their money illegally obtained? No, according to the report of the royal commission. Were people harmed? I will come to that a bit later but, not in the way that this government hoped. Did people die as a result? No, they did not. Did people, as a result of this, get a dud as a product? The answer to that is also no.

But the Premier has just stood here and told us about the illegality, what was going on, and how appalling Intergraph is. Here is a simple question for the Premier: what then will he do — —

Ms Delahunty interjected.

Mr DOYLE — The Minister for Education interjects, 'It doesn't matter if it's illegal'. I will take that up, because what then will you do — —

Ms Delahunty interjected.

Mr DOYLE — Just relax and listen; you do not always have all the answers, Minister. Just answer this: what then will the government do with the partnership it now has with Intergraph? If it is so appalling, what is the government going to do? Is it going to terminate that agreement right now because it is so outraged?

Ms Delahunty interjected.

Mr DOYLE — 'It's illegal! It's illegal!', says the minister. Well, terminate the agreement! What is the government going to do after September next year when it will be relying on Intergraph for technology support? Is its outrage today going to spill over to the fact that it will sever all relationships with Intergraph from today onwards because it is so outraged with its illegality? I do not think so. These are just crocodile tears and seeking to give some excuse for this poor excuse for a report.

What could we have got for the cost of this report? For a start, Knox hospital, which the government says it will not build, could have been completed with the

money that was wasted on the royal commission. The government could have had 650 ambulances. It could have had nearly 1400 nurses. It could have had 900 doctors. It could have had 800 hospital beds. All of that. Instead, what has the government got? It has a bookshelf filler because, no kidding, I look at the drones over there and I will bet not one of them will make their way through the entirety of this report.

Honourable members interjecting.

Mr DOYLE — You just won't do it. That is what you think of it. In fact half of you would not have even read the executive summary yet, that is how far you will go. I want the government to focus — —

Mr Holding interjected.

The SPEAKER — Order! The honourable member for Springvale!

Mr DOYLE — I want the government to focus on what it has done to people in our community. I want it to consider the human cost of this political witch-hunt. Let us think about two years with lives on hold, with people attacked, with careers ruined, with reputations smeared, with health, in the case of a number of these people, completely wrecked by a vindictive, petty and politically motivated government.

Let me give just one example, and government members should hang their heads in shame over it. Let me talk about Geoff Spring, the former chief executive officer of the Bureau of Emergency Services Telecommunications (BEST). There is no finding against Geoff Spring in this report. The commissioner says, 'I can't find against Mr Spring'. He had Mr Spring on the stand for 18 days — for 18 days he was on the stand! — but he cannot find against him. For nine of those days, because of this petty government, he was not even represented legally. For those days — —

Mr Wilson interjected.

The SPEAKER — Order! The honourable member for Bennettswood!

Mr DOYLE — I encourage the government to read that transcript. Mr Spring was hammered on the witness stand. He was brutalised in a way — —

Mr Nardella interjected.

The SPEAKER — Order! The honourable member for Melton!

Mr DOYLE — I am sure — —

Mr Maxfield interjected.

The SPEAKER — Order! The honourable member for Narracan is being disorderly.

Mr DOYLE — I have some regard for the honourable member for Melton and I am sure he will regret that outburst because as a result of that treatment the royal commissioner accepted that Mr Spring's illness caused by this royal commission made him unable to give further evidence. So do not say, 'It wasn't real'. That was the royal commissioner who said that, and that was the direct result of that 18 days on the stand, 9 of them without representation, and the brutalising treatment that he got — and yet no finding can be made. I repeat, no finding can be made.

One of those things that I think the other side will have to live with is the human cost of this royal commission, because from the start it was politically motivated: that is what it was all about. It was not about anything except making sure that it could cause the most political damage possible in opposition, and then somehow seeking to justify what it had done by the expedient of $95 million of taxpayers' money. This has been a very sorry chapter in Victorian history.

A royal commission, which is supposed to be one of the Parliament's and the executive's highest expressions of seeking after the truth — that is what it is supposed to be — is one that we would have supported. It is not this political animal that became the Metropolitan Ambulance Service Royal Commission.

How many changes were there in reporting days? How many changes in terms of reference? Last time when it snuck out and gutted the royal commission in that cynical exercise on the day that Cathy Freeman ran the final of the 400 metres and won the gold medal, what did the government say about it? The government said, 'It was the royal commission'. What did the royal commission say? 'This is a government decision'. They could not even sing from the same hymn sheet. It was an exercise in political manipulation and cynicism.

It was a government decision to gut that royal commission because the entire reason for it was unfounded. The government knew that. The commission was going in directions the government did not like and so it manipulated a royal commission for its own purposes. From then it has dragged on for two years.

And what have we got? What have we actually gained out of it? What has the community got?

Ms Delahunty interjected.

Mr DOYLE — 'It's illegal' says the minister. I put it to her, if that is the case, sever your relationship with Intergraph. See how you go with Intergraph and see what it says.

Government members should be deeply ashamed of this process. They should be deeply ashamed of their political fingerprints all over this royal commission. This royal commission has been characterised by political cynicism and political opportunism from its very first day, and it has been tainted by that political process. At the end of it the government can put whatever spin it wants to on the findings of the royal commission.

Look at it, Mr Speaker: acres of words, metres of print. What has it come down to in the end? Has it got any of the scalps that the government was so confidently predicting? Has it resulted in one iota of improved service provision? Has it proved that the product that we bought was a dud? It has not. From day one this has been an exercise in cynicism, and it has characterised this government.

This has not been a seeking after the truth. This has been pure political expediency and members on the other side should stand condemned for that.

Mr RYAN (Leader of the National Party) — I have been allocated 15 minutes to speak on this report so it is important to cut to the chase. This report and the whole process surrounding it has to be given a context. The context, which is very important, is this. After the election in September 1999 negotiations were in train with the Independents. That was the first context. The second element of the context is that in the years leading up to that election vitriol had been poured over the then government, particularly by the now Minister for Health but also by other members of the Labor Party, in relation to everything associated with Intergraph.

On 1 October 1999 the Independents wrote to the respective leaders of the coalition and the Labor Party. Paragraph 1.6 of the charter states under the heading 'Promoting open and accountable government':

> Establish a judicial inquiry into the ambulance contracts/Intergraph issue.
>
> The terms of reference to be agreed to by the Independents after consultation with government, opposition and other interested groups.

The next happening in the sequence of events was a letter of 12 October 1999, 11 days later, at the time when these so-called negotiations were unfolding. The now Premier wrote back to the honourable member for Gippsland West. At page 5 of 15 pages, under the heading of open, honest and accountable government or whatever the variation of the theme was, the letter says:

> I commit a Bracks Labor government to:
>
> > establishing a judicial inquiry under the Evidence Act into the ambulance/Intergraph issue. I have attached a draft terms of reference for your consideration.

And on the back of the document is attachment 1. Funnily enough it is headed 'Ambulance royal commission', but I do not know whether the Premier understood even then the difference between what he was talking about — a judicial inquiry on the one hand as opposed to a royal commission. But be that as it may, he set out these draft terms of reference. I will not go through them all, but the one upon which the whole thing stood was:

> The matters raised in the Auditor-General's special report no. 49 into contracting and outsourcing practices of the Metropolitan Ambulance Service —

which is of course known as the MAS. It also talks about performance standards and the issues of Freedom of Information Act applications and the like, but the issue is the contract and the outsourcing. That is what the Premier indicated was the mainstay and what he wanted to do by holding this inquiry, which he termed a 'judicial inquiry' but which in fact turned out to be a royal commission.

The letter was duly noted by the Independents, and they decided that they would install this government. I pause to say that the coalition parties also responded to a similar letter saying, 'An inquiry has been sought and we will have an inquiry', but it was pointed out that the costs of such an inquiry, based on the equivalent costs of the royal commission into the Longford incident, could be in the order of $1.4 million a month. Wasn't that a portent of things to come! And the document contained a commentary which set out that, 'Okay, we will have an inquiry of sorts, as you are describing it, but all the warning signs are there that this will get away, do we really want to go down this path?'.

On 24 October 1999 the die was cast because the current government was sworn in. We get to the point that the government is installed, and by that stage the Independents by definition were supporting them and the government had got to the point where it was going to have an inquiry, terming it 'judicial' but in fact it turned into a royal commission. Why did they want to do this? For three basic reasons. They badly wanted to get Marie Tehan because for years as minister she had stood in this place and been subjected to all sorts of

treatment by the then opposition, the Labor Party, for a variety of allegations.

They wanted to get Marie Tehan. They also wanted to get Jeff Kennett. They wanted to get all the other members of the then government as well. They wanted the cabinet and all of us who by implication were associated with that process. They wanted to get us all, and they wanted to use this inquiry process to do it.

The second thing they wanted to do was promote the notion of open, honest and accountable government. What an absolute joke that has turned out to be, and history will eventually say that the events that are unfolding are testimony to that.

The third thing they wanted to do was deal with the Independents, who as I said were already available because of their having been installed into government.

Those were the three fundamentals underpinning the current government's actions. They were reinforced by the media release issued by the Premier on 21 December 1999. The document I have is headed 'Ambulance royal commission terms of reference', the third paragraph of which talks about the ambulance contracts affair, which is the focus of it. I quote:

> Mr Bracks said the commission will also review whether government officials or former ministers —

'or former ministers' —

> were involved in improper or illegal conduct concerning the failure to release documents pursuant to the Freedom of Information Act.

The third thing it said — isn't this great for a laugh? — was that the government wanted the commission to report by 5 July 2000, yet here we are 17 months later! Attached to the press release were all nine of the terms of reference. What happened over the succeeding period? By degrees — over five separate occasions — the terms of reference were amended. Some were added to, but in the main they were deleted.

Mr Doyle interjected.

Mr RYAN — The honourable member for Malvern has hit upon the best, absolutely classic event. If you were comparing sporting events with political events you would have to say the political event on the day that Cathy Freeman won the 400 metres gold medal was even bigger and better. A bit after 5 o'clock on 3 October 2000, the day Cathy Freeman was running in the final, the government quietly issued a big press release — and what did it say? Out went terms of reference 1, 2 and 4. What did those ones deal with? Because time is against me I will not go through them in detail, but by deleting those terms of reference the government absolutely gutted the very process it had set up. It took out issues to do with the consideration of the contract under the cover of relative political darkness in an endeavour to slip it past the public without attracting the coverage it subsequently did. It was quintessential Labor Party stuff.

There were some others that came in — reference 5A in particular was included — but the issue which had driven this whole charade from the outset and to which the Premier paid particular regard in the course of his press release — namely, the ambulance contract affair — went out in circumstances that absolutely stink, to use the vernacular.

As I said, the outcome of all of that was that the government gutted the commission process. There was the farce of the dates being extended and the costs of the whole thing getting absolutely out of control — and the honourable member for Berwick, according to the honourable member for Malvern, will give more detail about that. The government was then in absolute retreat over the issue. It was fast turning into an utter Labor debacle, and that was in October last year. So we have tabled before us today the report of the royal commission.

After almost two years instead of the original six months, and after the multimillions of dollars that have gone into this process, we now have the royal commission's report. What has it reported on? It has reported on four remaining terms of reference, which are bits and pieces and amalgams of all odds and sods that have been picked up and remain outside the original nine terms of reference that were issued under the letters patent.

In broad terms, there are four issues. The first concerns improper staff conduct at Intergraph and the question of increases that occurred in Intergraph's favour and the payments that flowed to it because of the activities of its staff. The second is the handling of 000 calls. The third issue is that surrounding the disclosure of documents to the present Minister for Health over his freedom of information applications, the briefing notes that were leaked to him and the fate of the famous fax log. Those issues comprise the third point for consideration. The fourth issue concerns allegations of bias.

Yet in practical terms what is the outcome of this horrendously expensive process that has unfolded over the last two years? I believe the first thing is that the Honourable Marie Tehan has been exonerated. This

government went for her, but page 7 of the summary document sets out that:

> Mrs Marie Tehan did not engage in any illegal or improper conduct in respect of the freedom of information request of Mr John Thwaites on 22 December 1994.

On page 8 the summary report says:

> Mrs Tehan did not engage in any illegal or improper conduct in respect of the ministerial briefing note of 19 February 1996.

The government missed its mark. It missed its first aim, because what the royal commissioner has found is that Mrs Tehan is completely exonerated and, by Jove, she is one who has had to wear this over the past couple of years of the royal commission. Not only then, but during the years prior to the conduct of the royal commission this government came in here day after day, or went out to the back car park to give interviews to the media and poured vitriol all over her and scorned her, yet now the royal commissioner has made a final determination that she is not guilty of any illegal or improper conduct.

It is not even as if she has not been found guilty. It is not even as if the jury has been discharged without a conviction being recorded, where sometimes it can be said that the issue remains that does not really answer the core issue, which is: did she or did she not do it, or the fact that she has been found not guilty. That is not the case and we need to be clear about it. The fact is that the royal commissioner has determined that she is not guilty of any illegal or improper conduct, and it is a huge distinction to make. It is more power to Marie Tehan that she has been vindicated in the stance that she took on this issue over the years that she served this Parliament so well as a minister.

The former Premier has been exonerated, as have the rest of the cabinet members and members of the former government. In the case of everybody that the current government has tried to nail, no charges have been made to stick. The police have also been exonerated, which is also an important finding.

There are some findings of impropriety, some of which relate in a very narrow sense to activities within the Department of Justice. There are some findings of illegality on the part of Intergraph and some of its personnel. There are findings of illegality by the call centre manager, Trevor Williams. However, in the scheme of things, when you look at where this charade and farce started at the hands of the current government, it is my view that we have a poor imitation of what the government wanted when it set out on this absolute charade.

A third issue concerns the financial cost of the royal commission and the government services that could otherwise have been provided. There is also the question of resources that have been allocated, not only by government but by private enterprise, and by those poor individuals who in some way, shape or form have been subjected to the process of a royal commission. All of that has had to go into this. In comparative terms the amount of money involved is absolutely staggering, but over and above that is the question of the personal cost to the people involved.

The honourable member for Malvern gave but one example of an individual who has been laid waste by this process. How many others are out there who have been utterly destroyed by this absolutely appalling state of affairs, which was established by this current government? How many people out there have been subjected to the process of having to suffer cross-examination for days — and in some instances weeks — and have been left to recover in a situation where there have been no findings of any measure in relation to them? I believe these are valid questions that this government will have to live with, because the public will want the answers. If you set out on a witch-hunt such as this, you ought to at least make it stick in some meaningful fashion, but the government has missed its mark.

The next issue concerns the health system itself. The Minister for Health is sitting here. He presided over this debacle. In question time today I asked him about the overallocation of nurses in the system, particularly in country Victoria. He answered by saying that 97 nurses who were allocated in Gippsland have been paid. I understand the position to be that, throughout country Victoria, there are some 400 nurses employed by different health services who will have to be sacked or funded out of the resources of those health services, because on 31 October this government, through this health minister, withdrew the funding support which those overallocation nurses were receiving through the budgetary process of their respective health service employers.

In a rhetorical sense, I ask: would it not be fabulous if we had but a smidgin of the money that has been thrown against the wall by this appalling process and were able to say to those hospitals, ‘You can have that money and you can keep those nurses on staff. They were taken on staff in good faith, so this government will make that money available to you.’? Wouldn’t it be fantastic for those health services throughout country Victoria if that could be said? This is one microcosm of service delivery where that money could have otherwise been used. What did the royal commission

cost? Twenty million dollars? Fifty million? Eighty million? A hundred million? In real terms, how much is it? These tens of millions of dollars have been thrown against the wall by this government, led by the Premier, on an absolute witch-hunt.

What else have we got out of it? I believe that governance in the state of Victoria has taken a mortal blow from this sham. People look at what has unfolded over the past two years and are absolutely appalled by it. Certainly that is the point of view of people within my electorate. They have to hear about these extensions of dates over the past couple of years and ongoing ringing of the till as the amounts of money have stacked up in circumstances where they would love to see those funds being invested in their areas in different ways.

Now we have the circus laid out before us today, with due respect to the royal commissioner, because he has ended up with four of his original terms of reference, and even they have been amended somewhat. They are absolutely unrelated in the real sense to what this government originally set out to achieve. I think in terms of governance of the state of Victoria the government has taken a terrible blow. I believe a complete loss of faith is what will flow into people's minds as a result of this charade. As I have said, we have had the squandering of all this money.

In the end, when you look back what the government did was achieve some of what it set out to do. It got the Independents in, and by getting the Independents in, it got government. But apart from that, in the scheme of things this government has achieved nothing by this. Not only has it not achieved anything, it has brought upon itself a measure of judgment on the part of the people of Victoria, who forever after will say that this conduct on the part of this government led by this Premier and aided and abetted by the current Minister for Health is nothing short of an absolute disgrace.

Mr THWAITES (Minister for Health) — The position of the opposition in relation to this report seems to be, 'We have done nothing wrong at all'. That just shows how little it has learnt. The basic argument of the opposition is that it has done nothing wrong. The second argument is to attack the royal commissioner. The shadow Minister for Health called this a poor excuse for a report. That was his line — a poor excuse for a report. So his line is to attack the royal commissioner, as he did in the relation to the conduct of the hearing. That attitude, where they claimed they did nothing wrong, is the reason for all these problems.

The reason that this royal commission had to be set up at considerable cost is that when the previous government was in office it mismanaged the ambulance service, it mismanaged the dispatching system, it improperly covered up documents and it improperly allowed the Supreme Court proceedings to take place. This was a government that when it was in office said it had done nothing wrong. But it also had another characteristic, the same characteristic that we see today — that is, to attack the umpire, because the genesis of the original findings in relation to mismanagement or corruption was the former Auditor-General, Ches Baragwanath.

Honourable members interjecting.

Mr THWAITES — And Ches Baragwanath found evidence of either gross mismanagement or corruption. But what was the reaction of the then government? It was the same reaction that it has today — to attack the independent umpire. The way it did it was insidious, because it not only attacked the person, it attacked the office. As we know it nobbled the Auditor-General, just as it is attempting to destroy and undermine the reputation of this royal commissioner.

Mr Doyle interjected.

Mr THWAITES — The honourable member might recall, if he is going to throw interjections across the table, that he alleged in this place that I was involved in some sort of illegal behaviour. He alleged it, and — —

Honourable members interjecting.

The DEPUTY SPEAKER — Order! The level of interjection is too consistent and too high. I ask honourable members to be quiet to allow the minister to speak, especially those who will be speaking shortly, who will have the opportunity to put their cases in silence as well.

Mr THWAITES — The royal commission has clearly indicated how false that allegation was. We have had crocodile tears about costs, but the other side was promoting the sort of questioning down there that would extend the royal commission. They promoted that idea, that concept, just as in here the honourable member for Malvern alleged quite falsely that somehow I was involved in improper conduct.

I go back to the first point, and that is that the other side say they did nothing wrong. Let us turn to the report itself. Before doing so, let me emphasise that this report is about the most fundamental thing to the safety of Victorians — the emergency dispatching system. The honourable member opposite claims there was nothing wrong. What does the report itself say? The report says first that directions given by Intergraph responsible for

the operation of the system were illegal. In this house I made allegations that — —

Honourable members interjecting.

Mr THWAITES — Who was it who defended the system? It was the parliamentary secretary at the time who said that there would be a proper investigation, and there was not. While he was the leader there was no proper investigation. It was only when the royal commission was held and the evidence was heard that the truth came out — and that is that there were illegal directions and false representations and therefore offences. In the whole time that the shadow minister was the parliamentary secretary nothing was done about this illegal activity.

But let us turn to the next finding of the royal commissioner — that is, that Intergraph engaged in illegal conduct in making false representations as to the standard of its ambulance call-taking service. Apparently the honourable member for Malvern believes that is a matter of no concern whatsoever. It is a trifling matter! The report goes on further to state that Intergraph engaged in illegal conduct in making representations in connection with the supply of its ambulance call-taking service, so the argument apparently of the opposition is that because these matters involving the company at the heart — —

Honourable members interjecting.

Mr THWAITES — Apparently, according to the opposition, as far as the company that runs the dispatching system that saves lives is concerned, there is no problem with illegal conduct — that is a mere trifle! The people of Victoria have a right to have confidence in the dispatching system, and not only in the dispatching system but also — —

Honourable members interjecting.

Mr THWAITES — The public has a right to have confidence in the propriety of the company that is operating the dispatching system, because there can be no more serious issue than the safety of our emergency dispatching system. As long as this opposition takes the view that that is not important, that these matters are trifling, it does not deserve ever to put itself forward as an alternative government. It does not deserve that, because the public has a right to be protected from the sort of behaviour that suggests that illegal conduct is a mere trifle.

The opposition has carefully avoided making any comment on the findings and in relation to Mr John Kerr who, it was found:

> … engaged in improper conduct in respect of the freedom of information request in that he:
>
> …
>
> chose not to disclose the content or the existence of the ministerial briefing note of 19 February …
>
> improperly endeavoured to prevent MAS from releasing the four ministerial briefing notes;
>
> improperly attempted to influence the way in which MAS would handle Mr Thwaites's freedom of information request;
>
> deliberately and improperly attempted to have Mr Clayton take action to prevent the release of the ministerial briefing notes by MAS; and — —

Mr Doyle interjected.

Mr THWAITES — The honourable member for Malvern makes allegations about my chief of staff walking into his office every day. I presume from that that he is saying that the illegal or improper conduct was going on in his office. Is that what he is saying? Is he saying that was the office where that improper conduct was occurring? That seems to be what he is saying.

Finally, the report says that Mr Kerr:

> … directed or confirmed a direction to Mr Cameron that the ministerial briefing notes were not to be released.

These were ministerial briefing notes that should have been released. They demonstrated that the then Minister for Health had misled the house. That is the reason there was a cover-up; there is no doubt about that. The reason there was a cover-up was quite clear: there was a concern that these documents would reveal that the minister had misled the house.

What about the Supreme Court proceedings? These proceedings were initiated on the eve of the election, and one might recall the decision of the Supreme Court justice in this matter, which slammed the conduct of the then government in its handling of the Supreme Court proceeding. It was clear right throughout the whole process that it was being done for a simple purpose — that is, to stop documents being released to the opposition before the 1999 election. That was the purpose.

Dr Dean interjected.

Mr THWAITES — The honourable member asks if I am having a go at the Supreme Court. What a ridiculous comment! It was the Supreme Court that brought down the decision that slammed the previous government. But the royal commissioner found that

there was improper conduct in relation to these hearings also. Apparently an improper process involving the Supreme Court is something the opposition believes is a mere trifle. The shadow Attorney-General, who purports to be an alternative Attorney-General, condones improper conduct associated with the Supreme Court. That is what he says.

Honourable members interjecting.

The DEPUTY SPEAKER — Order! I ask honourable members to cease interjecting across the chamber in that manner, in particular with gestures, and I ask the house to be quiet to allow the Deputy Premier to continue.

Mr THWAITES — It is totally inappropriate for a shadow Attorney-General — or indeed a shadow health minister — to condone such behaviour. But it is not surprising, because that is the conduct that the opposition showed in seven years in government, when its response to a problem was not to do something about it but to undermine the messenger and attack the umpire.

In that regard, it is also worth noting that it was in September 1999 — when the former government was still in office — that the previous Auditor-General called for this inquiry. On 14 September 1999 the former Auditor-General, Mr Ches Baragwanath, renewed his call for a judicial inquiry into the ambulance contract scandal, and at that time the current opposition, which was then in government, refused to do anything about it. It refused, and it attacked the Independents.

The Independents were doing what the former Auditor-General asked to be done. The Independents did exactly the appropriate and right thing, as did the then opposition — that is, ensure that there would be a proper inquiry into all these matters, which had not occurred under the previous government.

A month later the previous government folded and agreed to such an inquiry. On 13 October the previous government, led by the then Premier, agreed that there would be an inquiry. The opposition now seems to be trying to draw some distinction between an inquiry and the royal commission. That is what it was — it was a proper inquiry.

The opposition's hypocrisy in its final point which relates to costs is again apparent because it claims there should not have been this sort of expenditure, but when the then commissioner recommended an extension of the inquiry into the 000 area — —

Dr Dean interjected.

The DEPUTY SPEAKER — Order! The honourable member for Berwick!

Mr THWAITES — When the commissioner recommended an extension and the government removed terms of reference, thereby reducing the cost and reducing the time, the opposition complained. It is trying to have it both ways, but it cannot have it both ways. The opposition's position has simply been to oppose everything.

It is very important to note not only the improper and illegal acts that are referred to throughout the report involving the most serious area of government endeavour — that is, emergency dispatching — but also the fact that government takes seriously the numerous recommendations the royal commissioner has made for better management of dispatching. The opposition, though, apparently believes that nothing needs to be done because it is blinkered. It believes that anything that questions the way it governed should simply be attacked.

We on this side of the house do not take that approach. We believe the most important part of our dispatching system and its safety is that the public can have confidence in it. We believe it is important that the operation of that system is not tainted by fraud, by illegality or by improper conduct, but apparently the opposition does not take that view. It continues to take the approach it demonstrated through its seven years of government of thumbing its nose at improper conduct and accepting the sort of wrongdoing this report refers to.

The government believes there are numerous areas — not only in the dispatching system but also in the overall conduct of government — that will benefit from this report. Victorians should be thankful for this royal commission and for the contribution the royal commissioner and the commission have made to better government in Victoria.

It is about opening up government, and it is about ensuring we have better services. It is also about ensuring we do not continue to condone illegal and improper conduct, which is what the opposition did when in government for seven years and is apparently still doing today.

Dr DEAN (Berwick) — The people of Berwick and Knox have a great interest in this debate, because the people of Knox have had their public hospital knocked on the head, and the people of Berwick have had the building of their public hospital put back four years.

What do I say to them? I say, 'Here is your public hospital'. What do I say to the people of Timbarra, who did not get their secondary college? I say, 'Here is your secondary college, wasted in this paper trail!'.

What an irony it is that we had a royal commission looking into bad decision making and mismanagement when the entire process run by the government is an absolute demonstration of bad decision making and mismanagement.

Let us go back and look at that. As my colleagues have already pointed out, if you went to all the press conferences about this royal commission you would have been told that its sole purpose as set out by the now Premier and the now Minister for Health was to look into illegal contracts. What did the then government say? It said, 'There have been three inquiries already — one internal, one by the police and one by the Director of Public Prosecutions. We don't believe it is appropriate to have a royal commission'. But no, the current Premier and the current minister for Health said, 'We must have a royal commission'. More than that, they said as part of their election spiel that they would have a royal commission into not only the ambulances but also the gaming contracts and the Crown casino as well — and they ran that hard.

The message put out by this Attorney-General was: 'Do not trust the Kennett government because of what it is doing with ambulances and Crown casino, which we will reveal'. Labor did a deal with the Independents just to solidify that. Then they got into government and looked at the documents on Crown casino. And poof — away went the royal commission into the casino! Where is your commission? There was nothing there.

However, the new government's credibility with Victoria voters was on the line. Having got rid of one commission, here was another it would appear to have done a deal on, even though it knew at the time there would be nothing there. The government knew that even if anything turned up it would be minuscule, but it had no alternative. So what did it do? The government tried to make it quick. It said, 'All right, we will have a royal commission and finish it in six months. We will start it in December and finish it in July'. That is where the trouble began.

Right from the beginning it had been warned that royal commissions get out of control. If they do not have very focused and specific terms of reference royal commissions become incredibly expensive. It was told, 'If you are going to have an inquiry, make it focused and short — but do not have a royal commission'. Then the trouble started, because first of all the terms of reference were what we call scatter gun references. So the seeds of what we see today were sown right at the start, and the government was told that.

The government suddenly realised that in trying to broaden the terms of reference, to pick something up and to justify what it had done, it had gone too far. The commissioner had links with the Premier's office: he had people seconded from the Premier's office working there with him. I imagine that as a consequence communication was going backwards and forwards.

There were nine terms of reference. The first term of reference was abolished; the second term of reference was abolished; the third term of reference was abolished; the fourth term of reference was abolished; the fifth term of reference survived, but 5A and 5B were added to completely change it; the seventh term of reference was abolished and an amended one put in; and the eighth term of reference was abolished. What are we left with? One term of reference in its original form. That is because the government did not listen right at the start, when it was told that establishing a royal commission to look into a matter that had already been investigated three times was total overkill.

The government did not have the guts to face up to Victorian constituents and say, 'It is not in your interests. We have overstated it politically, so we will back off'. The government went for the political scenario and left the Victorian public out on a limb. It grabbed at various processes to try to make this work. First, it dropped the contracts, the very heart of the royal commission, and my colleagues have already talked about that. It then grabbed a thing called the 000 reference, which it thought might scrape up some results. I will get back to what a failure that turned out to be.

This hotline involving the seconded people running back and forth between the Premier's office and the royal commissioner's office is set out in the report. We want to know what their function was. How many were there, what were they doing and in what ways were they continually trying to rescue this process?

What were we left with when this royal commission debacle finally settled down to do some work? We were left with hoax calls, which were never part of the so-called Liberal scandal. We were left with the 000 matter, which was never part of the so-called Liberal scandal. We were left with the freedom of information (FOI) process and the Department of Human Services memo relating to the Honourable Marie Tehan. We were told how shocking that was going to be — and I will come back to what a

failure that was. And we were left with Mr FOI himself, the Minister for Health, and his FOI requests.

How much did all this cost? We calculated every item for all to see. We are happy to have anybody look at it to see, item by item, what this cost, and we have set out our reasons. We came up with something around the $60 million mark. The government said that was exaggerated. So when the report came out what a surprise it was that it not only backed up the $60 million figure but referred to other items that the commissioner admitted added up to a taxpayer-funded commission of $80 million — and if you add in the costs of private individuals, you can add on another $15 million. We said there were 120 staff, but when we looked up the cost of the staff we found there were 270 staff.

We also found out that the number of counsel assisting was between six and seven. The report said exactly how many hours and days those counsel were working. That added another $1 million. So we added $3 million as a consequence of the big boost in staff that we did not realise were there. We had to add another $1 million as a consequence of the increased use of counsel assisting.

Then we found out there was an investigation team: four people, paid full time, running the entire period of the commission that we never heard about. We put them down at $65 000 a year, but if you add in benefits and so forth that is a very small sum. But let us just go with $65 000. That adds another $0.5 million. We then found out that the commission's private solicitors, Deacons, which is the biggest firm in the whole of Australia, had between five and eight solicitors operating full time to back up that commission. We thought we would take six of those solicitors — and, by the way, one of them was a partner flying back and forth from Sydney every time he had to operate in this commission. I will tell you what a partner of a major solicitors firm earns: about $700 an hour. But let us not go over it.

Mr Hulls interjected.

Dr DEAN — I was a barrister, you idiot, not a solicitor.

Let's go to, say, $500 an hour; and then there are the others, who would be operating at about $400 an hour, and then you would come down to maybe a couple at $250, which is a very small amount. That added another $8 million on top of what we had calculated for solicitors.

Then there is an item for computer analysis. We found out there was a group of people — an entire company, if you like — which was brought in to have a computer-generated document system. They cost an absolute fortune. We did not know what it was, so we made a sort of guess. Then the commissioner came out and said, 'It is okay, I will tell you what it was. There were 700 000 images at around about $5 per image. When you work out what that comes to you have to add another $1 million to what we said it was. So by the time you finish you have added another $15 million to what we said the royal commission cost. We are quite happy to have that information looked at.

What do we get for $80 million of our money? We certainly did not get the Berwick hospital at $74 million or the Knox hospital at $74 million; and we did not get the Berwick secondary college at, say, $12 million — we could have had three or four of them. What we got was this: in relation to hoax calls — that was the new one that was copped in — there was a person called Mr Williams who the commission said could be in breach of section 52 of the Trade Practices Act. Any lawyer worth his salt knows what a section 52 is. There are literally hundreds of them being run right now down in the Magistrates Court. And baby barristers go and do them because people have made misrepresentations. So possibly a person called Williams may be in for a section 52 — not a criminal action, but a civil action, which I will bet will never see the light of day.

What does the commission say about the matters concerning Mr Spring and the Bureau of Emergency Services Telecommunications (BEST), the focus of this inquiry? It says:

> I am satisfied that the test calls program was not implemented with the approval of senior management of Intergraph and that their conduct in relation to the carrying out of the test calls program cannot be impugned.

That is what the royal commission said. There goes one term of reference down the tube. If we divide them up between $80 million, that is $10 million worth.

If we look at 000, the commission says that perhaps Intergraph could also be charged in a civil matter under the Trade Practices Act — again, another section 52 down at the Magistrates Court! But what did it actually say about the system under that term of reference? It says:

> These findings should not overshadow the fact that the purchase of computer-aided dispatch systems and services from Intergraph has resulted in significant improvements in the quality of many aspects of ambulance emergency call taking and dispatch in Victoria.

That is the smack on the wrist for Intergraph — that it has actually improved the system! So there goes another $10 million down the drain.

Let us have a look at the FOI, the famous memo that was meant to go to Mrs Tehan. In that regard the royal commission found it was possible that Mr Kerr had withheld documents from her. That was another $10 million. What did it say about Mrs Tehan? I could read it, but it has already been read.

Mr Hulls interjected.

Dr DEAN — That is fine. I think the Attorney-General obviously would like to have it read out, so let us do it. It says:

> She was not made aware of the existence of the 19 February 1996 briefing note. She was not a party to any improper plan to prevent the release of the four ministerial briefing notes. She was not told that the only advice obtained by Mr Kerr contradicted her view that ministerial briefing notes were exempt documents.

And what was the recommendation? Absolutely no impropriety at all by Mrs Tehan. And the man who sits on the other side of this table, the Attorney-General, was the main person who got up and tore into Marie Tehan — who has been completely vindicated.

What did the royal commission say about Mr Thwaites? That is important, because there were two people who possibly could have engaged in improper conduct. One was Mrs Tehan, but she was found to be innocent because it stopped at Mr Kerr. But there was another person, a man called Funder. The commission found that Mr Funder had engaged in improper conduct by deliberately leaking documents to try to hurt the then minister. And who was in receipt of those documents? Mr Thwaites.

Did the commission give Mr Thwaites a clean bill of health? Let us read what it says — and remember this is lawyerspeak — about Mr Thwaites:

> The conduct of Mr Thwaites appears to have been within the bounds of what is accepted to be appropriate behaviour in respect of the receipt and use of leaked documents by members of Parliament.

But listen to this:

> The regulation of the way in which such documents might be received and used is a matter for Parliament.

In other words, it is a matter for Parliament to decide what Mr Thwaites should have done when he received those documents. As a result of that, the cost is Thwaites $10 million in terms of prosecution and Tehan no score at all because she was completely vindicated.

I refer now to the Victorian Civil and Administrative Tribunal police story. This is the only strike the government has. What is it? It is that, as part of the process of going to the Supreme Court, an underling in the department swore an affidavit that he had actually said the documents that went out were subject to privilege. They said, 'No, you did not say that, so you have sworn an affidavit that you should not have'. Yes, that is totally improper and that may be referred.

So what have we got for our $80 million? We have one possible prosecution, and that is not to do with contracts or any of the reasons this commission was brought together in the first place, but because as part of the procedure of the Supreme Court someone who was running the litigation got overexcited and signed an affidavit he should never have signed. That is it. That is the sum total of your $80 million. That is a total nonsense.

On top of that, the commissioner had to fill up the report so he has given us a commentary on privatisation and a run-down on his view on all its ills as he sees them. I thank him for that. Lots of people have views on privatisation, some for and some against, and it was very interesting to read his views. He also gives some advice about commissions in the future. I thank the commissioner for that. It was not part of his terms of reference, but nevertheless he has advised us about how commissions should be run in the future.

I must say to him that there is one problem: his commission was adjourned six times, ran 18 months over time and cost something near $60 million more than it should have. So, although he is giving us advice on how to run royal commissions — and I accept it gratefully, although I wonder how it came about and how much it cost, and as it was not part of the terms of reference I hope he stopped his fees at that point — but I suspect that because of the way the government managed this commission it will go down in history as one of the worst wastes of money we have ever seen.

So what do we have? We have this fellow who is possibly or probably going to be prosecuted in relation to a particular offence, and that will be called the $80-million prosecution. I suspect that that person will be picked up in a gold-plated Rolls Royce — and will probably be given 10 silks to defend himself! He probably should be flown in by helicopter, because this prosecution — which in terms of prosecutions is not very big — will go down in the annals of history as the

$80-million prosecution against a man for falsely signing an affidavit.

This government was warned right from the beginning that it was going down the wrong path and that a royal commission was overkill. It was told that there had been three inquiries already and that if it wanted to inquire further it should keep the inquiry focused and sharp. It has wasted this money. It seems to me that that tells us something about this government. Some of the allegations made against this government from the time it started were that it could not handle money and it could not make decisions. It had an opportunity, when it realised that this commission had to be gutted, that it was going nowhere, to say, 'Right, we will face up to this. We will make a decision; we will be a strong government; and we will say to the Victorian people: we'll either downgrade it, change it or just forget it — but we will not go with this massive waste of money'.

What did they do? Every time the commissioner knocked on the door and said, 'More money, more time' — and he did that six times — the government said, 'Okay'. That is a symptom of two things: firstly, not being able to make strong decisions in the face of public opinion; and secondly, not understanding that it is taxpayers' money that has to be saved.

Going through it again: Marie Tehan — cleared; conspiracy in relation to contracts — withdrawn; BEST — not guilty; FOI — question mark over Thwaites; and certainly everything else out the door.

Mr HAERMEYER (Minister for Police and Emergency Services) — This royal commission report is a damning indictment of the years of the Kennett government. It refers to illegality, improper conduct and gross incompetence, all of which occurred under the former government and for which the opposition still accepts no responsibility. We have two findings of potential illegal behaviour and nine of impropriety, and it really calls into question in a big way the management by the former government of some very important aspects of emergency services in this state. It goes to the heart of ministerial responsibility, particularly of ministers McGrath, McNamara, Tehan, Stockdale and Kennett.

It is quite interesting to note that the main criticisms of the royal commission by members of the opposition seem to be primarily about the cost of it, yet they are complaining that some of the terms of reference were removed. Presumably they would have had it go on even longer. It is quite interesting that in one debate the honourable members for Berwick and Malvern came up with different figures about the cost. The cost to government of this royal commission is under $20 million, yet the honourable member for Berwick says it is $80 million and the honourable member for Malvern says it is $95 million. What is $15 million between friends? It is pretty typical, because when in government members opposite were renowned for knowing the cost of everything and the value of nothing. Now it seems they do not know even the cost!

Opposition members said they supported the royal commission. Now they come in and bag it because they do not like what it says. It also shows that they have learnt nothing since their days in government. They still find it impossible to take responsibility for anything they did in government. They accepted no criticism in government. They went out and bagged and tried to nobble the Auditor-General; they nobbled the Director of Public Prosecutions and the Equal Opportunity Commissioner, and now they are trying to kick the hell out of the royal commissioner. They just cannot accept criticism. They cannot face it.

Members of the opposition owe the public of Victoria an apology for the damage that they did when they were in government. There is nothing more fundamental in the delivery of emergency services in this state than the communications system. The Public Bodies Review Committee recommended the establishment of a multi-agency computer-aided dispatch facility, and in opposition we supported that. What we did not support was the blind ideological way in which it was then outsourced. The former government failed the public by failing to properly provide such a service, which led to some very serious failures in the delivery of emergency services by the police, fire, and ambulance services and the State Emergency Service. This goes to the heart of whether a police car or a fire truck or an ambulance or an SES truck can get to the scene of an incident in time — whether it is a house fire, an accident or somebody suffering from a heart attack.

Dr Dean interjected.

The DEPUTY SPEAKER — Order! The honourable member for Berwick was heard with very little interjection. I ask him to extend that courtesy to others.

Mr HAERMEYER — This is about whether those services get there in a timely manner or at all. This is about life and death. The people opposite are obsessed with the cost of a royal commission that tries to find out the cause of some of the dismal failures that happened when they were in government.

The really critical thing in the royal commission report is not who the finger is pointed at but the way that those opposite administered the implementation of a multi-agency computer-aided dispatch system. At page 85 of the summary report the commissioner stated that the contract with Intergraph:

> … was severely flawed and its management by MAS and the Department of Justice was poor.

Who was responsible for the Metropolitan Ambulance Service? Who was responsible for the Department of Justice at the time? Whatever happened to ministerial responsibility? The royal commissioner also stated on page 85:

> The only guarantee of the public's interest in the provision of quality emergency call taking services was the contractual arrangement between Intergraph, the emergency service organisations and the government. That contract was severely flawed and its management by MAS and the Department of Justice was poor.

Dr Dean interjected.

Mr HAERMEYER — I listened to your dreary dirge in relative quietness. Sit down and just listen, you pompous ponce, and you might learn something!

The DEPUTY SPEAKER — Order! I have asked the honourable member for Berwick several times not to interject. I ask the minister not to respond to interjections.

Mr HAERMEYER — I will try not to. The royal commissioner went on to say:

> It appears the contractual arrangements were designed and implemented in haste, without sufficient regard to best practice in the outsourcing of public services.

Who was responsible for that? Who were the ministers? Who was the government? We know that it had to go through cabinet and that Kennett and Stockdale were hands on on this. Where was Minister McNamara? Where was Minister Tehan? They were the ministers responsible for signing off on and the administration of these contracts. The report goes on to further say:

> Each of the parties to this outsourcing arrangement deserves criticism for the way in which the arrangement was established and then maintained.

Who were the ministers?

Dr Dean — Where does it say that?

Mr HAERMEYER — Here. Have a read!

The DEPUTY SPEAKER — Order! Through the Chair.

Mr HAERMEYER — I think he has been colouring in his report!

At page 49 of the report the commissioner stated that he had specifically found:

> The administrative and supervisory structure has failed the parties to the contract and, more importantly, disadvantaged the Victorian public who depended on its success in order to receive a critical emergency service.
>
> The descriptions within the contractual documents of the roles, responsibilities and powers of the MSCEST —

the Ministerial Steering Committee on Emergency Service Telecommunications —

> BEST and its CEO, the CGM, Intergraph and its customers are unclear and contradictory and both Mr Spring and those assisting him at BEST were placed in a position of conflict of various interests.

We had the member for Malvern come in here crying crocodile tears about Mr Geoff Spring, yet it was the management of those opposite, their hotchpotch of an arrangement, and their bungled contractual arrangements that were put in place that put him into that sort of position. The report goes on:

> As best as one can extract a model for performance monitoring from the contract, it created a confusion and diffusion of responsibilities.

Of course, clear lines of responsibility and acceptance of responsibility is something that the people opposite did not understand in government. They do not understand it in opposition. They will be sitting over there until they learn.

It also goes on to talk about the failure to adequately define the service to be provided as to the technical features of the service and the performance standards defining adequate service; the clarity of definitions used; the use of a poorly structured, penalty-based contract; the ineffectiveness of the dispute resolution mechanisms; and the limitations of performance monitoring. This seems to be a pattern of the way the Kennett government administered this state. We had it with the prisons, with the outsourcing of other essential services and with critical failures in the prisons. They are very similar criticisms to those made by Mr Peter Kirby in his investigation of the private prison contracts, and also by the Auditor-General. It recurs time and again. Wherever Alan Stockdale had his little mitts these sorts of problems occurred.

The commissioner goes on to say that the principal cause of the delay in answering emergency calls has not been the configuration of the system but the absence of sufficient call takers in the call centres. The former

government was not providing the resources. They put a contractual arrangement in place — —

Dr Dean — We needed a royal commission for that?

Mr HAERMEYER — You may think that the lives of Victorians do not matter.

The ACTING SPEAKER (Mr Loney) — Order! I ask the minister not to respond to interjections. I also ask the honourable member for Berwick to cease the almost constant stream of interjections across the table. In that way we might be able to conduct a relatively orderly debate.

Mr HAERMEYER — The honourable member for Berwick seems to think this is a trivial matter, but it goes to the heart of how quickly calls are answered and whether an ambulance, a police car or a fire engine turns up at all, and whether it turns up in a timely manner. Whose contract limited the number of call takers? The Kennett government's contract. Who signed off on the contract? The cabinet of the former government — Jeff Kennett and Alan Stockdale!

Dr Dean — Are they in here?

Mr HAERMEYER — The Leader of the Opposition was a member of that cabinet. They all have to take responsibility because they all approved a cabinet document approving that contract. It is a litany of political failure on the part of the Kennett government, a government that was driven by blind ideology, and the opposition seems to think that matters which relate to critical aspects of public safety are trivial.

The commissioner also observes that the contract did not provide for an effective means to monitor the performance of Intergraph. In effect Intergraph was permitted to engage in poor management practice. Again where is the acceptance of responsibility for this? The opposition accepts no responsibility for anything at all.

The royal commission report goes on to talk about the sole reliance on contractual arrangements and the absence of a legislative framework that clearly defines the lines of accountability and responsibility. Again this is the same line that came out of the Kirby review of the private prisons and the Auditor-General's inquiry into both the private prison contracts and the Intergraph contract. There is a recurring theme and the opposition has still not learnt. What the opposition is doing today with the way it is reacting suggests that if it gets into government it will do exactly the same thing again — privatise blindly without due regard to public safety or proper public policy.

The commissioner also expresses the view that even if the identified flaws in the current management arrangements were rectified the outsourcing of emergency services telecommunications is inappropriate as these arrangements are not able to sufficiently safeguard the public interest. In arriving at that view the commissioner outlines the significant risks that are inherent in outsourcing critical public services. We are stuck until next September with the shabby arrangements put into place by the Liberal–National Party coalition when it was in government, but the government has made changes to improve the system.

Over the past 12 months there has been a substantial change in the Bureau of Emergency Services Telecommunications, or BEST. There has been a changeover of senior staff and a proper resourcing of the organisation so it can properly fulfil its responsibilities. Instead of the miserable 11 staff that were in place when the opposition was in government there are now 27, who properly monitor and oversee the provision of this very essential service to our emergency service organisations.

The government has also addressed the conflicts of interest that are referred to in the royal commissioner's report. It has dealt with the ongoing management contract with Intergraph and adequate arrangements have been put in place to manage the transition to a new state-owned company in September next year. That has been done in a way that will not jeopardise public safety and will ensure a smooth transition.

Dr Dean interjected.

Mr HAERMEYER — Good grief! Here we go; in come the unions. Opposition members are so ideologically driven.

The details of the new management arrangements for call taking and dispatch are going to be finalised now that we have had the royal commission. The report will inform the decisions the government takes in finalising the new arrangements for emergency services and dispatch in the state. This is an important tool and road map for the government in ensuring that it puts proper administrative arrangements in place. It ensures proper resourcing of the communications and dispatch facilities available to our emergency services and that the sort of compromising of public safety and risk to the public that the opposition seems to find acceptable will not recur in future.

Mr WILSON (Bennettswood) — Yesterday I received in the mail the propaganda magazine of the Department of Human Services, *Peoplefocus*. Under the heading 'Thumbs up from ambulance patients' it states:

> The quality and efficiency of Victoria's Metropolitan Ambulance Service have received a ringing endorsement from the people who are best placed to judge them — patients who have experienced them first hand.
>
> Health minister John Thwaites said a study found that more than 96 per cent of people who used an ambulance were satisfied with the service …
>
> The survey also found wide support for the speed of ambulance arrivals after they called …
>
> Mr Thwaites said the results were a ringing endorsement for the quality of Victoria's ambulance services and staff.

That is the same ambulance service that the Bracks government inherited from the Kennett government and that has been the focus of a two-year $95 million royal commission. What a farce! What a disgraceful waste of taxpayers' money! And all because of the venom and vindictiveness of the Minister for Health.

Honourable members will recall that when in opposition the Minister for Health, the then shadow Minister for Health, was constantly sniping, attacking, and accusing Marie Tehan of ministerial incompetence and misconduct. I quote the report of the royal commission at page 53, volume 3, where it states:

> It should be noted that no counsel submitted that I should reach a conclusion adverse to Mrs Tehan.
>
> …
>
> In my view she was an honest witness.

At page 54 the report goes on:

> In relation to the issue of the release by MAS of the ministerial briefing notes, Mrs Tehan's conduct was neither illegal nor improper.

There it is, in black and white: Marie Tehan has no case to answer. At the end of this $95-million royal commission we have this pathetic excuse for a report.

This royal commission only came about as a result of the ego of the current Minister for Health. If this minister wanted to get to the bottom of what happened in the then Department of Health and Community Services with regard to the ambulance contracts issue why did he not ask some of the bureaucrats who were there at the time?

For starters he could have asked his current chief of staff, who, as a senior public servant, sat on the executive of the health department throughout this period. The minister could have asked Jennifer Williams, the current chief executive officer (CEO) of the Austin hospital. He could have asked Michael Walsh, the current CEO of Bayside Health. He could have asked Karen Cleave, Alan Clayton or Gabrielle Levine — all current public servants in Victoria who should be able to shed some light on these issues.

All of these public servants served on the department's executive throughout this period. Indeed some of them served as acting secretary at various stages. I could take that matter much further and I know how much that would disturb those public servants because they know that when the government changed in October 1999 they ran for cover. They embarked upon an immediate and shameful rewrite of history. If you, as government members, have confidence in some of those public servants you delude yourselves.

Mr Nardella — Which ones? Name them!

Mr WILSON — I just did. A little bit of questioning of public servants may have saved Victorian taxpayers $95 million.

As I said earlier, this royal commission came about only because of the venom and nastiness of the current Minister for Health. At this royal commission, which was no better than a Star Chamber, there was a star witness for the government, a former ministerial adviser to Marie Tehan — a Mr Hugh Funder. How did Hugh Funder come to work for Marie Tehan? Because his father, John Funder, asked Marie Tehan to give Hugh a job. Let us read what the royal commissioner says about Hugh Funder at page 88, volume 3 of the report:

> … in my view his evidence was consistently devoid of substantial content.
>
> … I regard Mr Funder as a thoroughly unsatisfactory witness and would not accept his evidence on any controversial issue even where it appeared to be to some extent circumstantially supported.

At page 94 of that same volume he reports:

> Mr Funder's evidence as to the extent of his recollection of events cannot be accepted and his evidence is generally unreliable. In providing information to Mr Bornstein he was not acting simply to disclose what had been suppressed but also with intent to cause political damage to Mrs Tehan in respect of the ministerial briefing notes and other matters. In those circumstances his evidence cannot be relied upon at all to support adverse findings against others.
>
> … His conduct in seeking to damage his employer by leaking confidential information was improper.

This was the basis of the Minister for Health's royal commission — a disgraced ministerial adviser who was leaking information to his minister's political opponent. This royal commission was a farce. It was riddled with incompetence and a lack of integrity from inception.

I conclude where I started. In 2001 Victoria has a much improved ambulance service compared to when the Kennett government came to office in 1992. On that point I refer the house to the royal commissioner's statement on page 5 of the report's summary, where it states:

> These findings should not overshadow the fact that the purchase of computer-aided dispatch systems and services from Intergraph has resulted in significant improvements in the quality of many aspects of ambulance emergency call taking and dispatch in Victoria.

The opposition rests its case!

The ACTING SPEAKER (Mr Loney) — Order! The honourable member for Gippsland West has 18 minutes.

Ms DAVIES (Gippsland West) — The commissioner of the Metropolitan Ambulance Service Royal Commission received his letters patent in December 1999, and the report was tabled on 27 November this year — two years, two extensions and several changes and deletions of terms of reference later.

The context we have to remember when considering this report is very significant. In 1997 the then Auditor-General suggested that a judicial inquiry might be necessary to determine whether various contractual arrangements of the ambulance service were carried out in a manner which 'at best involved serious mismanagement or at worst constituted corrupt activity'. He identified 'serious deficiencies' and 'highly dubious practices' by the service's former management.

In 1999 a police investigation recommended 'the prosecution of a top government official for attempting to pervert the course of justice'. It was stated that there was evidence that the government had information but that the documents had been suppressed.

Around and immediately after the election of 1999, a Supreme Court judge, Justice Marilyn Warren, described the government's use of injunctions to prevent police releasing their report as 'part of a course of concealment' and said it was 'difficult to contemplate a worse abuse of process'. They were the opinions of an Auditor-General, the police and Supreme Court judge — pretty significant stuff.

During the negotiations between September and October 1999, both potential governments agreed to an item in the Independents charter requesting a judicial inquiry into the ambulance scandal.

In practice, in Victoria an inquiry by a judge constitutes a royal commission, so a royal commission we had. I freely acknowledge my inexperience in dealing with appropriate terms of reference for royal commissions. That was part of our difficulty in dealing with the then government, in that it was suggesting the Independents should draw up their own terms of reference, but that was not appropriate. Two years down the track we have long-expressed concerns about the overrun in time and costs and the changes to the commission's terms of reference. I suggest we have all learned something about selecting royal commissions, about defining terms of reference and about the need to find ways to allow for proper study and examination while limiting cost and time blow-outs.

I note that it is in the interests of the opposition to purely focus on those cost blow-outs in an attempt to ignore the content, but that is not the whole issue. The royal commissioner has made recommendations regarding the need to differentiate between types of inquiries. On page 16 of the summary document he suggests possible legislation to deal separately with commissions of inquiry with full coercive powers on the one hand and lesser, non-coercive inquiries on the other. He also suggests that there be provision for the appointment of more than one commissioner and for the conduct of concurrent hearings. The measures he suggests deserve consideration. I am not aware of other royal commissioners experiencing the same problems or making similar recommendations, but I suggest they be thoroughly explored.

We need to look specifically at the issues covered by the report.

I was hoping there would have been considerable discussion of this in the house, but as there have not been many specifics I will mention some of them. The royal commissioner found there had been specific improper conduct, illegal behaviour, gross mismanagement of contracts and failure to monitor contracts. Page 2 of the summary document contains details of the staff who were directed to make improper calls and the names of the people who gave those directions. It states very clearly, and I quote:

> The direction was in breach of a number of Intergraph's express contractual obligations relating to the provision of accurate statistical information … It was a serious and material breach of the contract.
>
> …

The direction was illegal.

It talks about false representations:

The giving of the direction breached the most elementary of obligations that it is reasonable to expect of a person with an established role and duties in any context, private or public.

The report goes on to discuss 'the failure of the Metropolitan Ambulance Service to take adequate action in ensuring that the independent audit was conducted in accordance with contractual provisions', saying it was a symptom of:

… wholly inadequate contractual and administrative arrangements …

The commissioner refers to the Department of Justice, saying 'its failure to take adequate action was improper'. He specifically refers to the outsourcing and to the fact that that was 'improper'.

On page 6 illegal conduct is referred to. The report says:

Intergraph engaged in illegal conduct …

Intergraph engaged in improper conduct …

That is mentioned several times.

The report goes on to discuss improper conduct by ministerial advisers. There are many people who may have had relevant testimony to give to this review — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Loney) — Order! There is far too much cross-chamber conversation.

Ms DAVIES — I will repeat myself: there are many people who had relevant testimony to give but who were excluded from this investigation, because of either changes to the terms of reference or declarations of parliamentary privilege or illness. That was very unfortunate.

However, it is necessary to focus particularly on the findings on the dangers and the inadequacies of the contracting system of the time. I must say that these findings underline the fact that there were failings by many ministers. I quote from page 86 of volume 2 of the report:

Performance monitoring under the contract had three key deficiencies:

there was both a confusion of and diffusion of responsibility for performance monitoring …

insofar as the mechanisms for performance monitoring involved a reliance on BEST —

the Bureau of Emergency Services Telecommunications —

the CEO of BEST, the CGM —

the customer general manager —

and MSCEST —

the Ministerial Steering Committee for Emergency Services Telecommunications —

they were crippled by an even greater confusion of roles and stark conflicts of interests.

Between them those bodies answered to the then Minister for Police and Emergency Services and the Department of Justice — and there is one other minister. Continuing the quote:

… the contract did not provide an adequate capacity for performance monitoring.

Over the past couple of years in all my dealings about outsourced and contracted-out services, that continual difficulty in ensuring a correction of very strange contracts that were signed under the previous government in the first place and also ensuring proper performance monitoring and adequate overview seems to be a continuing theme, and I suggest it is a continuing problem.

On page 13 of the summary volume the commissioner recommended:

That legislation be introduced to allow the public accountability provided by the Auditor-General's office, the Ombudsman's office, the Freedom of Information Act and the Whistleblower's Protection Act to be extended to circumstances where private service providers are contracted to provide public services.

He also recommended that those same areas be:

… extended to circumstances where state-owned corporations are contracted to provide public services.

Some of those measures have already been or are in the process of being implemented, but I suspect it is highly likely that more may be needed. Both the previous government and this government are still involved in putting public money into private businesses. A series of difficulties have come to light over the last couple of years with foolish and inadequate contracts, which have needed to be revisited and reworked. It is essential that all services or bodies that have that scrutinising function have access to all the relevant information. That will be possible because there has been a reduction in that poor excuse for secrecy of 'commercial in confidence', which used to be used too often.

On page 15 of his summary report the commissioner recommended that:

> A code of conduct be developed defining the duties, obligations, authority and boundaries under which ministerial staff are employed and within which they operate.

He also recommended that:

> A code of conduct be developed to define the nature and manner of ministerial involvement in departmental decision making, particularly in respect of matters involving a clear party political element.

That will be an incredibly difficult task. However, I believe that regardless of which government might be in power at any one time, it would be a valuable achievement. Nevertheless we have to accept that there is a basic issue of Westminster democracy at stake — that is, the ultimate acceptance of ministerial responsibility. You cannot pretend that impropriety and improper behaviour are only the responsibility of departments, of steering committees, of bureaus or of advisers. Ultimately, if a minister did not know then, he or she should have known and must accept final responsibility.

There are very serious findings within the report. I hope that all members of Parliament on both sides, despite this current hostile environment, seriously go and have a proper look at the report. I hope that all of us will learn any lessons necessary beyond attempting to denigrate each other. Both sides should learn lessons, and I include myself as somebody who has lessons to learn from this as well. We have to make sure that the debacle that was the Intergraph contracting-out scandal does not happen again. We also have to make sure that the problem of having reports taking too long to be finalised also can somehow be restricted. There will always need to be the possibility of having detailed and possibly expensive investigations, which are aimed at encouraging any government to behave properly, legally and in the public interest.

This report had to happen, and I will await the practical outcomes with great interest.

Ms McCALL (Frankston) — As a member of this Parliament I stand ashamed to listen to the fact that the government allowed a minimum of $80 million of Victorian money to be spent over a period of two years on a series of documents that will be very good at propping open my office door, but which will not be valuable for anything else.

I was already a member of this Parliament when I witnessed the vilification and bullying of the then Minister for Health, the Honourable Marie Tehan, by the then shadow Minister for Health. It was a disgusting performance. The fact that the former minister has been totally vindicated by this report is a credit to the measure of the human being that she is. It is to her credit that she survived the constant and enduring vilification and bullying to the extent that it occurred.

There is no question that when I go back to Frankston and say to my constituents that this state government spent $80 million on a document that is only good enough to be used as a doorstop and has not resulted in any criminal prosecutions but will be an $80-million prosecution under civil law, they will wonder where that $80 million would have been better spent. I will be able to tell them that it could have been spent on 320 more ambulances. It could have given me another 80 intensive care beds at the Frankston Hospital. It could have financed 100 more nurses for 10 years. But never mind!

The then shadow Minister for Health in those days embarked on the course of attacking the former Minister for Health at all costs and attacking the Intergraph system that the Metropolitan Ambulance Service royal commission now says is a good system. Never mind that we have spent a minimum of $80 million of the state's money while we have a health system that is bleeding, despite the government's promise to fix it when it came into office two years ago.

I am ashamed to have to go out into the public arena and say that their government, which I am delighted to say I am not a member of, has wasted their money over two years. It paid a Queen's Counsel a phenomenal amount of money, employed the legal profession for endless hours, called witnesses and browbeat people and destroyed the careers of individuals — it vilified the reputations and destroyed the lives and health of some of those people. If that is what this government wanted when it tabled the report this morning in Parliament I congratulate it on sinking lower than any government has ever done before.

Motion agreed to.

LIQUOR CONTROL REFORM (PROHIBITED PRODUCTS) BILL

Second reading

Debate resumed from 1 November; motion of Mr HAERMEYER (Minister for Police and Emergency Services).

Government amendments circulated by Mr HAMILTON (Minister for Agriculture) pursuant to sessional orders.

Mrs PEULICH (Bentleigh) — The opposition does not oppose this bill and welcomes the house amendment proposed by the government. I commend the government for being receptive to the suggestions of the Honourable Carlo Furletti, a member for Templestowe Province in another place and the shadow minister for small business and consumer affairs, for taking this on board and allowing the incorporation of a disallowance provision in this bill in view of the significantly broad regulation-making powers under it.

The purpose of this bill is to prohibit or restrict the sale of alcohol-based food essences and additives. The bill prohibits the retail sale, not the sale by the manufacturer, of an alcohol-based food essence defined as a liquid intended for human consumption with an alcoholic content greater than 0.5 per cent by volume other than the sale of vanilla in less than 100 millilitre containers and of any other essence in volumes less than 50 millilitres.

The bill, as I said before, does not restrict the wholesale supply of products and includes a regulation power to allow the minister to make regulations prohibiting the supply of any class of liquor if that prohibition is in the interests of the community. As I mentioned before that is a fairly broad power that concerned the coalition, because it could certainly enable this minister, or any future minister, irrespective of which political flavour, to basically prohibit all alcohol, any particular class of alcohol or particular geographic areas. It is a fairly substantial power.

The incorporation of the disallowance provision by means of a house amendment means that although the regulation will need to go through the proper processes of the preparation of a regulatory impact statement, adequate consultation and the tabling of the regulation in Parliament, the provision will allow either house of Parliament to subject that regulation to scrutiny and disallow it should it not be in the interests of the public. It does not prevent the minister from taking timely and prompt action that may be required by given circumstance or a series of events where the minister in the interests of public health and safety needs to act.

We have read quite a bit about the very tragic and sad circumstances that have been the inspiration of this legislation. I would like to remind the house of the most vivid case that has been reported recently because it involved a coronial inquiry, the findings of which were recently handed down. I refer to a *Herald Sun* article dated Friday, 16 November, entitled ‘Death prompts essence ban’. It refers to a 15-year-old Melton youth, Leigh Clark, who died on 13 August 1999 after consuming a 375 millilitre bottle of vodka essence worth $5.50 at a party with friends.

A 375 millilitre bottle of vodka essence many people would assume would not be a particularly harmful additive. We all use vanilla in all sorts of culinary pursuits, such as cake making and so forth, but I understand the alcoholic content of these can sometimes be double that of other alcohol and can exceed 70 per cent. In actual fact a 375 millilitre bottle may be the equivalent of something like 20 standard alcoholic drinks, which is quite clearly an enormous amount of alcohol to be consumed by anyone, let alone a young person. The sinister part of this is that an essence does have the flavour of innocence. It is almost deception; it creates the impression that it is not harmful because its sale is not restricted.

Therefore a lot of us were surprised that there were instances where this was being purchased and consumed as cheap alcohol by young people. I have not heard of a huge number of instances of this occurring, but any death is too many. I am sure that all of us are concerned by the premature and tragic death of any young person, irrespective of what the cause is, be it the consumption of an alcoholic essence, or perhaps chroming, which involves the use of aerosol spray cans, often paint, and which is a very common and harmful activity. I know that other jurisdictions have taken proactive measures to try to curtail that activity. Some of the telltale signs involve, for example, young people almost walking around in a stupor with a distinct colour around their mouths, a symptom of their inhalation of aerosol paint spray.

I have not heard of many instances of alcoholic essence consumption, but clearly any death as a result of this is one too many. However, there were some difficult circumstances, and although the opposition supports in principle this legislation and welcomes the amendment, I think it is sad that these instances and even this legislation will not curtail or prevent such tragedies from occurring in the future. I will give a brief summary of the case, and I quote from the *Herald Sun* article:

> Coroner Jacinta Heffey found Leigh died from hypothermia but said he would have almost certainly not … died had he not consumed a large quantity of alcohol.

Ms Heffey found Leigh would have had a blood alcohol concentration of around .42 on the night of his death, causing him to lose the capacity to protect himself in a cold and harsh environment.

The article goes on to say:

> Ms Heffey lashed out at Raffaelina Rosselli, the mother of Leigh's friend who bought three bottles of vodka essence for her son, Leigh, and another 15-year-old boy.

Speaking as a mother of a 17-year-old it is every parent's nightmare that another adult or older youth of a legal age might be willing to facilitate and encourage the acquisition of restricted products to minors. As the mother of a 17-year-old I shudder at the thought that an adult — and a mother at that — would assist in this type of activity. That is a very sad reflection on the state of parenting in our society and in our community.

None of us is perfect; most of us have a lot to learn about parenting, the responsibilities of parenting and the nurturing of children and young people. We all get training on the job and we all make mistakes, but few have as great a capacity for tragic consequences as this mistake obviously had. Providing young people with flavoured essences, alcohol or drugs — many of us have even heard of instances where parents provide marijuana to their children as young as 10 years of age and in some instances administer the first hit of heroin — is the type of adult behaviour that makes me shudder and squirm and think, 'My God, we as a community are failing these children appallingly'.

The article goes on to say:

> 'Mrs Rosselli's conduct was, by any measure, reprehensible', Ms Heffey said. 'It involved turning a blind eye to a situation which she should have known was potentially hazardous', she said.

The article goes on to talk about other forms of essences that are available, including ones that are lime flavoured, melon flavoured and a whole host of other innocent-sounding flavours that are 77 per cent proof and above. It flags the introduction by the Minister for Small Business of this bill and it talks about the efforts of past governments to respond to similar situations. It continues:

> Ms Heffey said legislative changes in 1997 and 1999 restricting the volume of alcohol-based essences that could be sold in non-licensed stores and removing their tax-free status were positive steps to stamping out their appeal to youngsters.

The article goes on to state:

> Ms Heffey said it was difficult to design a public awareness campaign —

and indeed it is. One of the problems with public awareness campaigns designed for young people — and there have certainly been some very reputable ones — is that as much as they may be well intentioned and well designed they may actually arouse the interest of a small proportion of young people with the result being the likelihood of experimentation in the very activity they are attempting to discourage. That is why we as policy-makers and as parents have to be so careful not to implement programs that are counterproductive to the desired effect.

Under the bill 375 millilitre bottles of food essences with an unacceptably high alcohol content, which are obviously exceedingly dangerous particularly in the hands of young people, will not be available through retail outlets. Some of these products with very high levels of alcoholic content will continue to be manufactured. Their export capabilities may not be compromised because clearly many other jurisdictions do not have similar bans, and some businesses, including many home-based businesses, will still have access to the larger bottles via wholesalers.

In my electorate, and certainly in many of the metropolitan Melbourne electorates, an increasing number of people, in particular women, are engaged in microbusinesses or home-based businesses, and many of them may be involved in such things as catering, cake decorating and cake making, as that is a convenient way of, firstly, earning an income and secondly, combining a business with motherhood responsibilities. So while the legislation is welcome and necessary it will not necessarily mean that 375 millilitre bottles of food essences will not be kept in some suburban homes, because quite clearly that will not be prevented.

I was a little surprised and disappointed that although the government had taken the high moral ground it had not extended the courtesy — if that is the appropriate word — of at least informing those manufacturers that will be affected by this legislation and providing them with an opportunity to respond, if a response was appropriate. There was absolutely no dialogue entered into, and the justification given — —

Mr Jasper interjected.

Mrs PEULICH — There may not be. Given that manufacturing will not be banned by this legislation, export capabilities will not be impacted upon and the larger bottles will still be found in some suburban homes where microbusinesses are conducted. However, as tragic as the issue is, it is unfortunate that there has not been at least some contact made with and notification given to manufacturers of such essences.

While the opposition welcomes this legislation, it would be a very brave person who said that deaths such as the one recently inquired into by the coroner will not occur again, as tragic and as sad as that may be, because unfortunately adults often fail young people,

and fail them in a variety of ways. As I mentioned before, there is a range of goods available on the market. There is a product called Old Mule, which is 43 per cent proof, and Hoyts imitation brandy, which I understand was the essence responsible, in part, for the tragedy that occurred to young Leigh Clark.

Police have been involved in the testing of some of these products, which has shown that some are 80 per cent proof, so clearly they are much stronger than ordinary brandy or whisky. We need as a community to find other ways in addition to legislation of fireproofing our children as an insurance policy against a whole range of risk-taking behaviours, one of which is being responded to by this bill.

There is some very good advice available that a lot of us need to heed as parents, educators, legislators and members of the community. I will deviate for a moment and refer to a very interesting article I came across in *Sunday Live!* headed 'Testing times' by Paula Goodyer, which lists in a little box some points on helping kids manage risks. We take for granted, of course, that people know how to raise children, but many of us do not and we learn on the job. The author suggests:

> Be prepared to help your teenager stay safe by helping out with lifts and cab fares if you can.

Parents must ensure that should their children get themselves into an unfit state they still have an opportunity to get home safely.

The second dot point is:

> Don't wait until your children become teenagers to get them thinking about managing risk.

We have to ensure that we prepare them for thinking things through and making responsible choices for themselves, because that is our only insurance against a whole range of risk-taking behaviours, whether it be drinking food essences, under-age drinking or other forms of substance abuse, including drugs.

Another dot point is:

> Teach them good decision-making strategies from the start — get them thinking about the consequences of their actions.

Often we tell our children what to do rather than working through a reasoning process. We should be putting them in good stead so that when we are not around they will still have an opportunity to come out with the right outcome for them.

The next one is:

> We need to teach them to problem solve, rather than providing solutions for them.

My son would certainly agree with this next one:

> Cut them some slack on issues such as how they dress and wear their hair, which can be part of independence-seeking risk taking.

The next point is very important:

> Save your concerns for the big issues such as drink-driving.

It then goes on to provide other instructive points.

I apologise to the house for deviating, but I think these are important issues for the community to contend with. That is why, through my work on the Family and Community Development Committee for nine years now, I have always given priority to the programs that fortify the work of families and parents and a significant personal commitment in the development of public policy.

The opposition has concerns about the broad regulation-making powers in this bill, despite the fact that as part of their preparation there is a regulatory impact statement process to be gone through as well as the involvement of a coordinated council for liquor abuse and the Victoria Police. The regulations need to go through the Parliament, and the minister is being sensible in accepting the suggestion by the Honourable Carlo Furletti in another place that a disallowance provision be incorporated in the bill. I welcome that change, because it means that within, say, seven days of the regulation being tabled Parliament will be able to subject to scrutiny any actions taken by a minister, given the significant breadth of action that is possible under the legislation.

I know it is a government-dominated committee, but I was surprised and a bit disappointed by the quality of the Scrutiny of Acts and Regulations Committee report on the bill. Some of its reports are very good and some in my view have many loopholes.

The report concludes — and this is before the minister has agreed to this disallowance provision:

> The committee notes the regulation making powers and accepts that they are appropriate to give effect to the purposes of the legislation.

I would have thought a body of the nature of the Scrutiny of Acts and Regulations Committee would have wanted some assurance that the actions of not just this minister but any future minister are subject to a degree of scrutiny in the future.

The Liquor Control Reform (Prohibited Products) Bill provides that the minister may make regulations providing that alcoholic products or classes of products are banned from sale where it is in the community interest to do so. I welcome the disallowance clause. The fine for breaching such regulations will be 30 penalty points, currently $30 000. The bill further creates the offence of selling an alcohol-based food essence that in the case of vanilla essence is packaged in a container of more than 100 millilitres capacity, even though 100-millilitre containers of vanilla essence and other essences will still be available in our supermarkets.

If someone is intent on accessing cheap liquor they still can go in and buy three 100 millilitres containers of vanilla essence. I have not checked the latest price, and I will not, but while the legislation is well-intentioned it will clearly not eliminate the possibility of such tragedies occurring in the future. The amendments have no impact on the wholesale sale of food essences for food manufacturing purposes or for domestic use by microbusinesses.

Without further ado, I conclude by saying that the opposition welcomes the legislation and the amendment, and we hope tragedies of the like suffered by the young man from Melton are few and far between.

Mr JASPER (Murray Valley) — The liquor industry is important to the state of Victoria. Earlier this year when I spoke on amendments to the Liquor Control Reform Act I gave some of the history of the liquor industry since I entered the Parliament in the late 1970s. I tried to give an overview of the changes that had been implemented, highlighting the important part the industry plays in the economy.

Often this is underplayed because people do not recognise the importance of not only the supply of liquor but all the other aspects that go with the industry, including the meals, the range of entertainment and the high standard of the facilities that are provided in metropolitan Melbourne and across country Victoria.

I highlight the high standard of the hotels and liquor outlets in my electorate of Murray Valley and in the Rural City of Wangaratta. We also have the important wine industry, including the people who are involved in it as primary producers. The areas around Rutherglen are part of one of the great wine-producing regions in the state, and there is the increasing importance of the Ovens Valley and particularly the King Valley, given the development going on there. Most of the vignerons operating in north-eastern Victoria are in my electorate, and they make an important contribution. So when a bill comes before the house that amends the operation of the liquor industry I take a great interest in it, given that I have been a National Party spokesman on the industry over many years.

Honourable members might be interested to hear about a little card I picked up the other day from the Australian Hotels Association. We often do not appreciate the significance of the hotel industry, but when I saw this little card I thought it was important that we put on the record the contribution the industry makes. The figures are hard to read — although I do not need glasses for reading, which is most unusual for many members of the house, whose eyes are not up to reading small print! This small card is most important for the information it provides. The statistics provided by the Australian Hotels Association show that there are over 1900 hotels in Victoria and that they employ approximately 80 000 people.

Further on down the card I was interested to see that the value of the sale of liquor and other items through hotels in Victoria is estimated at $4.5 billion annually. Over 80 million meals are being provided annually; more than 230 million litres of beer, some 36 million litres of wine, some 20 million cups of coffee and more than 15 million litres of soft drink are consumed. I think that highlights the importance of the industry.

To further illustrate the industry's importance I refer to its revenue contribution. The payroll for the total industry is estimated at $1.2 billion annually. Payroll tax paid to the state government is put at some $50 million. Electricity and gas costs to the hotel industry amount to $100 million. The industry makes local government rate contributions amounting to $30 million and water rates of $15 million. The statistics just on that card highlight the importance of the liquor industry in Victoria.

Over many years we have always had annual reports for liquor licensing. In my electorate office at Wangaratta I have a large collection of liquor control industry reports. I often obtain them because they provide valuable statistics about the industry. But I am disappointed when I look at the annual report from the Department of State and Regional Development — and changes have been made so that the responsibility for liquor licensing has been brought within that department — to see that the person in charge of liquor licensing, Mr Brian Kearney, is shown as just director of liquor licensing within that department. That is who controls liquor licensing throughout the state.

The section of the department's annual report that relates to liquor licensing is not even a full page and does not give much information in relation to this important industry in Victoria. However, I should read the first paragraph, because it highlights the importance of the industry. I shall then deal more directly with the bill before the house. Under the heading 'Liquor licensing' the report states:

> The year 2000–01 saw the continued expansion of the Victorian liquor and licensed hospitality industry. At 30 June 2001, there were 11 684 licensed premises, an 8 per cent increase over the previous year … At 30 June 2001, 43 per cent of licensed businesses were in regional Victoria.

The number of active licences in Victoria is given.

I must say I find it extremely disappointing that we have been reduced from having an annual report produced by the former Liquor Licensing Commission to not even one page in the annual report of the Department of State and Regional Development. That is particularly disappointing considering the importance of the industry, as demonstrated by the statistics that I quoted to the house earlier — and they do not include the restaurants and other liquor outlets, including the just under 400 vignerons operating in Victoria.

As usual when a bill is presented in the house the responsible person in the National Party seeks to get responses from organisations that would be involved in or would have an opinion on the legislation. Indeed we circulated this bill and the second-reading speech to six organisations: the Australian Hotels Association, the Liquor Industry Consultative Council, the Australian Liquor Marketers Pty Ltd, Southern Independent Liquor Groups Australia Ltd and the Distilled Spirits Industry Council of Australia. I also had a briefing from representatives of the department, including the director of liquor licensing, Mr Brian Kearney.

I understand from the information that was provided to me the concerns the government has and the need to introduce the bill. I recognise that regulations were produced in 1996–97 which limited the availability of vanilla essence to 100 millilitre containers and all the other essences to a 50 millilitre containers, but the difficulty was that there was no restriction on the availability of essences through licensed premises. That difficulty was brought before the government as one on which action needed to be taken. Brian Kearney mentioned particularly the death which occurred in 1999 as a result of use of one of those essences. The previous speaker mentioned that the particular essence is quite powerful, that it is available in larger containers of 375 millilitres and that it is believed to have an alcohol content of over 70 per cent. As was indicated to me, it could be described as rocket fuel. That has certainly been a problem and it led to the death of a young person.

There was a need for some government action. It was patently obvious that the regulations that had been introduced were ineffective and action needed to be taken to tighten the regulations and the act to ensure these essences were not available in the larger containers in the normal retail liquor outlets. As I understand it another concern with the product was that most of the larger containers are imported and there has been very little restriction on the importation of essences in larger containers. Again I recognise, as did the previous speaker, that the essences are still available for cooking purposes and within the hospitality industry, but the limitation in this legislation ensures the essences will not be available through the normal processes from licensed premises.

The National Party is quite prepared to support the legislation on the basis that government action is needed to restrict the availability of these essences in the larger containers, and particularly through licensed premises.

Another concern directed to my attention is that these food additives come into the country duty free. I guess the laws and regulations may need to be further restricted to ensure these essences do not go to inappropriate places, but the bill is a step in the right direction in making sure the essences are not available through licensed premises.

In reviewing the legislation the National Party examined the responses it received, which were generally supportive of the bill. The concern raised by the Distilled Spirits Industry Council of Australia relates to the regulation-making powers and the fact that the legislation would give further power to the minister to ban substances. It says perhaps there needs to be some review of this particular situation. The letter from the council states:

> DSICA is particularly concerned that such a wide and open-ended power to ban any product or class of products rests at the whim of any individual minister, without the need for legislative reference back to the community's representatives in Parliament. Whilst we have been assured that the regulation-making process is thorough and involves extensive community consultation, and welcome the minister's acknowledgment that extensive consultation will precede any products being banned, we nonetheless hold reservations about any minister wielding such a power, and note with concern that these safeguards are not built into the actual bill.

Recognising and taking into account the concerns expressed in that letter, I welcome the house

amendment proposed by the government which will restrict the power of the minister to declare a ban on a particular alcoholic product by regulation.

I recall the major changes that were made back in the 1980s when I was a member of the then Regulation Review Committee. Major changes were introduced on how regulations were to be reviewed, and that is how they are reviewed within the current system. Now most regulations require that a regulatory impact statement be assessed by the Scrutiny of Acts and Regulations Committee, which decides whether the regulation should be reviewed and go forward and whether appropriate changes should be made to the regulation before it becomes law.

The concern we have is with the disallowance procedures relating to the regulations. During the late 1980s when I was a member of the Regulation Review Committee the committee recommended the disallowance of a number of regulations. Honourable members need to understand the process through the Subordinate Legislation Act. The current process in relation to the disallowance of a statutory rule or part of a statutory rule is covered by section 23(2), which indicates that:

> A statutory rule to which this section applies is disallowed in whole or in part if —
>
> (a) a notice of a resolution to disallow the statutory rule is given in a House of the Parliament on or before the 18th sitting day of that House after the rule is laid before that House; and
>
> (b) the resolution is passed by that House on or before the 12th sitting day of that House after the giving of the notice of the resolution.

The important part is (b). What happens now is if the committee decides that a regulation should be disallowed and it is brought before the Parliament, the government of the day can sit on its hands and not do anything about the regulation, and after the 12th sitting day the regulation continues anyway.

We had the difficult situation of getting the minister at the time to debate the particular regulations which we believed should be disallowed. In fact, the then Leader of the House, the Honourable Tom Roper, disagreed with the committee seeking to debate the regulation and have it disallowed. We were disappointed that it went past the 12th sitting day and was not debated and the regulation continued, despite a recommendation from the Regulation Review Committee that it be disallowed.

The interesting part, of course, is that the government has the numbers in the Legislative Assembly and if the particular disallowance procedure is debated and the government of the day decides it will not accept the arguments that are put and the recommendations of the review committee, it can take the vote in the house and with its numbers ensure that the regulation does continue. I do not consider that to be the best approach, but that is of course the approach the government could take.

We argued with Tom Roper on a particular issue, and then another regulation came forward that the Regulation Review Committee believed should be disallowed. The minister allowed debate on the regulation, and when it came to the vote the government voted that the regulation continue in operation. I have to give some credit to the minister that on at least one further occasion he allowed debate to take place on the regulation.

I am very supportive of amendment 2 which will be moved by the minister, which reads:

> Clause 7, page 4, after line 2 insert —
>
> "(4) Regulations under this section are subject to disallowance by a House of the Parliament."."

That gives the house the opportunity to ensure that there is debate on the regulation and that disallowance by the house can be sought.

The bill will be important legislation that should go forward on the basis of seeking to protect people who may be subject to others taking advantage of the availability of inappropriately large containers of essence. It applies in many cases, I guess, particularly to young people, who can have access to the supply of that essence at a reasonably low cost. While they may get drunk more quickly it certainly could have an adverse effect on their health and indeed lead to death, so there need to be controls. I have always believed that the industry needs to have controls on it, not only because of the importance of the industry to the economy of the state of Victoria, but because of the types of products that are handled by people who are licensed within the liquor industry generally. In my view those people have to have responsibility in the handling of liquor and, in this case, large containers of essence. We also need to protect many young people from themselves by not having available the essences that are included in the bill that honourable members are debating this evening.

The other issue I should raise is that I believe there need to be strong regulations controlling the industry. As I have indicated in debate in earlier years, particularly through the 1980s, when it was argued that licensed premises should be allowed to operate 7 days a week,

24 hours a day and that there should be little restriction on how they operate, I do not support that point of view. I believe we have to have not only restrictions on the operations of the industry but indeed controls on the availability of the alcoholic beverages it provides.

This bill moves in the direction of seeking to restrict and control the availability of essences in containers of more than 100 millilitres for vanilla essence and 50 millilitres for other essences. It seeks to ensure that the larger sized containers of essences are not available to young people because of the potential danger generally to all people, but particularly young people, with the consumption of those products that have an extremely high alcoholic content.

The National Party supports the passage of the bill and the government's amendment.

Mr ROBINSON (Mitcham) — The government welcomes the support of the opposition and the National Party for the Liquor Control Reform (Prohibited Products) Bill. The legislation is both positive and timely in that it reforms the Liquor Control Reform Act 1998, but the bill before the house is born of tragedy. The circumstances of Leigh Clark, aged 15, have been discussed in the debate to this point. It does not matter what this Parliament chooses to do with the bill today, what people in this chamber or the other place say or how either house votes on the legislation, because as all honourable members will be aware, nothing we do or say will lessen the grief of the Clark family. They were visited in 1999 by the most horrible circumstances that inflict themselves on any family — that is, the entirely preventable, premature death of a loved one.

The house noted in the contribution of the honourable member for Bentleigh that in August 1999 Leigh Clark, aged 15, consumed a 375-millilitre bottle of vodka essence and that that product was readily available at a cost of no more than $5.50. I guess the death of Leigh Clark tells us many things. One, of course, is the demonstration of the golden rule of dealing with young people and drugs — that is, that risk and affordability are related.

In this place we spend more time than we would like trying to deal with the scourge of drug abuse. All honourable members would do well to remember that the range of drug abuse is extensive and must include the availability to young people of very highly charged spirits in the form of essence products which are attractive because of their affordability. That is one of the lessons to come out of the very sad circumstances of Leigh Clark.

The coroner's inquiry, which was noted by the honourable member for Bentleigh in her contribution, identified loopholes in the principal act. Despite amendments to that act in both 1997 and 1999 Leigh Clark was able to consume a product which was still available on the shelves of a Victorian retail outlet after the changes had been made on both occasions to the principal act.

I am not intimately familiar with the debate in this place in 1997 and I will confess to the house that I cannot recall the debate that took place in 1999, but I suspect that one of the reasons why that loophole, slight though it might have been, existed post-1999 was because of the problem of retrospectivity. There is nothing stopping the Parliament from time to time choosing to pass a law which makes illegal something which is available for sale and which was quite legally made available for sale at an earlier time. It might well have been that in this case the time-honoured tradition of retrospectivity encouraged people in this chamber to consider that it would have been inappropriate to have forced retailers of essence products to remove all of the stock they had, which would were they to purchase and offer it for sale after the amendments be illegal.

The time-honoured practice of this place of retrospectivity has a lot going for it, but on occasions like this if my assumptions of the matter are accurate the house would do well to contemplate whether variations ought be made to that practice. It might well have been that given that the risks the Parliament sought to stamp out at an earlier time were so considerable and so much harm could be done that on that occasion the retrospectivity argument needed to be tempered. The tragedy of Leigh Clark's premature death reminds us of the responsibilities which are incumbent on all Victorians at a number of levels. The Parliament certainly has a responsibility at one level to provide a strong and appropriate legislative framework, and we have now seen three efforts — this being the third of them — to construct that framework.

The honourable member for Bentleigh alluded to the second level of responsibility, which is parental responsibility not only to one's own children but to the children of others. In this case, as was noted in the coroner's report and reported by the *Herald Sun* on 18 November, it was the mother of a friend of Leigh Clark's who purchased three 375 millilitre bottles of essence. The coroner, if I understand the *Herald Sun*'s report of 18 November correctly, cited this as reprehensible conduct in that the friend's mother ought to have known that the product was not going to be used for the purpose which the manufacturer intended. It was not going to be used for cooking; it was going to

be used by children to get themselves intoxicated as quickly as possible and in doing so put themselves at huge risk.

I have no problem in agreeing with the coroner. From what I know of the case I also believe that the actions of the mother of Leigh Clark's friend were reprehensible to the point where I am sure members of this Parliament and others would wonder whether they verge on some breach of the Crimes Act. Nevertheless that person will have to live with her conscience and the consequences of her act. I agree with the honourable member for Bentleigh that parental responsibility is something which is vital if we are to try to eliminate a repetition of the circumstances which gave rise to this amendment. I would qualify her remarks by suggesting that I sincerely hope and believe that the parental irresponsibility which gave rise or contributed so significantly to the death of Leigh Clark is the exception rather than the rule.

In a practical sense the bill closes the loopholes referred to in the coronial inquiry, principally through clause 7, which provides for the creation of an offence by inserting proposed sections 118A and 118B into the principal act. Proposed section 118A states, in part:

> A person must not supply by retail an alcohol-based food essence that is packaged —
>
> (a) in the case of vanilla essence … in a container of more than 100 millilitres capacity;
>
> (b) in any other case — in a container of more than 50 millilitres capacity.

There has been some discussion about the options that presented themselves to the government in tackling the problem. The minister chose to proceed not with a cumbersome set of regulations but rather a bill which provides for regulation-making and which clearly states the government's intent and gives practical effect to that intent. It is the preferable option because it very effectively bans the retail sale of the larger quantities of the essence which have caused or are capable of causing such injury to young people in particular.

At the same time clause 7 provides that the regulations made under proposed section 118B may impose a penalty not exceeding 30 penalty units. This in itself is significant. The honourable member for Bentleigh referred to the work of the Scrutiny of Acts and Regulations Committee (SARC), and I might turn to that in a moment, but for — —

Mrs Peulich — Are you declaring a conflict of interest?

Mr ROBINSON — Not at all. It is a very good committee, and I will defend its work in greater detail in a few moments.

The committee discussed not so long ago the penalty units associated with regulations. Guidelines on dealing with regulations — I think they are known as the Premier's guidelines — have been around for some considerable time. As a rule it is considered that regulations should not carry penalties of greater than 20 penalty units. The committee had cause not long ago to look at a regulation-making power which provided for penalty units above that amount — I think it involved 30 penalty units — which it discussed and considered appropriate in the circumstances.

Similarly with this amendment I would argue that the capacity to impose a penalty of up to 30 penalty units is appropriate and that that in itself evidences a desire by the committee to agree to very stiff penalties. In some small way the Parliament can say to the broader community, 'We regard the need to prevent the abuse of proper arrangements for the sale of essence products so seriously that this exception to the guideline is desirable'. The other strength of this amendment is not just that it will apply to essence products but that it has the capacity to apply to novel alcohol-based products in the future.

The minister's second-reading speech says that it might be appropriate at some point in the future to apply it to products like high-alcohol ice-creams or other milk products. I do not think anyone in this chamber would disagree with giving a minister of either political persuasion the capacity to make that judgment at some point in the future. We have seen examples in the recent past where the government of the day has been asked to respond to attempts by retailers or food product companies to market such products.

This gives rise to a third level of responsibility, which is in the business sector among retailers. We can agree that if the market is left to its own devices it will on occasion put forward products that the broader community considers inappropriate. I believe that a level of responsibility arises at all times when retailers put forward a product that they know is affordable and appealing to youth and capable of being abused in a way which can lead to the health and the wellbeing of young individuals being put in peril, as was the case with Leigh Clark. There is no point in this Parliament discharging its responsibility and enacting tougher legislation if at the same time parents are not prepared to discharge theirs or retailers are prepared to turn a blind eye to the way in which those products are going to be used.

The scrutiny committee does a good job in overseeing the large number of regulations and principal acts that come before it. The committee, which operates in a bipartisan and constructive manner, meets more often than any other parliamentary committee, possibly with the exception of the Public Accounts and Estimates Committee. I think last year the regulation review subcommittee and the full committee met about 52 times. As I said, SARC deals with all the legislation and regulations that are made. It deals with the five references that it has been given by ministers — and it delivers.

For the benefit of the honourable member for Bentleigh I can advise that there is, when it comes to regulations, no hard and fast rule about disallowance. The committee is open to suggestions on every occasion as to the desirability of a disallowance provision, just as it is open to suggestions that legislation of any type might be made better with amendments or that some of our principal functions, which are laid out in the Parliamentary Committee's Act, can be discharged more effectively.

We had a circumstance not long ago where the Attorney-General, in response to some discussion at the scrutiny committee table about the desirability of having a review function inserted into the Co-operatives Act, I think it was, agreed to an amendment being made. That was a good example of the way in which the scrutiny committee can effect positive change in legislation that comes forward. That was exercised in a practical sense recently, when as a consequence of the amendment the Attorney-General wrote to the committee making it aware of another act which was to be subject to the earlier act proclaimed by the Governor in Council that had retrospectivity functions attached to it.

The committee does very good work. I want to commend not only the leadership of that committee, which is provided through the honourable member for Werribee, but also all the members — Labor and Liberal — who serve on it, because it is very constructive.

Mrs Peulich interjected.

Mr ROBINSON — It is a very good committee. If the honourable member for Bentleigh wants to step up to the plate and get onto a serious committee and do serious committee work, she can talk to us; but the crossbar is up here, and we do not take anyone.

In concluding let me simply say that the government accepts the amendment and welcomes the support of both the Liberal and National parties. It is good legislation. I want to conclude by not only encouraging honourable members to support the bill but by again offering my sympathy to the Clark family. For any number of reasons we can agree that Leigh Clark died a tragic and premature death. I hope that the Clark family will take some solace from Parliament's amendment of legislation which hopefully will avoid a repetition of those circumstances, but I would understand perfectly if they did not take solace from what we are doing today. With those comments I commend the bill to the house.

Debate adjourned on motion of Mrs FYFFE (Evelyn).

Debate adjourned until later this day.

AUCTION SALES (REPEAL) BILL

Second reading

Debate resumed from 5 April; motion of Mr HAERMEYER (Minister for Police and Emergency Services).

Government amendments circulated by Mr HAMILTON (Minister for Agriculture) pursuant to sessional orders.

Mrs PEULICH (Bentleigh) — The opposition does not oppose this bill, and actually welcomes the amendments which are being introduced. From the outset the amendments were the result of the consultation undertaken by the then shadow minister for small business and consumer affairs, the Honourable Bill Forwood, the Leader of the Opposition and a member for Templestowe Province in another place. I commend the Minister for Agriculture and the minister responsible for the bill for responding to the extensive concerns raised by some of the stakeholders in this legislation.

Before I begin to deal with the provisions of the legislation I would like to add a comment that many of us find ourselves in novel situations, often tight and uncomfortable situations, but probably none so tight as our poor advisers and officers who find themselves in the advisers box. I sympathise in particular when there is more than one. I hope they will take turns! Quite clearly the box was designed at another time and has not kept up with the needs of this Parliament.

I will begin with a deviation. Last night in the debate on the Livestock Disease Control (Amendment) Bill the shadow Minister for Agriculture referred to the Auction Sales Act as 'that novel piece of information that was created in 1958 and lasted for 40-odd years' that 'is about to bite the dust'. His view is that it is a good thing. I guess it was a fairly quaint piece of legislation;

some of the definitions are certainly interesting. That view was shared by the members of the Scrutiny of Acts and Regulations Committee as well as a number of stakeholders and people who were involved in the consultation process in response to the review of the legislation as part of the government's commitment to the national competition policy review program.

A review was undertaken of the Auction Sales Act 1958. It was chaired by the Honourable Haddon Storey, and the final report is dated September 1999. It was a very competent review. Many of the recommendations have been taken up by the government and some have been changed. The bill indicates that further action will be taken. We have waited for some time for this piece of legislation to be debated. I guess on first hearing talk about a bill to repeal an act to do with auction sales and auctioneers, a bit of discomfort was felt by people who have an interest in this field, especially at a time when a range of health issues — not only foot-and-mouth disease, but a range of others as well — relating to livestock have attracted considerable interest overseas and in Australia. So I guess it came as no surprise to the opposition to see that the government held off from debating this legislation and waited for the federal election to pass.

Honourable members interjecting.

Mrs PEULICH — How could I possibly question the motives of the government?

An honourable member interjected.

Mrs PEULICH — I am sure it might have been considered by someone! As I mentioned, the review of the Auction Sales Act was undertaken as part of the former Victorian government's commitment to review legislative restrictions on competition under the national competition policy.

The original objects of the act were to promote confidence in the auctioning of goods, to protect the interests of vendors and bidders, to prevent sales of diseased and stolen cattle and to facilitate the tracing of diseased cattle. The act contains a very interesting definition. 'Cattle' means horses, mares fillies, foals, geldings, colts, bulls, bullocks, cows, heifers, steers, calves, ewes, wethers, rams, lambs and swine — a fairly interesting and broad definition of the word 'cattle' which is not reflected in other pieces of legislation.

The then Minister for Fair Trading commissioned the public sector research unit of the Victorian University of Technology to conduct the review, which established that the objects of the bill were being fulfilled by other legislative means, with the exception perhaps of issues raised by the Victorian Stock Agents Association, which I will discuss in a little while.

The consultation on the review took place between 1999 and 2000, but since then other issues have emerged and perhaps the goalposts have moved a little. We have possibly become a little more sensitive to issues to do with the control of livestock diseases, and so as a reflection of the government's sensitivity to these issues and the sensitivity of the community it was necessary to see the two bills pass in tandem because some of the issues that people would expect the Auction Sales Act to be responsible for are explicitly and comprehensively picked up in the Livestock Disease Control Act, as well as the amendment that was debated yesterday, which has not yet passed but which will during this sittings.

Basically, the bill seeks to repeal the Auction Sales Act 1958, which has the effect of abolishing the requirement that auctioneers of goods have licences. It does not affect real estate auctions, which can only be conducted by licensed estate agents. It does not refer to any other forms of sale, only auctions. There is a general trend that these registration processes or controls of activities pertaining to an industry be dealt with in specific legislation for the industry concerned. Hence the recommendation to repeal this act.

The bill also inserts into the Livestock Disease Control Act a new section which requires that records of cattle sales — and I have mentioned the definition — collected under the Auction Sales Act in the last seven years be saved. The Honourable Bill Forwood in another place has received quite a bit of correspondence from the Livestock Saleyards Association of Victoria expressing certain concerns. I will canvass some of those concerns and then come back to the amendments that are being introduced to the house by the government.

A letter dated 26 April addressed to the Leader of the Opposition from the Stock and Station Agents Association states:

> The old Victorian Stock Agents Association and its new organisation, the Stock and Station Agents Association, are deeply concerned at the Victorian government's proposal to abolish the Auction Sales Act.
>
> These bodies, which represent the stock and station agency industry in Victoria, believe that abolition of the Auction Sales Act would work against the basic interests of the agency industry and its thousands of primary producers clients, and would not be in the broader interests of the Victorian public.

The letter goes on to very convincingly and persuasively urge the government to retain the Auction Sales Act and outlines some very strong grounds for doing so. For example, the letter states:

> 1. Deregulation cannot be expected to protect the basic financial interests of the tens of thousands of primary producer clients of agents' and auctioneers' services. It is inconceivable that any government could claim that anyone — regardless of training, experience or ethics, and unlicensed — should be entrusted to act as agent for the transfer of valuable physical and financial assets, crucial to the welfare of the rural sector.

The letter continues:

> 2. Stock and station agents and auctioneers play a key role in controlling the movement and sale of millions of head of livestock destined for human consumption.

The letter then lists the types of livestock diseases that exist. Obviously a regime needs to exist not just for the control of such diseases but also for the control of insect infestation and chemical contamination matters, including hormonal growth promotants, Johne's disease, footrot and lice control in sheep, ticks in cattle, anthrax, foot-and-mouth disease, tuberculosis and so on. The letter says that some of these livestock diseases are transferable to humans and can be injurious to human health. All these stock problems could have an adverse impact on the Victorian and national economies.

As I said, the Honourable Bill Forwood moved to ensure that if the Auction Sales (Repeal) Bill were to go through the Parliament there still remained a strong mechanism in place to address these issues before the principal act is repealed. Not only has the opposition's argument been upheld, but it is also a responsible action that will see that regulations are developed and these matters resolved over time. Hence the amendments, which look at a staged implementation of some of those provisions to make sure that the community and the industry are afforded the protection that they deserve and that we deserve, both in terms of human health as well as in terms of financial interests.

In response to that, a letter dated 25 June, again from the Stock and Station Agents Association to the Honourable Bill Forwood, states:

> Due to your support, the Stock and Station Agents Association (SSAA) has been given the opportunity to put forward our views on the proposed repeal of the Auction Sales Act 1958.

As I said, outlined in that document is a whole range of ideas and matters that the association members were concerned about. They felt that the managing of sales information was inadequate protection of the industry and that it was not nearly enough for the livestock industry's needs or the ultimate protection of the Victorian and Australian economies.

A letter from the same association to the Minister for Agriculture also dated 25 June states:

> You rely on the views of the independent review panel for your decision. However, its views were based on insufficient information, and inadequate input from the stock and station agency industry — and we suspect, from primary industry as a whole. This is not criticism of individual members of the panel, but of information available to it.

I guess the case in point is that while we engage in consultation we have to make sure that the consultation is meaningful and ongoing. The solution proposed by the Stock and Station Agents Association is:

> An important part of the solution to these problems is for the government to implement a sensible, competitive licensing regime that will at least equal that in New South Wales, and thus help protect the Victorian producer and public.

Again, in an attachment the association outlines a convincing case for why licensing is necessary in Victoria in order to protect the interests of primary producers, the agency industry and the general public in Victoria. I commend that organisation for the thought it has given to putting its case to the government and to the opposition.

The outcome of that was well summarised in another letter dated 23 November 2001 to the Honourable Bill Forwood in the other place from the Stock and Station Agents Association. It states:

> I write to advise you that a delegation from the Stock and Station Agents Association Ltd attended a meeting with the Honourable Keith Hamilton, Minister for Agriculture, and the Honourable Marsha Thomson, Minister for Consumer Affairs.
>
> The meeting took place at their invitation and was convened to discuss our concerns with the proposed repeal of the Auction Sales Act 1958.
>
> I am pleased to advise that an agreement was reached between the ministers and ourselves on the following basis:
>
> > Both ministers agreed that they supported the association's concerns in respect to introducing livestock agent licensing and our reasons justifying the basis for government intervention.(see attachment).
> >
> > The repeal of the Auction Sales Act would proceed, on the condition that licensing of auctioneers (and specifically livestock auctioneers) would remain in force until new and appropriate measures are in place with respect to livestock agency.
> >
> > It was agreed that Minister Hamilton would form a working group to develop appropriate legislative measures that will underpin livestock agent licensing

> and operations. The group will comprise DNRE, SSAA, Wesfarmers Landmark and Elders VP representatives.
>
> It was agreed that Minister Hamilton would prepare and forward a letter confirming the issues discussed and agreed upon.
>
> As a result of the meeting the association is comfortable with the process of repeal in relation to the Auction Sales Act 1958, subject to receipt of a written agreement confirming the government's intention not to proclaim the repeal of the Auction Sales Act 1958 until appropriate measures are in force to underpin livestock agent licensing and operations.
>
> Minister Hamilton indicated that it was his intention to have the working group finalise development by June 2002 for introduction in July 2002.
>
> I expect to receive a letter of agreement by Monday next week. Once we have reviewed and signed off in writing to the agreement I will forward you a copy for your records.
>
> Thank you once again for expressing interest and support for the association.

I think that is an excellent outcome, because it means we can proceed with the recommendations of the review panel and ensure that there is a regime in place in the Livestock Disease Control (Amendment) Bill to resolve the issues raised by a very important group.

The attachment mentioned in the letter goes on to detail the outcome sought. I will leave that to people who have a better knowledge of the industry than I do, but I will place on record the very strong arguments of the association in support of the licensing of livestock auctioneers and stock agents in Victoria. The attachment states, in part:

> Delicensing of auctioneers and stock agents in Victoria will allow anyone, regardless of competence, training or ethical standards to sell livestock. This would:
>
> 1. Add enormously to the Victorian government's costs of securing compliance with regulations which control the movement and sale of millions of head of livestock destined for human consumption. Auctioneers and stock agents fulfil a vital role in compliance.
>
> 2. Damage the interests of Victorian primary producers who are the consumers of agency services, e.g. agents are involved in 80 per cent of all livestock transactions in Victoria.
>
> 3. Place the Victorian agency sector, which employs thousands of people and plays a key role in the Victorian rural economy, at a significant business disadvantage to their colleagues in New South Wales.
>
> 4. Reduce Victoria's capacity to deal with any outbreak of a serious livestock disease, such as foot-and-mouth disease … which this year devastated Britain's rural economy.
>
> 5. Increase the risk of Victorian meat consumers to exposure to disease which can be transferred to them from livestock. Agents play an important role in monitoring animal health, which ultimately impacts on human health.

Of course we do not want to be disadvantaged any further than we are in comparison to other states, particularly New South Wales. The attachment further states:

Obviously these concerns are far too important not to have been addressed, and I am glad they have been addressed to enable the legislation to pass.

The opposition consulted a broad range of people about that. In summary, as I said earlier, the bill is a result of the national competition review undertaken by Haddon Storey. It found essentially that there were no justifications for the continued licensing of auctioneers of goods, except in the case of cattle auctions, where licensing should be retained as part of a mechanism for tracing diseases in cattle. In its response the government accepted the abolition of licensing for auctioneers, but it has gone further than recommended. That is probably a reflection of the times. It also proposes the abolition of licences for cattle auctioneers.

The bill makes it clear that old records of cattle sales must be retained. The government's response to the national competition policy review indicates that the regulation power of the Livestock Disease Control Act will be used to ensure that it remains possible to track cattle in the future. When reading some of last night's debate on the livestock disease control bill, I noted that the new identification process for cattle, despite the fact that it will be staged, promises a lot of benefits to all of the stakeholders, not only to consumers but to farmers themselves in their capacity to monitor the performance of herds, to the possibility of more effectively dealing with what Americans call cattle rustling but Australians call cattle duffing, and basically adding to a national livestock identification system which allows a much better trace-back system for a whole range of reasons.

Because of the concern that the regulations had not been developed, this bill was not debated in the autumn sittings, as was anticipated. Now that the regulations are in place and will commence on 1 January 2002, I am happy to offer best wishes to the process of establishing a system of registration. I know that the meeting of the Stock and Station Agents Association with the Minister for Consumer Affairs and the Minister for Agriculture has been most productive. I commend them for initiating that in response to concerns that had been raised.

The house amendments to the Auction Sales (Repeal) Bill will be necessary to allow the repeal of two auction sales provisions which are to be replaced by modernised provisions under the livestock disease control legislation. The record-keeping requirements for cattle under section 35 will be picked up by the Livestock Disease Control (Amendment) Regulations 2001, which have already been made and take effect from 1 July 2002. Section 38, which provides for a livestock auctioneer to be satisfied of the bona fides of a vendor, will be replaced by a new provision in the Livestock Disease Control Act.

Without any further ado, I am happy to offer the bill a speedy passage and welcome the development of a more effective system that will address the concerns of a very important segment of that industry. With those few words I look forward to the demise of an act that I believe has been unanimously, with the exception of the concerns I have raised, deemed to be surplus to the needs of our statute book, because many of those provisions are picked up by legislation pertaining to particular industries, such as the Pawnbrokers Act, the Motor Car Traders Act, and so forth. With those few words, I commend the bill to the house.

Mr DELAHUNTY (Wimmera) — I am pleased to rise on behalf of the National Party to speak on the Auction Sales (Repeal) Bill of 2001. This bill was brought into Parliament in April this year. I was getting worried about whether we would get it through before the end of the year. It has had more episodes than *Peyton Place*! On 1 May I developed a briefing note for our party, so it has taken a while, but encouragingly enough the government has worked with the industry and the National Party, and obviously with the Liberal Party too, to get to where we are today.

As we know the purpose of the bill is to repeal the Auction Sales Act 1958 and make a number of consequential amendments to other acts. That act provides for the licensing of auctioneers of goods, including livestock, and it is to be repealed on 1 January 2002. I note that the government amendments distributed in the house tonight provide that the majority of the bill when passed by both houses will come into operation by 1 January 2002 but that some parts that the National Party has been lobbying for will not be proclaimed until, at the earliest, 1 January 2003, and we will be pleased to see that happen.

The bill amends a number of acts including the Estate Agents Act of 1980; the Forests Act of 1958; the Instruments Act of 1958; the Livestock Disease Control Act of 1994; the Meat Industry Act of 1993; the Motor Car Traders Act of 1986; the Murray Valley Citrus Marketing Act of 1989; the Police Regulations Act of 1958, and I am sure the Minister for Police and Emergency Services is thrilled about that; the Second-Hand Dealers and Pawnbrokers Act of 1989, which was dealt with in debate on an amending bill earlier in the week; the Summary Offences of 1966; and the Transfer of Land Act of 1958.

I am pleased to say that the National Party will not be opposing this bill. National Party members requested that the government defer the bill until regulations were placed in the Livestock Disease Control Act, and it is pleasing to see the government has taken that request on board and made various other changes we thought were important to protect, in particular, Victoria's food industry. As honourable members know, the livestock industry is a major player in the food industry, and I will come back to that issue. The industry has problems with foot-and-mouth disease, anthrax and things like eye cancers, which can be picked up at the saleyards and dealt with. It is pleasing to know that ear tags, tail tags and various other things allow the tracing back of stock to ensure that our very important food industry is protected.

Honourable members will also be aware that last night the house debated another bill relating to improved tagging of bulls, bullocks, cows and steers. Those measures are to be commended. I hope that that will be a national program and that Queenslanders will get back in line in that regard, because it is important for the good of Australia's food industry, and Victoria's food industry in particular. The government has taken on board the fact that the state plans to export $12 billion worth of food and fibre in the next couple of years, so it is important to have appropriate mechanisms to protect those important industries.

In coming to the position it has taken on this issue the National Party has consulted widely with councils; the Livestock Saleyards Association of Victoria; various real estate agents, including the Real Estate Institute of Victoria at Camberwell; the Stock and Station Agents Association of Australia and of Victoria; Bill Ower, a licensed auctioneer from Horsham; and various other groups.

This bill is before the house today because the Honourable Haddon Storey was chairman of a committee which undertook a national competition policy review of the Auction Sales Act, and I will come back to that. The review committee concluded that the benefits of the licensing of auctioneers of goods outweighed the costs. The committee also recommended repealing the act, but raised concerns about the auctioneering of cattle. It is disappointing that

the government has taken so many months to appreciate those concerns.

When we consulted the Victorian Stock and Station Agents Association it wanted the government to withdraw this legislation pending discussions with the Victorian livestock industry about the inclusion of regulations within the Livestock Diseases Control Act. The Livestock Saleyards Association of Victoria also believed the Livestock Diseases Control Act is important, and it was concerned about the repealing of the Auction Sales Act because its association runs professional facilities and does not want unethical agents being allowed to operate in Victorian saleyards, in which they take great pride.

I did a bit of research into the national competition policy review into the Auction Sales Act. The executive summary states:

> The review of the Auction Sales Act … is undertaken as part of the Victorian government's commitment to review legislative restrictions on competition under the national competition policy … competition principles agreement.
>
> The NCP presumes that the market should not be regulated unless there is a public interest case for the retention of the restrictions.

It is important that we have appropriate retention of some regulations to protect not only the stock industry, but importantly the food industry. Many points are made in the executive summary. I will read another important one:

> Applicants for licences must be resident in Victoria or reside in a state which has reciprocal arrangements with Victoria …

The review panel made 19 recommendations in its summary of recommendations. The first recommendation was:

> Auctioneers of goods other than cattle should no longer be required to hold an auctioneers licence.

I looked up the definition of cattle in the act, which says:

> 'Cattle' means horses mares fillies foals geldings colts bulls bullocks cows heifers steers calves ewes wethers rams lambs and swine.

It is a much broader definition of cattle than most people would realise. Another recommendation was that:

> The act should not be amended to cover Internet auctions.

That is an interesting recommendation, but I will not cover it here tonight. Another recommendation was that:

> Registration of auctioneers of cattle should be automatic upon payment of a registration fee and should be ongoing.
>
> Registration provisions for auctioneers of cattle should be administered by the Business Licensing Authority.

These are commonsense recommendations and it is a pity that the government did not take them on board.

The national competition policy review report gives the following general description of the auction industry:

> There are currently about 1700 auctioneers in Victoria who are licensed under the Auction Sales Act 1958 and their licences enable them to conduct auctions of goods of any kind as defined in the act. However, they do not operate in any single industry.

So they cross over various industries. Examples are given of what types of goods can be auctioned. They include domestic items; collectables such as antiques, furniture, silverware and the like; motor vehicles, both public and trade; miscellaneous household goods; fruit and vegetables; and importantly, livestock.

The Victorian Stock Agents Association provided the following interesting information about the industry in this statement to the review panel:

> In Victoria in 1997–98, 1 519 692 cattle, 5 910 843 sheep and lambs, 165 468 bobby calves, 102 175 pigs and 6294 horses were sold by auction in saleyards affiliated with the Livestock Saleyards Association of Victoria.

It is clearly a major industry. It was also interesting to note that in that same year 700 000 bales of wool valued at approximately $600 million were sold by auction in Victoria. The auctioneering industry is a very important industry and it plays a very important part in Victoria's economy.

I have some statistics from the Livestock Saleyards Association of Victoria. In the year 2001 the throughput was 1 118 749 cattle, 5 975 460 sheep and, interestingly enough, 350 horses, 86 446 pigs and 170 314 bobby calves. It is apparent from those figures that the livestock industry is a major industry.

In researching this bill I saw an article in the *Age* of 12 March headed 'Farm business up on previous year', which states:

> The preliminary estimate of Victorian agricultural turnover in 1999–2000 is $5.7 billion … according to the Bureau of Statistics …

In 1999 wool exports earned nearly $830 million and red meat production was $1.07 billion. Those figures again highlight that the food and fibre industries are very important industries.

When the National Party consulted on this bill the stock and station agents were, as I said, very concerned. They raised the issue with us and they sent a letter to the Minister for Agriculture on 25 June outlining their concerns. Those concerns were very extensive and I will not go through them all.

There is one I want to read out:

> The government, despite its best intentions, will have enormous difficulty in ensuring compliance with its recording legislation. It will never be certain of who is selling stock, under what circumstances, where transactions are taking place, or when, and where the stock is going.

The letter continues:

> Stock and station agents today have an increasingly significant role to play in the containment of any outbreak of livestock disease in Australia.

Then the stock and station agents raised the matter with the Minister for Agriculture. I am pleased to say the Minister for Agriculture and the Minister for Consumer Affairs met with the association, and that only came about following a discussion I had here in the Parliament with the Minister for Agriculture to say that the stock and station agents were disappointed that the discussions had not taken place even though they had written to the Minister for Agriculture.

I gave him a copy of the letter, which was the same as the letter he had received, although he said that unfortunately he had not got it. To his credit he quickly arranged a meeting for himself and the Minister for Consumer Affairs in another place. They met with the stock and station agents only last week and came to agreement about what could help the government to make sure the Auction Sales (Repeal) Bill got through this year and importantly to protect the livestock industry, which as I have highlighted is an important sector in the Victorian community.

For the sake of time I will not read all of the letter from the Stock and Station Agents Association following its meeting with the ministers. I know the honourable member for Richmond is keen to get up and finish this before tea tonight. However, I will read quickly from the letter:

> As a result of the meeting the association is comfortable with the process of repeal in relation to the Auction Sales Act 1958, subject to receipt of a written agreement …

The agreement arrived early this morning, and I will read from the letter outlining it. It is addressed to Andrew McCarron, the executive director of the Stock and Station Agents Association:

> As agreed, I have asked the Department of Natural Resources and Environment to convene an industry working group to explore options for training and accreditation of Victorian agents. The group should aim at reporting to the minister by June 2002.
>
> I expect the working group to include in its membership representatives from the SSAA, Wesfarmers, Elders and DNRE and to have the option of coopting other members as required.

That is appropriate.

> Further, I will raise with my counterparts in other states the notion of a national scheme for livestock agent training.
>
> With regard the establishment of a licensing regime for Victorian stock agents, the government's preference is for an industry self-regulating mechanism rather than for a legislative or regulatory licensing regime.

The association received this letter, and from my discussions with them I know the stock and station agents were a bit disappointed. When I spoke with the Minister for Agriculture earlier, he informed me that another letter has gone through, and my understanding is that that is satisfactory to the Stock and Station Agents Association. I finish off by saying that we are pleased the amendments have come through. We believe it satisfies the concerns we raised at the earlier stage.

The other matter is that country people are concerned about the controversy the Minister for Consumer Affairs has going in relation to dummy bids. I hear she is planning to outlaw dummy bids, and that declared vendor bids will be legal. This will place greater responsibility on auctioneers, particularly those I deal with in stock and station agencies and the like. Stock sales are a cultural event in country Victoria. They are robust, and many people go to them to monitor the sales of their own stock or other stock. Importantly, they are robust and hurly-burly in their operation. They are not devoid of criticism. Vendors often accuse buyers of collusion. Buyers accuse auctioneers of taking bids from anything that moves, including birds, to push up the price, and in this environment the minister should move carefully before she makes a decision.

I know she has said that this is only to do with real estate, but are we going to say that real estate auctions are different to motor car auctions or antique auctions or fruit and vegetable or livestock auctions? At the end of the day we have to get a consistent approach by the government.

I apologise to the honourable member for Richmond for not leaving him as much time as he would like. The

National Party will not oppose the legislation, with the inclusion of the amendments.

Mr WYNNE (Richmond) — I am glad of the opportunity to speak on the Auction Sales (Repeal) Bill and welcome the contributions and the support of the Liberal Party through the honourable member for Bentleigh and the National Party through the honourable member for Wimmera.

I am pleased that it has been acknowledged that the government has undertaken extensive consultation on the bill. The bill implements the government response to the recommendations of the national competition review of the Auction Sales Act 1958 by repealing the act and making consequential amendments to a number of other acts affected by the repeal.

The national competition review was undertaken in 1999–2000 and involved consultation with a broad range of organisations including the Livestock Saleyards Association of Victoria, the Victorian Farmers Federation pastoral group, the Victorian Stock Agents Association, the Auctioneers and Valuers Association of Australia, the Real Estate Institute of Victoria and Victoria Police. It has had broad consultation, as indicated by the honourable member for Wimmera. The government has also had further consultation since the review itself.

The bill was introduced last sittings with a commencement date of 1 January 2002. It was delayed with the agreement of the opposition to enable negotiation setting out requirements for the keeping of records of livestock under section 94A of the Livestock Disease Control Act 1994. These regulations were made to commence on 1 January 2002. The house amendment ensures the repeal of section 35 of the Auction Sales Act 1958, and clause 7 of the bill enables regulations to be made under section 94A and will commence on 1 January 2002 to coincide with the commencement of the regulations.

On 22 November 2001, as was indicated by the honourable member for Wimmera, the Minister for Consumer Affairs met with the Stock and Station Agents Association and the Minister for Agriculture on the bill. At that meeting it was agreed that the commencement date of the bill would be extended until 1 January 2003 to enable further discussion to take place between the association and the Minister for Agriculture. This date is now the default date for the commencement of the remaining provisions of the bill.

The Livestock Disease Control Bill, which is currently before the house, introduces a provision which is the equivalent of the present section 38 of the Auction Sales Act 1958, and the house amendment allows for the separate proclamation of the repeal of section 38 of the Auction Sales Act to coincide with the commencement of the equivalent provisions of the Livestock Disease Control Bill.

Consultation has also taken place on this bill with affected government departments, which is obviously very important, including the Sheriff's Office, the Magistrates Court, Victoria Police and the Business Licensing Authority.

The bill seeks to preserve the status quo so far as possible and therefore the exemptions for licensed auctioneers, sales by auction and certain categories of statutory officers which currently apply will be retained in the following acts: the Second-Hand Dealers and Pawnbrokers Act 1989, the Motor Car Traders Act 1986 and the Estate Agents Act 1980. A range of acts which currently recognise the licensing of auctioneers will be the subject of consequential amendments to remove references to licensing without otherwise changing the position of auctioneers generally.

Clause 7 of the bill is a saving provision which preserves the records of cattle sales kept under section 35 of the Auction Sales Act 1958 as if they were kept under section 94A of the Livestock Disease Control Act 1994. Regulations have been made in section 94A which will require the keeping of records of cattle sales for the purposes of tracking and controlling livestock diseases.

The national competition review concluded that the costs of licensing auctioneers of goods and administering the licences outweighed any benefits. This legislation removes an outdated licensing regime, which the review revealed provided no real benefit to those engaging auctioneers or buying at auction. These licences were found to be more of a formality and were often obtained through a simple process of filling out forms and obtaining signatures to support the application. The safeguards for the public remain the same in this legislation, as the bill maintains the status quo while at the same time repealing outdated legislation. The auctioneer of the goods is a person who performs a task for the proprietor of a business, and holding a licence provides no real benefit to those engaging auctioneers or buying at auction.

House amendments to clauses 2 and 3 of the bill provide for different commencement dates for certain provisions and enable certain provisions of the Auction Sales Act 1958 to be repealed separately. The first house amendment provides that section 1 comes into

operation on the day after the day on which the bill receives royal assent. The repeal of section 35 requiring the keeping of records of cattle sales will commence at the same time as the regulations with respect to the keeping of records made under the Livestock Disease Control Act 1994, as I said earlier.

I shall briefly touch on the house amendments. Amendment 2 to clause 3 provides for the repeal of section 35, as I indicated, which requires the keeping of records of cattle sales. Clause 7 inserts a new section into the Livestock Disease Control Act 1994, which relates to saving the records of cattle sales kept under section 35 of the Auction Sales Act. Regulations with respect to the keeping of records have been made under section 94A of the Livestock Disease Control Act and are to commence operation on 1 January 2002. Amendment 1 to clause 2 ensures that the repeal of section 35 and the provisions of clause 7 will commence on 1 January 2002.

A further amendment to clause 2 provides for the remaining provisions of the bill to come into operation on a day or days to be proclaimed; and proposed section 2(4) sets a default date of 1 January 2003 for the commencement date if the remaining provisions are not proclaimed prior to that date.

I think this is an important piece of legislation. It enjoys the support of all sides of the house and has involved extensive consultation. It arises from the national competition review. But I emphasise in finalising my brief contribution that the bill seeks to maintain the status quo so far as possible, and the listed house amendments assist with this by providing different commencement dates for certain provisions and by enabling certain provisions of the Auction Sales Act 1958 to be repealed separately.

The process by which this bill has arrived at this point is an important exercise. It is clear that the government has been prepared to consult with all the key stakeholders in developing this bill and particularly has picked up on concerns that were raised by a number of key stakeholders. There have been extensive discussions, particularly with the Minister for Agriculture and the Minister for Consumer Affairs in the other place, in relation to the potential impact of this bill. The government has listened to those concerns and believes it has accommodated them.

It is clear from the contributions of the honourable members for Bentleigh and Wimmera that the bill enjoys the support of all sides of the house. I wish it a speedy passage.

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

Debate adjourned until later this day.

Sitting suspended 6.29 p.m. until 8.02 p.m.

ENERGY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Debate resumed from 18 October; motion of Ms GARBUTT (Minister for Environment and Conservation).

Mr CLARK (Box Hill) — This bill makes further miscellaneous amendments to the legislative regime governing the electricity and gas industries in Victoria. For many of us electricity or gas are simply commodities that arrive when we turn on the power switch or the knob on the cooker or gas heater. However, the mechanisms that bring the electricity and gas to our doors are far more complex than that.

Over the years the arrangements under which electricity and gas first started to be supplied to customers have changed. Initially most of the provision of gas and electricity was in private hands. We then went through a period of quite a few decades when it was felt necessary that to achieve economies of scale and to drive the extension of the supply of gas and electricity throughout the community these services should be in public hands — at least in Victoria. Then in the 1990s we saw large parts of the electricity and gas industries in Victoria move back again into private hands. In other states the position has not necessarily been identical. For example, in New South Wales the provision of gas has remained in private hands throughout under a regulated regime.

With the changes over recent years we have seen that largely privately owned, disaggregated electricity and gas industries have provided enormous benefits to the community. They provide incentives to those running the businesses to run them better; they put people in a position of being able to take responsibility for their own decisions rather than constantly being second-guessed by ministers or by public servants; they provide choice to both domestic and business consumers; there is potential for introducing competition into many levels and sectors of the industry; and they free people within the system from being part of the one, monolithic, top-down, centralised organisation.

Last but certainly not least, with them is the discipline of a capital market that judges how well people are managing the assets that are entrusted to their care and applies the sanction of removing people from the custody of and responsibility for those assets if they do not deliver up to expectations. These advantages have been seen in a very practical way since deregulation, disaggregation and privatisation have been introduced in various ways and to various degrees in different states of Australia.

In Victoria's Latrobe Valley, for example, we have seen the availability factor — that is, the proportion of time in which the various generating plants are available to provide electricity — rise dramatically since the private ownership of those generating plants, which I should say was initiated under the previous Labor government and the premiership of Mrs Kirner.

Even in other states where there has not been the extent of privatisation that has occurred in Victoria, there has been disaggregation of the industry and the establishment of separate generation and distribution entities, with a considerable proportion of the gain that has been won from private ownership being achieved in public ownership. I should make the point that this process has taken place on a largely bipartisan political basis and was given great impetus by the Hilmer report initiated by the former Prime Minister, Mr Keating, in the early 1990s.

However, it has been found that in those states which have disaggregated but not proceeded to privatisation many of the benefits of this reform have not been able to be fully captured. That is primarily because of the lack of capital market discipline, and on the converse side the fact that there is still political and bureaucratic intervention and second-guessing of these enterprises.

In New South Wales these factors appear to have caused some of the government-owned businesses to have been very adventurous and aggressive in their pricing, to have thereby incurred significant losses, and in particular to have been very adventurous in some of the hedging contracts they have entered into.

The great advantages of the moving beyond decentralised public ownership and into private ownership of large parts of the industry have been recognised by Premier Carr and Treasurer Egan in New South Wales. They fought the good fight to the best of their ability, but in the end they were brought undone by the union domination of the Australian Labor Party in New South Wales. They fought it as hard as they could; they knew it was the right thing to do, but in the end the unions would not let them do it.

That is a particularly timely point to note in the present political climate, when the issue of the relationship between the trade union movement and the Australian Labor Party is a topic of current debate. This is not just a question for the newly elected federal Leader of the Australian Labor Party, Mr Crean; it is a question for every Labor leader in every state in Australia: what is their attitude to the relationship between the trade union movement and the Australian Labor Party?

Mr Lenders interjected.

Mr CLARK — What do the honourable members for Dandenong North and Richmond think about the 60:40 ratio between union and non-union representation at their state council? What does the Premier think about it?

Mr Lenders interjected.

Mr CLARK — The honourable member asks, 'Is this relevant to the bill?'. It certainly is relevant to the bill, because it is the union domination of the Australian Labor Party that has prevented significant gains being captured in this country that would have been good for jobs, investment, growth and consumers. The trade unions and their political influence over the Australian Labor Party have prevented that from happening. Where we have had privatisation we have seen significantly lower prices flowing through both to consumers and to businesses. From 1994 to 2000 we saw a 21 per cent reduction in real terms in prices for residential electricity consumers and even greater reductions for commercial users of electricity. That is not just a question of savings for consumers — —

Honourable members interjecting.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member for Gisborne is out of her place and interjecting.

Mr CLARK — It is not just a question of savings for consumers and benefits to households. It translates into jobs, because it enhances the competitiveness of Victorian industry.

Mr Lenders interjected.

Mr CLARK — The honourable member for Dandenong North may have heard of a motor car manufacturer called Toyota which has been highly successful in developing an export trade out of Victoria selling motor cars to the Middle East and other parts of the world. One of the key contributors to the company's lower cost structure has been the lower cost of

electricity that it has enjoyed under the reforms of the 1990s.

The last thing we want to see in this state is the sort of cost-competitive edge that is so important for our new and growing manufacturing industries being undone through bad management, bad governance and bad legislation applying to our electricity industry. We have seen the benefits flowing through to consumers and businesses by way of better services. We have seen value-added products being offered to consumers by electricity distributors and retailers. We have seen improved responsiveness on factors such as connection times. We all remember the bad old days. Those of us who perhaps in our student or younger days were tenants in various places remember the difficulty of arranging new connections when one was moving into premises, often having to wait for someone to come along, read the meter and flick the switch. We have moved well beyond those days.

As far as business consumers are concerned, we have also seen a range of tariff options which have been better targeted towards the demand profile of those businesses and their ability to absorb the risk of being off supply. We have seen those very significant benefits coming through.

Contrary to some of the populist arguments that certain honourable members opposite like to raise for time to time, it has not been a total deregulation where a whole lot of private businesses have been allowed to operate in the market as they see fit. It has been a privatisation, a disaggregation, an opening-up of the market and of the industry under a very carefully put together framework of regulation to protect the interests of consumers, particularly in relation to the monopoly elements of the industry. We have seen that with the Office of the Regulator-General, an office which has basically been retained by the present government even though it has rebadged it and called it the Essential Services Commission. It is basically the same outfit under a different name and under slightly different rules.

We have seen the licence conditions providing protection to consumers and the Regulator-General being very diligent in setting and governing the terms of those licences. We have seen requirements for service standards and service delivery, as we have seen the price controls that have been applied for franchise customers. We have seen the framework that has been put in place to establish standing-offer prices when we move to full retail contestability.

Now let us look at what is causing difficulties for the industry. The difficulties are coming from the honourable members opposite and the government they support. They have been highly ambivalent in their approach to the industry. On the one hand they want to use the reforms to the electricity and gas industries as a platform to attack the previous government, while on the other hand they want to be able to say that they are friends of business and that they really do understand business.

We get those split messages from the government and a willingness to put politics ahead of good decisions. It is creating instability and uncertainty in the industry that is likely to undermine the benefit of the reforms to date and adversely impact on both consumers and businesses.

The Treasurer and from time to time the Premier are saying, ‘We are a business-friendly government. We understand your needs. We understand that successful business is not a bad thing for growth. It is the vehicle for growth and development in the state’. That is the message the government is trying to give when it goes along to energy conferences and when it holds business round tables. Yet other honourable members, such as the honourable member for Gisborne, go out and say, ‘Look at the terrible mess the government has inherited. This is a shocking system that the Kennett government left. We would love to fix it up and renationalise the industry, but it is not possible. But we will defend you and take the worst excesses off the scheme and put those energy companies back in their place’. It is that sort of cheap populism that is undermining the stability and confidence in the energy industry and is therefore likely to diminish the benefits that are available both to consumers and to business customers.

If we look in particular at the price rise proposals that have been coming forward in recent times, we see that the Minister for Energy and Resources in the other place has been saying quite properly that the proposed price rises are matters to be dealt with by the Regulator-General. He will consider them and make a recommendation to the government for its decision. But then the Premier was running the populist line about how tough the government was going to be on power companies that are seeking price rises.

There have been those split messages, but a further factor has caused difficulty to the industry — that is, the sheer inability of the present government since being elected to manage the administration of the electricity and gas industries. That was most graphically seen with the power blackout over the summer of 2000. Two states were affected by those breakdowns and other

difficulties during that summer, South Australia and Victoria. However, the South Australian government responded quickly and effectively. When it knew there was a problem, and was told and given the same information as the Victorian government, it got its power restrictions in place in time to avoid unannounced, unwarned, random blackouts across the suburbs of Adelaide. What happened with the Bracks government? When the Premier was away and the Deputy Premier did not quite know what to do, suburbs around Melbourne were blacked out without any warning.

At the other end of the incident when the power supply was coming back on, what happened? This government left the restrictions on when it should have and could have taken them off. When the South Australian government had the information and managed it, what did this lot do? It left the restrictions on so that Victorian consumers could not use the power that was available. We saw the power going to New South Wales not because of any nefarious activities on the part of the generation companies, but simply because this government had in place restrictions which prohibited Victorian consumers from using the available power. It seemed to think by some flight of fancy that you could put electricity in the fridge and use it later. It did not realise that if you did not use it at the time it could not be stored up.

The government mishandled that situation at both ends of the problem. Then it had the nerve to turn around and blame the advisers, the officers and the staff in the regulatory agencies who were doing their jobs. They were supplying information to Victoria and to South Australia, but the Bracks government ministers just could not get their minds around it and could not cope.

Following that graphic episode, there has been another constant stream of mismanagement from this government with the problems of establishing new generation capacity and the commencement of full retail competition. These two areas of mismanagement have implications for pricing, customer choice, and the extent of generation capacity over summer and whether there will be continuity of supply over summer.

Let us look firstly at full retail contestability. This should have been put in place from January 2001. It was delayed by the present government until January 2002. It gave itself an extension and said it would put it off for a year. However, with January 2002 fast approaching, mixed messages are coming from the government as to what will exactly happen.

The Regulator-General has put out brochures to the community about the virtues and benefits of choice. Without having read every word, overall it appears to be a very good leaflet and a timely one for householders. However, the Regulator-General is only able to say in this leaflet that from early 2002 consumers will be able to choose their electricity retailer. It appears that not even the Regulator-General has been given clear guidance from the government as to the exact commencement date. I understand the minister is talking about a commencement date of 13 January, but others are not so sure that will go ahead. Concerns have been raised about whether the systems are in place for business-to-business transmission of information.

The government has had two years to get itself organised — two years to get everything worked out. It gave itself a year's extension because it could not cope with it when it was first due. Now full retail contestability is due to take place early next year. If it is not up and running early next year — and up and running without problems — it will clearly be the government's responsibility.

On the one hand the government is delaying full retail contestability, and on the other there has not been an extension of the winter power bonus. The winter power bonus was put in place to provide to consumers a benefit from privatisation prior to the introduction of full retail contestability. It was put in place for a three-year period for three winters, because in the following summer full retail contestability was to be in place so that people would have the benefits of competition.

Mr Lenders interjected.

Mr CLARK — The honourable member for Dandenong North asks by interjection, 'Why wasn't it in the forward estimates?'. That is the answer: because it was to last for three years and then full retail contestability would be in place and people would get the benefits through that contestability. However, this government delayed full retail contestability but did not extend the winter power bonus. So $60 per winter has been added to the power bills of Victorian citizens. That was the dominant factor in giving Victoria one of the largest increases in the consumer price index figure in any state in Australia on the most recent figures. That is one manifest and damaging consequence of the inability of the current government to cope with the regulation of the electricity industry.

The second equally damaging problem is with the creation of new generation capacity. Honourable

members opposite should not need me to tell them that as society grows and as the use of electricity grows, as the use of airconditioners increases and computerisation expands, as well as other factors that draw on electricity consumption, there will be rising demand. The way the model should work is that as demand increases there is the incentive for people to establish new generation capacity to fill that gap.

Initially it will most likely be peak-load capacity because that is where the prices are carried highest and where there is opportunity for people to come along most quickly with more capacity, such as through gas generation. As the level of demand continues to rise it will at some point become profitable and logical to install more base-load capacity. That is the direction in which the industry should go, and as far as the private sector is concerned the direction in which it would want to go.

A number of businesses have come forward with proposals for gas-fired and other peak-load capacity and we have seen the government move quickly to attach its name to the announcement of these projects and say, 'Here's this project. It'll go ahead and be on line before next summer. This is the Bracks government acting to make sure we don't have power shortages in this state'. But then what happens? The usual practice of this government is that it is right in there at the press conference, at the photo opportunity, but the minute that has gone ahead it is nowhere to be seen and it leaves people to their own devices to sink or swim.

Four projects were announced to deliver a total of 993 megawatts of capacity — they were going to provide the extra capacity. Subsequently a number of those projects hit difficulties with the union movement or over planning and environment issues. We are now at the point where only some of the projects are likely to be available for the coming summer. As I understand it the AGL plant at Somerton will provide 150 megawatts. However, on latest estimates the plant will be likely to have only about half of that capacity available in mid-January and the other half is expected to be available in mid-February.

Proceedings before the Victorian Civil and Administrative Tribunal about the AES Transpower proposal for Stonehaven prevent that capacity being available over the summer. The Edison Mission Energy proposal for 300 megawatts for the Loy Yang B power plant is expected to be available at the beginning of February 2002. A proposal by Duke Energy at Bairnsdale for 43 megawatts is on latest estimates expected to be available at the end of January 2002.

However, several of these projects have struck a series of difficulties, as I indicated previously.

This government, which has a close working relationship with the union movement, has let the union movement walk all over it on this issue, just as it let the union movement walk all over it in relation to the Japanese food processing company to which it made so many commitments to lure it to construct its new plant at Melton. The government has simply left these power companies to their own devices.

In relation to planning and environment matters we have seen a situation where in the past we would have expected the Department of State and Regional Development, the minister and the parliamentary secretary being out there helping those companies resolve these issues, find the right sites to build their plants, and work through and resolve the planning and environmental issues that have been raised. That was the sort of facilitation and support that was provided by the predecessor of the Department of State and Regional Development under the previous government, but under the current minister and the current parliamentary secretary the wheels seem to have fallen off the cart and these companies have not had much help in getting problems sorted out.

There have been these difficulties and delays in getting new generation capacity available. We might also well ask, 'What is happening in terms of this increase in the interconnection capacity between Victoria and other states and the delays that have taken place in that?'. We might also point to what the government's colleagues in New South Wales have been doing to the market through the pooling arrangements that they put in place there, which do not seem to be doing much to help further the market in electricity.

What has been the outcome of all of this mismanagement, the delay in full retail contestability, the delays in establishing new generation capacity and the delays in extending the interconnection capacity? The bottom line is that all of these factors are putting pressure on prices. Wholesale prices have gone up and that has put up the costs to retailers. Now the retailers are going to the Regulator-General with proposals for price increases, which the Regulator-General will need to assess. It will then be up to the government to decide on those assessments.

It is absolutely clear that had it not been for these delays in generating capacity and interconnections and the lack of the competitive disciplines of competition there would have been a lot less pressure on retail prices than there is at the moment. We would be a lot better off

than we are at the moment. Consumers would not be under the same risk of facing price increases as they are as a result of the government's delays and mismanagement. The delay in bringing in full retail contestability also means that the benefits of competition and choice have not been available to consumers over the year to date. We must all hope there is no further delay in the introduction of full retail contestability that will further delay those benefits flowing through.

Given the situation it has created the government is obliged to ensure a fair outcome in terms of the prices that are set. The government also has to avoid putting a Californian-type squeeze on the industry, where we end up with a jam between regulated retail prices and unregulated wholesale prices. In particular the government needs to reverse this policy of inaction it has had to date and work with the industry to start getting increased capacity and interconnection established as quickly as possible.

The honourable member for Dandenong North earlier raised by interjection the question of blackouts and power shortages. He referred to the report of Nemmco on this issue.

He is quite right in saying that the latest assessment by Nemmco is that hopefully it looks as though the situation will be adequate for this coming summer on Nemmco's latest estimates of available capacity and likely demand in the marketplace. But if there are unexpected breakdowns we could well have a problem just as we did in a period last summer; and if that happens, for all the reasons I have given, the government will have to accept full responsibility for those shortages as a consequence of the hand-washing approach it has adopted to date.

Now I turn to some of the specific provisions in the bill. Most of these provisions are fairly unexceptional and relatively minor amendments which hopefully will facilitate the introduction of full retail contestability and make some minor improvements to the regulatory regime. Some provisions change the arrangements for suppliers of last resort and provide for ongoing supply after a three-month period. We have in clause 7 for electricity and in another provision later in the bill for gas some new deemed contract provisions which will apply where a customer is drawing supply but where there has not been a supply or sale contract with a licensee. In that situation, as the minister described it in the second-reading speech, a deemed contract will be applied, with the licensee responsible for the wholesale settlement. It is clear that some mechanism is needed to cope with situations where electricity or gas is being drawn but there is no proper contract in place.

However, I raise one issue in relation to this clause for the consideration of the parliamentary secretary if he speaks later in the debate, or for the minister — that is, how this clause is likely to operate where one tenant moves out and another tenant moves in without notifying the electricity supplier. As honourable members would know, in households consisting of younger persons and students there is often an evolving transition of people sharing the house as some move on and others move in or there might be a handing over of a lease by an informal arrangement between the outgoing and incoming groups. In that situation it is quite likely that people might not get around to telling the electricity supplier that there has been a change. So the question is what will happen when the current tenants get around to telling the electricity supply company that there has been a change of tenant and want to have the contract put in the name of the current occupier of the property?

On my reading, this provision may operate with retrospective effect because it dates from the commencement of supply to a new customer. As I understand it, you could have a situation where people living in a house are quite happily drawing power under a contract that was initially entered into by their tenant predecessors, but when they tell the electricity supply company that there should be a change of name on the bills, this provision kicks in. Instead of drawing power under the terms that applied until then, they will be told, 'No, you are on a deemed contract'. The question is whether there needs to be a retrospective adjustment in the prices, as it would seem quite likely that the adjustment to the deemed contract level would be adverse to the customers. Presumably if their predecessors shopped around for another contract they would have obtained a better price than the deemed contract.

So I pose this question to the parliamentary secretary, and I look forward to his answer: is my assessment of the situation correct? In this situation will there be retrospective invoicing of customers which requires them to pay at a higher tariff back to the time that they moved in and their friends moved out?

Other provisions in the bill regulate cross-ownership of new generation facilities. It appears there is a technical argument that companies could end up holding prohibited interests in situations where that is not intended, and there are other technical changes in relation to the electricity industry. The bill provides the gas industry with a similar supply of last resort and

deemed contract provisions as for the electricity industry. There is also provision for the Office of the Regulator-General to require changes to be made to the retail gas market rules that are submitted to the office by Vencorp or by gas distribution companies.

The final provision to which I will refer relates to recovery of the costs of development of retail gas market rules. I understand from the briefing that was given to the opposition by officers of the department that this amendment has been developed after considerable consultation with industry and meets the concerns of industry. One more provision that is worth noting is that the bill will allow Vencorp to provide some of its full retail contestability skills and services outside of Victoria.

Let us hope that the minor amendments made by the bill are correctly prepared and are adequate to their task. The main challenge facing the government is the big issue of getting behind companies that are trying to bring new generation capacity to this state, getting behind moves to establish more interconnections between New South Wales, Victoria and South Australia, and getting behind the move to full retail contestability to ensure that it takes place on time and without difficulties and therefore, as a result of a combination of all of those changes, relieving some of the pressure which the inaction of the government to date has put on wholesale prices and therefore retail prices, so we can return to capturing some more of the enormous potential benefits of industry reform that are there for the taking.

Mr KILGOUR (Shepparton) — I rise to speak on the Energy Legislation (Miscellaneous Amendments) Bill and to say at the outset that the National Party will not oppose this legislation.

The bill makes a number of technical amendments — very technical in many cases. We believe it is absolutely necessary for the bill to be passed to ensure that full retail competition is available early next year.

It is easy to see from the explanatory memorandum that the bill is complicated. It amends the Electricity Industry Act 2000 and the Gas Industry Act 2000. The principal purpose is to provide complementary amendments to the Electricity Industry Act and the Gas Industry Act in relation to specific customer safety net provisions — those contract provisions which arise in circumstances when a customer takes the supply of electricity or gas without having entered into a contract with the relevant retailer. That will happen probably thousands of times during the transition phase into full retail competition as people choose to enter into a contract or cancel a contract for the supply of electricity or gas within the relevant cooling-off period, provided they continue to take supply of electricity or gas from the same retailer.

As can be seen in the bill, full retail competition will continue to be regulated by the Office of the Regulator-General, even though that office becomes a part of the Essential Services Commission (ESC).

At the outset I want to say how pleased I have been to deal with the Office of the Regulator-General. The Regulator-General has done a very important job since the office was set up under the previous government. It was interesting to look the annual report of the Office of the Regulator-General, which suggested that 2000–01 was a year of progress and achievement for the office in developing and interpreting the regulatory framework, improving consultation and decision-making processes and delivering a number of important regulatory decisions. The report states that 2000–01 was also of significance as the last year of operation of the Office of the Regulator-General. From 1 January 2002 the office is to be subsumed by the Essential Services Commission (ESC), which will then become the economic regulator for Victoria's essential utility services.

As the report of the Regulator-General states, the office's most important challenge during 2001–02 will be the management of the transition to the ESC and integrating new functions and institutional arrangements, while maintaining the delivery of efficient and effective regulatory outcomes. During the eight years of its existence the office has laid a solid foundation on which to build the institution and regulatory improvements embodied in the Essential Services Commission Act 2001. From 1 January 2002, delivery of those improvements will be the responsibility of the new ESC.

With the changes, the whole operation of gas and electricity is very complicated. The electricity industry in Victoria comprises many parts. First there is the generation of electricity, and that part of the industry is made up of generation companies that compete to sell electricity into the wholesale market or national electricity market (NEM). The National Electricity Market Management Company, commonly called Nemmco, operates the wholesale market and the interconnected power systems that make up the NEM in Victoria, New South Wales, South Australia, Queensland and the Australian Capital Territory.

Next we have Vencorp, or the Victorian Energy Networks Corporation, which is responsible for

planning and directing the augmentation of the Victorian shared transmission network.

Then it gets more complicated. We have a transition company, SPI Powernet Pty Ltd, which owns the high-voltage transmission network transporting the electricity from the generators to the distributors and operates the Victorian network on instructions from Nemmco. We have many players in the field, but that is necessary so that we can separate, as we did originally, the generation, the transmission and the retailing of the electricity.

Next we have five distribution companies: AGL Electricity, Citipower, TXU Electricity, Powercor Australia and United Energy. They distribute electricity in defined areas. Five local retailers also exist in the market — namely, AGL Electricity, Citipower, Origin Energy, Pulse and TXU Electricity, which sell electricity to non-contestable customers in former franchise areas and to contestable customers generally. In addition we have independent retailers which sell electricity to contestable customers.

The structure of the industry is quite complicated. We note that electricity generation is competitive and that retailing is being progressively opened up to competition with customers consuming more than 40 megawatt hours a year. It is a very big industry. The industry has been around for a long time and has been through a number of changes in recent years. It is still changing, and the current changes are part of the final transformation to full contestability in the marketplace.

The Regulator-General has done his work well; he has given the people an understanding of what the electricity industry is all about and what his office is all about. People are learning that the watchdog is there looking over the pricing and is able to say, 'We think your prices are too high' or 'Your prices need to be looked at', and so on. I congratulate the Regulator-General for putting out to the people a number of pamphlets including, 'All about your new power — A step-by-step guide' with the main headings, 'The power of choice'; 'Competition is coming'; and 'Soon you'll experience a new kind of power'. The power does not change but the way you might get the power will change. The last pamphlet explains how competition is coming to electricity retailing:

> All Victorian households and businesses will soon be able to choose the retailer they buy their electricity from.
>
> The Office of the Regulator-General will keep you informed about the changes as we get closer to the commencement date.

I think it is good that the Regulator-General has bothered to put these pamphlets out to the people of Victoria, because they want to know what is going on in the electricity industry.

The pamphlet 'Competition is coming' is written in words the general public can clearly understand. It is good that the Regulator-General has provided the Victorian people with the information they need, even to the extent of a pamphlet called, 'What is the Office of the Regulator-General?'. The ORG is advising the people of what it is all about.

The bill is designed to further clarify the regulatory framework for the electricity and gas industries and represents a further step in refining the regulatory framework. It streamlines the existing default contract provisions for both the electricity industry and the gas industry, so we will now see both industries treated similarly as far as sales, transfers of contracts between companies and transfers between householders and retailers and so on are concerned.

The provisions are relevant when a customer moves into new premises and takes on an existing supply of gas or electricity without having entered into a contract. That is going to happen time and again when people shift premises. They will move into another house and automatically take over the supply of energy the previous owner or tenant was using. For this reason the bill makes amendments to the supplier of last resort provisions in both the electricity and gas industries so that people who enter into a market contract with the relevant retailer that subsequently cancels are protected by a cooling-off period.

Technical amendments are also made to the electricity cross-ownership restrictions as they apply to new generation facilities. The approval process applying to any retail gas market must adhere to rules submitted by Vencorp, and a gas distribution company must adhere to the Office of the Regulator-General — so the Regulator-General will still be highly involved in the changes as we see them happen.

The bill also modifies the cross-ownership provisions as they apply to the development of new generation facilities. Currently the Electricity Industry Act 2000 provides that an existing generation or distribution company does not hold a prohibited interest as a result of holding an interest in another generation company which has established a new generation facility.

Clause 8 proposes an amendment to make plain the new generation companies' entitlements to benefit from

the exemptions. Hopefully that will encourage the development of a new generation capacity in Victoria.

Clause 6 deals with the operation of the supplier-of-last-resort provisions and clarifies that the terms and conditions approved by the Office of the Regulator-General may also provide for the ongoing supply of electricity following the expiry of a three-month period fixed by section 27 of the Electricity Industry Act. It clarifies the fact that people will be able to have their supply of electricity follow on.

Clause 7 consolidates the existing provisions of the Electricity Industry Act relating to the formation of deemed contracts. A contract will be deemed to have been taken out in cases where customers move into premises and, as I said, take the supply of electricity without first formalising their contractual arrangements. People will be able to move into new premises and be deemed to have had a previous contract, as did the previous occupier of the premises. The customer will be deemed to have a contract for the supply and sale of electricity with the licensee responsible for those premises.

Clause 7 also provides for a deemed contract to arise where the customer entered into a contract with the relevant retailer prior to entering the premises but then exercised their right to cancel the contract given the cooling-off period provision in the Fair Trading Act as set by the Essential Services Commission, which will be the successor to the Office of the Regulator-General.

Part 3 of the bill amends the Gas Industry Act. Clause 11, which inserts proposed section 34(11A) and (11B) into the Gas Industry Act, deals with the operation of the supplier-of-last-resort arrangements in the gas industry and clarifies those terms and conditions approved by the Office of the Regulator-General. As it does with electricity it will do with gas, in that it applies to the ongoing supply of gas following the expiry of a three-month period fixed by section 34 of the Gas Industry Act.

The bill contains many complicated provisions, which will take a while for people to get around. They are not easy to understand, so we trust that the Department of Natural Resources and Environment and the industries involved, which have been contacted and which do not have any concern about the bill coming forward, will be able to work under these new arrangements to ensure that the supply of electricity in Victoria continues to be available to the people who need it and, more importantly, at a contestable price, which will see true competition come into the area.

Already there are concerns among residents of my electorate about the price of electricity, particularly for cool stores, where costs will increase by about 70 per cent. I hope that that trend will not continue. The National Party wishes the bill a speedy passage so that the changeover in the regulation of electricity and gas continues.

Mr HOWARD (Ballarat East) — It is my pleasure to speak on the Energy Legislation (Miscellaneous Amendments) Bill, the background to which relates to the privatisation of the electricity and gas industries in this state, which commenced under the former Kennett government and has remained a controversial issue.

As part of the privatisation process the state is moving into a brave new world in comparison with other states in determining how it can work to the best advantage of Victorians through enabling competition in the industry to develop properly and in a healthy way so that consumers can gain the benefit of a competitive pricing structure.

I will comment on some of the statements made by the honourable member for Box Hill, who extolled the privatisation of our gas and electricity industries. However, if you ask most Victorians what they think about the privatisation of our gas and electricity industries, they will say they have seen significant job cuts across that sector under the new private owners. They are aware that electricity prices are threatening to skyrocket once the industry is freed up next year, and they are quite concerned about that.

Although the honourable member for Box Hill commented about improved standards of service, the people of Victoria are very cynical about that point of view. There have been a significant number of blackouts in my electorate, and only a couple of weeks ago even the centre of Melbourne was hit by a significant blackout. Many questions need to be asked about how service standards have increased under private ownership.

However, since the Bracks government has come to office it has taken the process forward and has recognised that promises were made about full retail contestability. If we are to have privatisation then the government is committed to it. If there is no way around that, we need to make sure that we can work through the very complicated process of establishing the way in which the Office of the Regulator-General, and its successor, the Essential Services Commission, will work to oversee the organisational processes within these industries to ensure a reliable energy supply for Victorians.

A significant thrust of the bill is about the government wanting to ensure that next year consumers know where they stand and that measures are in place to protect those who are unsure of their rights and the way to deal with the range of electricity or gas companies from whom they can buy their energy.

The bill refines legislation the government introduced last year and clarifies issues associated with default contracts when people move into a new home or there is a changeover of people living in a house. It makes it clear who will be supplying them and the length of time the two billing periods will be in place under the existing contractor at the specified price before the new purchaser needs to do something about it, or it gives them time to establish what they need to do.

The bill also refers to the issue of a supplier of last resort. It ensures that companies are designated in particular regions to be the companies that are obliged to supply electricity and gas to people in those particular regions as the suppliers of last resort so there can be certainty for all consumers and so that consumers are given time to evaluate the options of entering into contracts with other suppliers. These arrangements are technical, and the bill will help to provide a safety net to ensure that people will have some surety as we move to what will be a new system for consumers so that they are protected and understand the options available to them.

The bill also includes refinements on the cross-ownership arrangements that were introduced last year. This legislation builds on the cross-ownership arrangements to progress the new generation facilities to be constructed in this state and to facilitate different corporate structuring arrangements which may exist where an existing electrical generator wants to establish new generation facilities under a different name.

The bill also provides for approval of the rental gas market rules by the Office of the Regulator-General. It refers to full retail competition and cost recovery by gas distribution businesses, regulates the framework under which they can recover costs from the retailers and clarifies the role of the Regulator-General in establishing those arrangements.

The bill further clarifies issues in regard to Vencorp regarding the extension of full retail competition activities. It recognises that in establishing this complex system of arrangements whereby full retail competition can take place Vencorp has developed significant intellectual capital in the information technology systems it is setting up, and that there are opportunities for Vencorp to look at selling some of its intellectual capacity to other states. That will enable Victoria to get a return from the way the new systems are being established. The costs that will be incurred as a result of the new systems can be defrayed by the gaining of funding from other states that may wish to purchase some of that intellectual capital.

The bill will ensure that Victoria is in a good position to deal with the challenges facing the electricity and gas industries as we move into the new phase of retail contestability across the state. It will ensure reliability of supply of services for some time to come. It will also ensure that consumers are protected and will understand the system. As the honourable member for Shepparton said, pamphlets have been produced by the Office of the Regulator-General to explain the changes that will occur next year when consumers are put in the position of having to determine with which supplier they will contract their electrical services.

I trust that the people of Victoria will understand that there will be benefits from this open competitive market system within the electricity and gas industries. I wish the bill a speedy passage and trust that through its refinements we can ensure that the industry will function better next year.

Debate adjourned on motion of Mr KOTSIRAS (Bulleen).

Debate adjourned until later this day.

VICTORIAN INSTITUTE OF TEACHING BILL

Council's amendments

Returned from Council with message relating to amendments.

Order to be considered next day.

JUDICIAL REMUNERATION TRIBUNAL (AMENDMENT) BILL

Council's amendments

Message from Council relating to following amendments considered:

1. Clause 6, page 7, after line 2 insert —

"(4) A reference of a matter for an advisory opinion must be in writing.

(5) The Attorney-General or, if an Order under section 11(2) is in force, the relevant Minister, must cause notification of a reference under this

section to be published in the Government Gazette specifying the matters referred to the Tribunal for an advisory opinion within 7 days of referring the matter to the Tribunal.".

2. Clause 6, page 7, line 3, omit "(4)" and insert "(6)".

3. Clause 8, line 26, after "recommendation" insert "or a report of an advisory opinion".

Mr HULLS (Attorney-General) — I move:

That the amendments be disagreed with.

These amendments are being opposed by the government. The Judicial Remuneration (Amendment) Bill that is currently before the house is again groundbreaking legislation. It comes from a reforming government and is long overdue. In the past Victoria dragged its feet when it came to judicial remuneration and the way it was set.

It is true that a Judicial Remuneration Tribunal (JRT) was set up some time ago. The role of that tribunal was supposed to be independent of government, and its role was to set the remuneration of judicial officers. However, the process that was adopted by the previous government in relation to the JRT was nothing short of scandalous, and I find these amendments not only inappropriate but in fact hypocritical. Not only are they incorrect and inappropriate, but they are hypocritical.

The reasons that are being put forward for these amendments are that the opposition wants to make this new Judicial Remuneration Tribunal more transparent. This is coming from an opposition who when it was in government used to — —

The ACTING SPEAKER (Mr Lupton) — Order! There is too much conversation in the chamber. It may be Christmas, but I would like to hear what wonderful words of wisdom the Attorney-General has to say.

Mr HULLS — I can speak a lot more loudly, but as I said, these amendments are hypocritical because they come from an opposition that when it was in government used to under a veil of secrecy actually amend — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Glen Waverley will not use that language in the chamber!

Mr HULLS — Particularly when you do not know what it means! You are a goose!

Mr Leigh interjected.

The ACTING SPEAKER (Mr Lupton) — Order! It may be early in the night, but we are going to have a bit of decorum. Do I make myself perfectly clear?

Mrs Peulich interjected.

The ACTING SPEAKER (Mr Lupton) — Order! And that includes the honourable member for Bentleigh.

Mr HULLS — What used to happen under a veil of secrecy was that recommendations were indeed made by the JRT, but the former government did not adhere to those recommendations and used to change the recommendations of the JRT in cabinet. So the JRT made recommendations in relation to judicial salaries, but the former Attorney-General, Jan Wade, not only did not adhere to those recommendations but came out of cabinet with different recommendations.

The government is opening up the process and making it far more transparent. For the opposition members to have the audacity, gall and hypocrisy to be saying that they want to move these amendments because they want a more transparent process defies belief. Perhaps to his credit the shadow Attorney-General did not know what was happening when the former Attorney-General used to amend recommendations of the Judicial Remuneration Tribunal (JRT), and I hope that is the case. I hope the reason he is moving these amendments is that he was not aware of what was happening under the previous government.

This is good legislation. It adheres to the recommendations of the Honan report. For the first time it brings the Victorian Civil and Administrative Tribunal under the auspices of the JRT.

The shadow Attorney-General and other honourable members — in particular the honourable member for Kew — said that it is important in the interests of transparency that the public know what advice has been sought and what the response of the JRT might be, if indeed a reference is given to the JRT concerning policy matters. The amendment being moved requires the Attorney-General to make written requests for advisory opinions, publish a request for an advisory opinion in the *Government Gazette* and publish a report on that advisory opinion in the *Government Gazette*.

If the shadow Attorney-General has followed the debate he will know that a number of his colleagues in the upper house claim that the bill in its current form would allow any member of cabinet to seek an advisory opinion. That is just not the case. The facts are that under section 11A(1) only the Attorney-General can seek an advisory opinion in relation to courts and the

VCAT, and under section 11A(3) only ministers with portfolio responsibility for tribunals referred to by the JRT can seek an advisory opinion. For example, only the Minister for Health can seek an advisory opinion on the Mental Health Review Board.

I need to draw to the attention of the house the fact that there are a number of situations where it would not be desirable for a request for an advisory opinion to be made public. I hope opposition members fully understand that when debating their amendments. For example, on policy development the JRT could be used to inform the government's response to a policy issue. An example I could foresee would be how to respond to the commonwealth government's superannuation surcharge as it affects judicial officers. Such advice could form part of the cabinet process and indeed ought to be confidential.

There could be advice sought about individual judges. There might be unique circumstances of individual judges that would require an advisory opinion. I can envisage a situation where a particular judge may require some form of extended leave on top of his or her sabbatical leave. It may be necessary for personal or medical reasons. As a result an advisory opinion would be sought from the JRT on those circumstances. The government believes it would be inappropriate to publish those matters in the *Government Gazette*. There may be issues in relation to maternity leave and advice may need to be sought on these issues. Again, those circumstances should not be made public and should not be published in the *Government Gazette*.

At page 35 the Honan report proposes that the JRT be able to give advisory opinions so that it can act as a sounding-board for the Attorney-General on matters not directly related to judicial service but which may have an impact on concerns such as the ability to attract and retain candidates for judicial office. In those circumstances the government believes it would be inappropriate to publish those matters in the *Government Gazette*.

The Honan report made it clear that the current situation is unsatisfactory and that in the past there have been considerable lapses of time between the tribunal's delivery of a report and the public knowledge of its content. The shadow Attorney-General may remember that the most extreme example occurred in 1996 when there was a nine-month delay between the JRT delivering its report to the then Attorney-General and that report being tabled in Parliament.

Although the shadow Attorney-General says he wants to move these amendments to ensure there is no veil of secrecy, at the time I did not hear him claim there was a veil of secrecy in relation to that nine-month delay. Was there an attempt at that time to hide the contents of that JRT report and release the recommendations at a more favourable time, perhaps after a forthcoming election? The fact is that this legislation makes the process more open and transparent, and it allows the Parliament at the earliest possible opportunity to review the recommendations of the JRT.

The legislation is about greater transparency. The JRT reports will be made available to the public in the process, and the government believes that is both appropriate and transparent.

Dr Dean interjected.

Mr HULLS — The shadow Attorney-General interjects and says if that is the case we should have agreed to the amendment. That is not the way you run government.

It is almost a 'Me too' and a 'Let's go one step further' attitude. The government has introduced good legislation, and I am sure most honourable members believe it is good legislation. It is appropriate legislation which opens up the process. The government is not going to simply agree to amendments which, as the shadow Attorney-General will recall, were shown to it only at the very last moment. The government undertook to analyse those amendments and now that that has been done it believes they would not add anything at all to the process and would not allow references to be made in particular circumstances. As a government we would not want certain matters published when they relate to the individual circumstances of particular judges.

While I thank the opposition for its support of the thrust of this legislation and while the government does seek advice on and considers any amendments the opposition wants to move to any legislation, on this occasion it is not prepared to accept the opposition's amendments for the reasons I have outlined. I am very keen, as I am sure all honourable members are keen, to get this new Judicial Remuneration Tribunal up and running. The terms of the current tribunal have expired and it is important that Victoria has a modern Judicial Remuneration Tribunal which is open and transparent and which can deal with circumstances as they exist now. Any holding up of this bill will delay that process.

I hope the shadow Attorney-General has spoken to members of the judiciary about this bill. It is my understanding that they are supportive of the new Judicial Remuneration Tribunal. They had some

concerns about whether or not retired judges ought to be able to sit on the tribunal. The Honan report ruled that out and the government has agreed with the recommendations of the Honan report because retired judges pensions are linked to findings of the tribunal, and the government believes that has the potential to cause a conflict of interest.

The government has agreed with the Honan report and implemented its recommendations in this legislation. It is good legislation which ought to be supported; that is why the government is opposing the opposition's amendments.

Dr DEAN (Berwick) — The Attorney-General started off by saying that the reason the opposition wanted to move these amendments was to make the legislation more transparent. His point at the time was that that was very hypocritical of the opposition, because previously Victoria had a less transparent system. That may or may not be correct, and perhaps there is an element of hypocrisy in this, but I am the shadow Attorney-General and the party and I are making decisions as to where we stand now. If a party cannot make its decisions about policy as it goes along and has to be bound by the previous decisions of previous people who are no longer in the Parliament, that is a very sad thing. If the Labor Party followed that particular road, it would be in deep trouble now on many issues.

The Attorney-General is absolutely right. The opposition agrees with and supports this legislation, which I made quite clear in my previous speech on the bill and to the judiciary, and it is moving these amendments because the legislation needs to be totally transparent. A thing cannot be three-quarters transparent; it is either transparent or it is not.

Given that the Attorney-General proposes inserting a provision into the Judicial Remuneration Tribunal Act which says that for the first time he can obtain opinions on specific matters from the tribunal and that he will receive responses about those opinions which may or may not dictate policy and which may or may not be recommendations, it is extraordinarily difficult to understand why, having said, 'We are going to introduce a bill to ensure that recommendations of this tribunal are transparent', he would then propose inserting a provision that says, 'With respect to specific advice that we ask for and specific recommendations, they will be secret'. Those two things do not make sense.

Yes, I have spoken to members of the judiciary, and yes, they are of the view that everything should be transparent. The reason they believe that and why anybody who understands the process believes that is that the last thing members of the judiciary want is the public believing that opinions may be obtained from an independent and separate legislative tribunal which determines their remuneration and that recommendations may be given which the public never knows about. That is the last thing the judiciary wants the public to think. As a consequence, anything that happens concerning members of the judiciary and their remuneration — which is what this tribunal is about — should be made public.

What is extraordinary is that in an attempt to create a reason for not adopting the opposition's amendments, which complete the transparency process, as the honourable member for Richmond said in the house during the second-reading debate and as the Attorney-General has just repeated, the government is of the view that there may be recommendations with respect to superannuation or extended leave that ought to remain secret. That is the most extraordinary statement one could imagine — that there ought to be arrangements between the government, through the Judicial Remuneration Tribunal, about leave entitlements or superannuation entitlements of members of the judiciary which should remain secret.

Another view is that the tribunal may begin to do something it has never done before — that is, make decisions with respect to specific judges. That is not what this tribunal is about and it would be aghast to think it could get a request for advice about particular members of the judiciary and their entitlements to leave. That is absurd. Under no circumstances would this tribunal or this Attorney-General have any right to dictate whether a particular judge could take extended leave or anything else. That sort of decision, by the way, would be made by the Chief Justice of Victoria. If a judge has requirements with respect to maternity leave, that is not a matter for the Attorney-General to determine; it is a matter for the head of the jurisdiction — the chief justice — to determine.

That example is total and absolute nonsense. Although it would be a complete abrogation of the principle of the separation of powers, let us just pretend for a moment that the Attorney-General was going to make decisions about a specific judge's leave despite what the chief justice may think. We would say that that is the very matter which should be public. How atrocious would it be for an Attorney-General to make an arrangement about income or entitlements for a particular judge? How on earth would that arise? Is that not contrary to the principle of trying to ensure that the Attorney-General, the government and the executive do

not have influence over particular judges? Such an action would be like getting back to the days in America when the Mafia put pressure on particular judges.

What would we have? A particular judge could come to the Attorney-General and say, 'Excuse me, Attorney-General, I would like something different from the other judges — I would like more money'. The Attorney-General would then ask the Judicial Remuneration Tribunal, 'Could you please give me advice about giving this particular judge a bit more money because he has come to me and asked for it? By the way, it will all be secret — we are not going to tell anyone'.

Honourable members interjecting.

The ACTING SPEAKER (Mr Lupton) — Order! I have asked members to please be quiet. The level of conversation is far too high. If members want to have a private conversation I suggest they leave the chamber.

Mr Smith interjected.

The ACTING SPEAKER (Mr Lupton) — Order! I do not expect the honourable member for Glen Waverley to be giving the Chair advice. The honourable member for Berwick, without assistance.

Dr DEAN — The long and short of it is that the opposition has moved an amendment to ensure that any statements or recommendations by this tribunal — such as recommendations about conditions and terms of employment and superannuation for judges — are made transparent. It does not even provide that the advice be printed, just that the advice should be in writing — which is fair enough. The notification should be about the matters on which the advice is being sought. Then it simply provides that the recommendations and responses should go into that section where all the other recommendations go and where they are made public.

I assure the house that in attempting to dredge up examples to try to knock this amendment off, for reasons I cannot understand inevitably you fall into the trap of totally unrealistic and absurd situations. Not only is the notion of this tribunal giving individual advice on the personal circumstances of particular judges a ridiculous example, but even if it could do that, it would be the worst form of interference with particular members of the judiciary and of influence between an Attorney-General and a particular judge that you could possibly imagine. The judiciary would be aghast at such a thing happening. That is not to mention the chief justice, who would come storming up here and say, 'How dare you enter into a secret individual arrangement with one of my judges? You are ruining the independence of my court!'. It would be extraordinarily stupid to even suggest that provision should be made for that.

The opposition has moved a very small amendment which is all about transparency, and that is exactly what the Attorney-General said it should be. The opposition is trying to lift any veil of secrecy. That may or may not be hypocritical, but that is not the point. The point is it is good law and the right thing to do — and the opposition is doing what it should do. The Honan report did not say anything about this but it did say that these matters should be transparent and that there should be a legislative framework for them so that everybody knows what is going on.

The public wants to know what is going on with its judiciary, and the judiciary wants to ensure that the public knows what is going on so that there is no suggestion of foul play by the judiciary — its independence depends on it. It is an old adage that justice must not only be done but must be seen to be done. Neither the judiciary nor the opposition will put up with secret deals about secret advice so that justice is not seen to be done. I am sure if this matter had been raised in it, the Honan report would have said I was absolutely correct.

On the basis that this is good legislation I say here in the Parliament to members of the judiciary, the government and the opposition: the Liberal Party supports this legislation 100 per cent but it wants to ensure that it goes the full way. The opposition is not ashamed of that in any way at all. I hope the Attorney-General will reconsider his position. I am certainly available to talk to him — although he does not talk to me; he always ensures it is his parliamentary secretary who talks to me. I have a great relationship with the parliamentary secretary, and I am happy to talk to him at any time about this if he wishes to talk to me. The government, the judiciary and the opposition are fully aware of where the Liberal Party stands on this legislation and why it is moving this amendment.

Mr RYAN (Leader of the National Party) — The National Party supports the amendments. It does so because it is mystified as to why the apparent drive by the government for transparency, openness and honesty is not reflected to the point that it is represented in these amendments.

One of the complicating factors in this is of the government's own creation. Under proposed section 11A inserted by clause 6, the bill provides for

advisory opinions. The first thing one does is go to the definitions to see what an advisory opinion is and finds that the bill provides that:

> … "advisory opinion" means an advisory opinion of the Tribunal given under section 11A;

On any view you would have to say that that is circuitous: it takes you straight back from whence you came and you are no further advanced. Then you put into the mix the fact that when you look at proposed subsections 11A(1), (2) and (3) you find they are respectively drawn on a basis that does not attach the opinion which is to be sought to a particular individual. For example, proposed subsection 11A(1) provides:

> The Attorney-General may refer any matter relating to salaries, allowances or conditions of service of holders of an office to the Tribunal for an advisory opinion.

The significance of that seems to be that a generic opinion will be sought as to the status of a particular aspect about which clarification is required in relation to salary, allowances or conditions of service.

That is an opinion which is intended, it seems to me, to apply to those office-holders as a generic group. It would be different, and I would feel more comfortable in accepting the point of view advanced by the Attorney-General, if on a reading of the legislation it could be said that the advisory opinion was to relate to a specific member and that therefore it might follow that the position that applied to that specific member might be the subject of some sort of public revelation. Accordingly one could better understand the reluctance of the government to have that particular office-holder's position disclosed to the world at large, but that is not what it says.

It talks about office-holders, plural, as a generic group. Given that that is the case the logic of it says that, for the life of me, it is surely in the interests of this basic concept of openness, honesty and transparency if the world at large knows what is to happen to that generic group within the definition of office-holders so that everybody can see how the rules of the game are to apply. I cannot understand why the Attorney-General would not be prepared to accept the fact that if an advisory opinion is being sought under the provisions of the proposed section then it is not only a fair thing but a proper thing that that be published at large. The public then has the opportunity to see what it is that the Attorney-General is seeking by way of an advisory opinion and what is the result of that advice, so again it is completely transparent.

One of the matters mentioned in passing was superannuation. Why should it not be, just to take that as an example, that if the Attorney-General is so uncertain insofar as the application of superannuation law is concerned with regard to office-holders that he needs to seek an advisory opinion about it? Why would it not be that in the public interest he would be prepared to publish the fact of seeking that advisory opinion and the terms under which he seeks it and then in turn publish the advice he gets? Again I say it would be very different if that were happening in the circumstances of an individual within the definition of the bill, but such is not the case, because on the face of it the legislation before us refers to office-holders, plural, and the same applies as you go through the rest of the subsections.

So the National Party supports the amendments. We think they are sensible. We think they add to the very principles which underpin the legislation the Attorney-General has introduced. We supported the legislation from the outset; we have done so throughout. All this does is make it even better in its application. Although I readily agree that I have not sought an opinion from members of the judiciary I think as a matter of logic they would be only too pleased to see this apply, because as I say, it does not apply to individuals and their particular circumstances. Rather it is intended to apply, as I read it, to the generic group, and I would have thought they would have no problem with that at all.

House divided on motion:

Ayes, 46

Allan, Ms	Kosky, Ms
Allen, Ms	Langdon, Mr (*Teller*)
Barker, Ms	Languiller, Mr
Batchelor, Mr	Leighton, Mr
Beattie, Ms	Lenders, Mr
Bracks, Mr	Lim, Mr
Brumby, Mr	Lindell, Ms
Cameron, Mr	Loney, Mr
Campbell, Ms	Maddigan, Mrs
Carli, Mr	Maxfield, Mr
Davies, Ms	Mildenhall, Mr
Delahunty, Ms	Nardella, Mr
Duncan, Ms	Overington, Ms
Garbutt, Ms	Pandazopoulos, Mr
Gillett, Ms	Pike, Ms
Haermeyer, Mr	Robinson, Mr
Hamilton, Mr	Savage, Mr
Hardman, Mr	Seitz, Mr
Helper, Mr	Stensholt, Mr
Holding, Mr (*Teller*)	Thwaites, Mr
Howard, Mr	Trezise, Mr
Hulls, Mr	Viney, Mr
Ingram, Mr	Wynne, Mr

Noes, 38

Asher, Ms	Maclellan, Mr
Ashley, Mr	Maughan, Mr (*Teller*)
Baillieu, Mr	Mulder, Mr

Burke, Ms
Clark, Mr
Cooper, Mr
Dean, Dr
Delahunty, Mr
Dixon, Mr
Doyle, Mr
Fyffe, Mrs
Honeywood, Mr
Kilgour, Mr
Kotsiras, Mr
Leigh, Mr
Lupton, Mr
McArthur, Mr
McCall, Ms
McIntosh, Mr
Napthine, Dr
Paterson, Mr
Perton, Mr
Peulich, Mrs
Phillips, Mr
Plowman, Mr
Richardson, Mr
Ryan, Mr
Shardey, Mrs
Smith, Mr (*Teller*)
Spry, Mr
Steggall, Mr
Thompson, Mr
Vogels, Mr
Wells, Mr
Wilson, Mr

Motion agreed to.

Ordered to be returned to Council with message intimating decision of house.

FAIR TRADING (UNCONSCIONABLE CONDUCT) BILL

Second reading

Debate resumed from 27 November; motion of Mr HAERMEYER (Minister for Police and Emergency Services).

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

SECOND-HAND DEALERS AND PAWNBROKERS (AMENDMENT) BILL

Second reading

Debate resumed from 27 November; motion of Mr HAERMEYER (Minister for Police and Emergency Services).

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

LIVESTOCK DISEASE CONTROL (AMENDMENT) BILL

Second reading

Debate resumed from 27 November; motion of Mr HAMILTON (Minister for Agriculture).

Motion agreed to.

Read second time.

Third reading

Mr HULLS (Attorney-General) — By leave, I move:

That this bill be now read a third time.

The Livestock Disease Control (Amendment) Bill is a very serious bill, because it does a whole range of things, and it is important that we protect the livestock of this state. While I am not the minister responsible for the bill, I have some responsibility for the issue of horses and horseracing — and they are livestock. It is absolutely crucial that this bill be dealt with as soon as possible. On that basis I am more than happy for this matter to proceed forthwith.

Mr DELAHUNTY (Wimmera) — This is an important bill, as the Attorney-General has mentioned. But some questions need to be answered before the bill is debated in the other house.

Since last evening's debate several approaches have been made to the National Party challenging this system. These questions include: is the technology available so that the tags and readers can provide the information that will flow to the national database — in other words, from the farm, the saleyard or the abattoir? The system provides — —

The ACTING SPEAKER (Mr Lupton) — Order! I must advise the honourable member for Wimmera that this is not a second-reading debate. We have already passed the second-reading stage and are proceeding to the third reading, so his remarks must be rather brief and not regurgitate those of a second-reading contribution we have not heard.

Mr DELAHUNTY — We need to ask some questions. Who will have access to this national database? Will the industry have confidence in the system? What will be the cost of managing the database? Does the Australian industry want a mandatory system? The National Party's information is that Victorian organisations such as the Victorian Farmers Federation and the United Dairyfarmers of

Victoria support this. However, some industries are concerned about it. Do other states such as New South Wales, South Australia, Queensland and Western Australia agree with the nationally approved system? As honourable members know, Queensland has the lion's share of the beef export industry, but it is important that the industry be protected.

The mandatory system is the key to this project in Victoria, and it is important to the food industry. I have highlighted that today. Will the other states agree to the mandatory approach and will they agree to have a market-driven approach? I think they should go for the mandatory approach to protect the industry, as we have all talked about.

Mr HAMILTON (Minister for Agriculture) — If the honourable member would like to pass those questions on, I will see if I can get answers to them while the bill is between here and the other place.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

Mr Hulls — On a point of order, Honourable Acting Speaker, I am seeking your advice on whether or not a record has just been created whereby three bills have been dealt with with the fulsome support of the opposition in a such a short time. This is a great show of bipartisan support for very important legislation. Perhaps we are seeing the new opposition as we come into the Christmas period.

The ACTING SPEAKER (Mr Lupton) — Order! There is no point of order.

ADJOURNMENT

The ACTING SPEAKER (Mr Lupton) — Order! Under sessional orders the time for the adjournment of the house has arrived.

Prisons: government policy

Mr WELLS (Wantirna) — I raise a matter of concern for the Minister for Corrections and ask him to outline the ALP's policy and plans in relation to the construction of two new prisons. I ask him to take immediate action to release the plans and the government's proposals. At the moment there is a certain amount of confusion in the marketplace because the minister and the Premier have different views on what is to happen. It is incumbent on the minister to come forward and explain to the Victorian community what is going to happen with the two prisons.

I will go back a step. When the Labor Party went to the election in 1999 it said that the private prison system had been a disaster. It also said that it believed prisons should not be run for profit. It said that under Labor there would be no new private prisons and the private management of existing prisons would be phased out in accordance with current contractual arrangements. Then we found that during this year the Minister for Corrections said the government might seek private sector assistance in funding and constructing the proposed prisons. But the headline in an article dated 28 April was 'Bracks overrules minister on prisons funding'. The Premier rejected the views of the Minister for Corrections and said:

> No, no private financing … We were quite clear on our policy in this matter.
>
> This is a duty of care that the government has.
>
> We believe it's a state responsibility, not one we contract out to the private sector.

What happens now? The Minister for Corrections issued a press release dated 16 November, which was just last week, stating that the government is to put out a tender and ask for assistance from the private sector to build two new prisons. The press release states:

> We believe Partnerships Victoria will help us to develop two new government-run prisons, while the financial and construction risks are managed by the private sector.

I call on the minister to take immediate action to outline the plans and policies for these two new prisons so that Victorians understand what is going on. Clearly, the Premier had the view that there would be no private financing and the minister had another view. It looks as if the minister has won this argument. However, those in the private sector need to be reassured of the government's plan of action to construct the two new prisons. The government has been all for building the prisons with the government sector, but we now find out that the two new prisons cannot be built without the help of the private sector. This is another policy backflip and I ask the minister to explain his actions.

Melbourne–Geelong road: safety

Mr TREZISE (Geelong) — I refer the Minister for Transport to the ongoing works on the upgrade of the Melbourne–Geelong road, or the Princes Freeway. As all honourable members are aware, today is the second-last day of sitting before Christmas, which will soon be upon us. During the Christmas period there is a

dramatic increase in the amount of traffic between Melbourne and Geelong, especially on key dates such as the beginning of the school holidays, Boxing Day, Christmas Day and New Year's Eve. All are extremely busy days with heavy loads of traffic on the Princes Freeway. Heavy traffic combined with roadworks is a recipe for long delays, impatience and the resultant and inevitable accidents.

I ask the minister to take appropriate steps to ensure that the planned roadworks on the Princes Freeway are scheduled to take into account the particular days over summer that will see dramatic increases in traffic, such as the beginning of the school holidays in three weeks and New Year's Eve. I am a regular commuter on the Melbourne–Geelong road, and I assure the house that in my experience there have been numerous occasions when roadworks have been scheduled on days when traffic is heavy. One that quickly comes to my mind was about three years ago when the Geelong Football Club was playing in a finals match on a Saturday afternoon.

Ms Allan — That was rare.

Mr TREZISE — It was rare, and we won the match. Vicroads scheduled work for that day, and there was mayhem. As I said, clearly the Christmas period and the holiday period will see a dramatic increase in traffic on the Princes Freeway. On a normal day something like 100 000 vehicles, both cars and trucks, use the road. Add to this the summer rush to the west coast beaches and the great city of Geelong, and I believe volumes of traffic will easily double over that period. In addition to the increase in traffic, there is the lawlessness that we see on the road at the present time — a matter I have raised in this house on a couple of occasions — in 80-kilometre-an-hour zones and closed carriageways, resulting in the breaking of the 80-kilometre speed limit, tailgating and weaving traffic. It is an important issue, and I look forward to the minister's response.

Sale Specialist School

Mr RYAN (Leader of the National Party) — I refer to the attention of the Minister for Education the Sale Specialist School and a significant issue in which the minister needs to have a direct involvement to solve some difficulties which are historical in nature but are very current. In the coming 2002 year the problems are likely to need careful consideration.

Sale Specialist School, by definition, accommodates the needs of those younger students in our communities who are in different ways disadvantaged. Denis Shelton, the principal of the school, is a great fellow whom I have known for about 25 years. He does a terrific job as principal. The president of the school council is Cheryl McLachlan. She also does a wonderful job working with the parents and the general school community on behalf of the school.

The school is located in Raymond Street. The problem is to do with severe overcrowding at the school, which was originally built, as I recall, to accommodate about 30 students. It now has an enrolment of 40-plus students. With the passage of time, particularly with next year looming, the reality is that the school will be overenrolled to the point of about 15 students over and above the number for which it was originally constructed.

All sorts of difficulties are arising, particularly in the area of occupational health and safety. The crude fact is that the school is at severe risk of not being fitted out in a manner which is appropriate to the needs of the children who are being educated within it, and there are very special needs for these very special kids.

A ready solution is at hand in the sense of the sheer geography, in that an adjoining building is occupied by the Department of Education, Employment and Training. If all things were equal the simple solution to this would be to enable the school campus to expand literally through the fence into the location occupied by DEET.

As an option, however, space has been temporarily acquired within the port of Sale building, and that is located about 400 metres away from the existing campus. A lot of work has to be done to enable that area to be capable of accommodating the children. The query the school council raises is whether something can be done by the Minister for Education to enable these terrible overcrowding problems to be resolved. The ready solution is right next door. I appreciate it is not perfect, but we need the minister to intervene in this matter.

Greater Geelong: business and trade centre

Mr LONEY (Geelong North) — The matter I raise for the attention of the Minister for Local Government relates to the Geelong Business and Trade Centre, more commonly known as the Geelong Embassy.

Yesterday's Auditor-General's report on the embassy has revealed a close to half-million-dollar loss to be borne by the City of Greater Geelong ratepayers as a result of their council's actions. The report also confirms that the council breached the Local Government Act in the establishment of the embassy

by not seeking ministerial approvals. But the most telling criticisms in the report were those relating to the administrative deficiencies and culture of the council bureaucracy. They reveal that the council bureaucracy was acting without direction, discipline or leadership.

At page 58 the report refers to:

> A breakdown in the operation of the city's governance and control …

At page 62 it talks about:

> … the absence of a sufficiently comprehensive feasibility study and an adequate business plan.

It further states:

> There is no evidence that the city's CEO sought assurance about the adequacy of material … prior to reports to council.

At page 63 the report states:

> … advice was not correct … due to an apparent lack of knowledge of the relevant provisions of the Local Government Act.

At page 64 the report states:

> No formal mechanisms were established to enable the city's senior management and the council to progressively monitor its involvement with the company.

At page 65 the report states:

> Council did not receive adequate information relating to the company's operations and, therefore, was not in a position to make informed judgments.

And the criticisms go on and on. These are criticisms that go directly to good governance and proper process within council's administration, and go right to the top.

On 14 June the mayor told the community through the *Geelong Advertiser*:

> This should not be about finding scapegoats but it is about determining what went wrong, who was responsible and acting accordingly to see it doesn't happen again.

However, today's response from the mayor and the chief executive officer has been 100 per cent about scapegoats and zero about accountability. They are now seeking to put the entire blame for this fiasco on two former middle-level bureaucrats and are completely ignoring the Auditor-General's wider criticisms of the council's poor governance.

It is time for the mayor, the chief executive officer and the elected councillors to accept that the responsibility for these decisions must be borne at the top of the organisation. I am seeking tonight that the minister provide this house with a progress report on the inquiry into the council which he launched in response to my request on 12 June this year.

Workplace safety: farms

Dr NAPTHINE (Leader of the Opposition) — I wish to raise an issue with the Minister for Workcover. The action I seek from the minister is a review of the decision made by the Victorian Workcover Authority not to fund the Danger on the Farm project proposed by the Murray-Plains Division of General Practice. I seek the minister's action to not only review that decision but to fund this very important project. A letter from the chief executive of the Victorian Workcover Authority to the Murray-Plains Division of General Practice states:

> Thank you for forwarding your project proposal 'Danger on the Farm' farm injury and illness surveillance data collection to the Victorian Workcover Authority.
>
> I regret that the authority is not in a position to fund this project at this time.

I seek the minister's action to review that decision and to fund this very important project. It would involve about 60 general practitioners and 15 local hospitals participating in data collection of local farm illness and injury. It would operate over an area of 22 000 square kilometres encompassing nine local government areas and a large dairy region in northern Victoria and western Riverina. It is a project put forward by the Murray-Plains Division of General Practice — a very reputable organisation — which would analyse local risk factors for the farming community, distribute farm safety promotional material, identify and reduce the risk factors, promote farm safety, establish a farm safety web page and, in the longer term, lead to farm safety and injury prevention programs and a significant reduction of injury, accidents and illness associated with farming.

We all know that farming is a high-risk activity and its associated dangers are of great concern to the Workcover authority. It is therefore important that this sort of positive work and research be undertaken by the Murray-Plains Division of General Practice, and I urge the minister to take action to review the decision not to fund this project and actually fund the project, allowing the division of general practice to reduce the risk of farm accidents and illness in Victoria.

Housing: public advocacy

Mr LANGUILLER (Sunshine) — Tonight I raise a matter for action by the Minister for Housing. Will the minister advise the house what action she will take to ensure that older people and people from a

non-English-speaking background in my electorate in Sunshine have the opportunity to participate in local decision making via the public housing advocacy program?

Honourable members would be aware that during the Kennett regime public tenant groups were defunded and the voice of the community was not heard at the decision-making table. I am therefore very pleased that the Minister for Housing implemented the new public housing advocacy program in July, by which public tenants once again have a say on the issues that affect their lives and which provide more assistance to help people resolve individual issues.

In Sunshine I represent one of the most linguistically, ethnically, racially and religiously diverse electorates in the land. Sunshine is a diverse community of people from more than 100 nationalities, many of whom do not speak English as a first language and who may have difficulty in exercising their rights and voicing their opinions. Another group that is often disadvantaged is that of older persons who do not always find it easy to advocate for themselves or their communities.

I have clear recollections of my times when I lived in public housing, in the housing commission flats as we used to call them, in Flemington. I recall 120 Racecourse Road on the sixth floor. At that time I went through experiences in which on numerous occasions I needed tenants unions and advocacy groups to represent the interests of my family. On many occasions those issues related simply to electricity or gas cuts or water breakdowns or safety issues in the area where we lived. It is quite unfortunate that many of those communities are — as I remember I was — unable to write about these issues because they are not able to articulate the arguments in English.

That is what it really means — democracy at grassroots level. For example, for people who live in public housing and in the electorate of Sunshine and surrounding areas democracy means that issues of electricity need to be resolved. It means that on occasions when unemployment benefits, social security benefits or older persons pension benefits are lost or when jobs are lost tenants might be late paying their rent and will need to negotiate with officials of public housing bodies. On many occasions people cannot undertake that negotiation themselves, and they should be entitled to have proper representation.

On that basis I commend the Minister for Housing and this government for re-establishing the role of advocacy groups.

The ACTING SPEAKER (Mr Nardella) — Order! The honourable member's time has expired.

Mornington Peninsula: bathing boxes

Mr COOPER (Mornington) — I ask the Minister for Environment and Conservation whether she will try to keep the commitments that she gave last March to the many bathing box owners around Port Phillip Bay through their association, the Mornington Peninsula Beach Box Association.

Last March the minister was forced to agree that vandalised or storm-damaged beach boxes could be rebuilt. At the time she gave a lot of assurances to the owners of those beach boxes, but few if any of the minister's promises have been kept. Construction standards were promised to be in place by 31 May this year; they are not in place. A risk management plan was promised to be in place by 31 May this year; that is not in place either. A licence agreement was supposed to be struck, and the association prepared some documents on that and provided a submission to the minister. The minister gave a commitment to the association on 17 October this year that the submission would be sent to the government solicitor. The association now advises me that its submission has not been sent to the government solicitor, so the minister has failed to keep her promise to the association about that.

There are also ongoing difficulties with policy and management guidelines because of differences between the guidelines struck by the minister's own department and those struck by the Mornington Peninsula Shire Council. The whole thing is a shambles.

There are many very apprehensive beach box owners around Port Phillip Bay who have been relying on this minister to keep her promises. She has not done so, and I now ask her to take urgent action to meet the promises that she gave to those bathing box owners earlier this year.

Electricity: tariffs

Ms ALLAN (Bendigo East) — I raise a matter for the Minister for Energy and Resources in another place regarding a proposal put to the Office of the Regulator-General by the electricity retailers for price rises across the electricity retailing network. I seek action from the minister to ensure that country people are not unfairly affected by any future price rises and that the electricity retailers do not rip them off with massive price hikes.

The electricity retailers have put before the Office of the Regulator-General a range of proposals for what I

would describe as massive and excessive price hikes. I am particularly concerned about the proposals put forward by Origin Energy, formerly Powercor, which covers western Victoria. It is the largest electricity distribution network and covers my electorate of Bendigo East and most of country Victoria. Just one example of the incredibly excessive price rises is Origin's proposal for a 77 per cent increase in the off-peak storage water heating tariff.

Members of this house know, as do people right across country Victoria in particular, that country Victorians are looking down the barrel of massive price rises because of the privatisation of our electricity network by the former Liberal–National government, which flogged off our electricity industry and paid no heed at all to the potential negative impact that dramatic price rises would have on country people. The former Kennett government did not put measures in place to protect country people against the price rises now being proposed.

Country people are very concerned about the matter. They knew all along that with privatisation would come price rises. It is something that was said time and again to the former government, to the National Party members who were supposedly representing country Victoria and to the country Liberal members who also supposedly represented country Victoria. But they ignored those concerns, turned their backs on the people of country Victoria and put in place a regime that is now having a dramatic impact on country people through excessive and unfair price hikes. It is unfair.

Look at the impact on country people and their businesses, and especially on low-income people in country Victoria. It is really unfair and was put in place with an absolute lack of concern by the former Kennett government, which turned its back on country people because it was such an anti-country government.

Premier and Cabinet: ministerial adviser

Mrs SHARDEY (Caulfield) — I refer the Minister for Multicultural Affairs, who is also the Premier, to a six-day publicly funded holiday enjoyed on the excuse of attending a one-day overseas conference. I ask the minister to investigate who authorised the overseas trip to New Zealand for Ms Valentina Moisiadis in April of last year and whether the trip met Department of Premier and Cabinet guidelines for overseas travel.

In April last year the Minister assisting the Premier on Multicultural Affairs and the then adviser to the Premier, Ms Valentina Moisiadis, attended the Ministerial Conference on Multicultural Affairs in Wellington, New Zealand. Packed up with her suntan lotion and sunglasses Ms Valentina Moisiadis flew out of Melbourne on 21 April, six days before the Wellington conference, and landed in Christchurch to start a six-day holiday. Six days later, on 27 April, Ms Moisiadis left Christchurch to attend the conference in Wellington, which began on 29 April. According to the Department of Premier and Cabinet guidelines there is no entitlement to take leave while overseas unless the conference being attended lasts more than seven days. This was a one-day conference, but Ms Moisiadis took six days recreational leave.

I ask the minister to investigate who gave Ms Moisiadis permission to holiday compliments of the Victorian taxpayer and to indicate what action he will take to ensure that public money will not be used in future to perfect a suntan and perhaps learn the haka.

Footscray: Pride of Place program

Mr MILDENHALL (Footscray) — I seek from the Minister for Planning his interest in and active consideration of an application by the City of Maribyrnong for funding under the Pride of Place program for works in regional centres. With the assistance of a $145 000 grant from the Pride of Place program the Maribyrnong City Council will early next year begin a $335 000 project to construct and install public seating, outstands and improved lighting to promote pedestrian activity along Barkly and Hopkins streets, which are the spine of the Footscray shopping centre, stretching from the famous Franco Cozzo Emporium near Moore Street to the Plough Hotel in Geelong Road, and including parts of Leeds Street.

The initial funding has generated a lot of interest and momentum. The council has spent $109 000 on the design of the precinct and has applied for another $200 000 under the Pride of Place program to continue the project over the remaining parts of Barkly and Hopkins streets. Obviously the council will match that with a further $200 000. That will be sufficient to revamp the public works and physical infrastructure of the area to create more space for kerbside cafes, places for people to sit and gather and lighting of a calibre normally reserved for major commercial strips in the Melbourne central business district.

Combined with the work emerging from the metropolitan strategy process this project is part of an enhancement and potential redevelopment of the heart of the Footscray central business district and should see renewed investment interest and enthusiasm by the community of Footscray in the future of the area.

We do not deny that there are significant social issues relating to the centre, but the strategic intervention of the minister and the funding program would unleash a new wave of enthusiasm and activity in the design and creation of new works. I endorse the program for the minister's attention.

Ferntree Gully Road, Glen Waverley: safety

Mr SMITH (Glen Waverley) — I raise a matter for the attention of the Minister for Transport that concerns one of the worst stretches of road in Melbourne — that is, Ferntree Gully Road, Glen Waverley, between Lum Road and Cootamundra Drive. This section of road comes from three in-bound lanes and hits the lights at Lum Road, where it bounces into two lanes. Along there is a stretch of road that is not sealed where there have been some horrific accidents. There is a story in this week's local paper, the *Waverley Leader*, that comes from Kate Valle, who was with a group of people some years ago when a car skidded and there was a tragic fatal accident involving one of her friends.

A petition has been presented to the Monash City Council by a former councillor, Des Olin. The petition has 500 signatures. It is not suitable to be presented to the Parliament, but I will show it to anyone who is interested. The petition calls on the government to take urgent action to have this road sealed. Most people would have driven on it if they have been out to Waverley Park or other parts of that area. It is an awful section of road, particularly at night and in wet weather, when it is a most dangerous section of road. The speed limit is 80 kilometres an hour, so if you come through there and the lights are green at Lum Road then — bingo! — you are into a gravel section that goes for a whole block. Urgent action needs to be taken.

I am told by the people in the area that they have spoken to Vicroads and been told that the cost to seal the road will be in the vicinity of $2 million. The work needs to be done urgently, because it is a dangerous section of road that the local people and the petitioners in particular are aware of — and I am aware of it as the local member. I call on the minister to take urgent action to get the matter fixed.

Responses

Mr CAMERON (Minister for Local Government) — The Leader of the Opposition raised a matter for my attention asking for a review of a Workcover decision. As it is an operational matter, I will refer it to Worksafe for its consideration.

The honourable member for Geelong North has raised a matter concerning the City of Greater Geelong and the Geelong Business and Trade Centre, commonly known as the Geelong Embassy, at Southbank in Melbourne. The embassy was established in 1999, but since that time the council's administration has been sloppy. Subsequent events have raised questions as to the council's oversight of the embassy. When inquiries were made of the council about what has ultimately been demonstrated to be a fiasco, its response was very slow.

When I made my original request about the handling of the embassy I got a very vague response. Subsequently I made a second request. I had to specifically ask the mayor about the council's handling of the matter and had to wait a number of weeks for a reply. The council ultimately forwarded me a copy of the internal review from June 2000, and I was advised that the embassy was technically insolvent at the time and that there were some recommendations. There was no advice as to what had been done about those recommendations.

I wrote again about what had been done in light of that internal review. The mayor subsequently wrote to me to advise that it was not the council's responsibility to implement recommendations concerning the internal review because the embassy was a distinct entity, notwithstanding the fact that the council, through its officers, was the only body able to address this issue.

This saga has demonstrated that there has been a lack of oversight by the council. Certainly the representations made by the council to the world and to the people of Geelong have not lived up to what has been the ultimate position. As the honourable member for Geelong North is no doubt aware, the people of Geelong have every reason to be concerned about the conduct of this matter.

Ms PIKE (Minister for Housing) — I thank the honourable member for Sunshine for his affirmation regarding the public housing advocacy program, which, as he describes, has now renewed the capacity of tenants in public housing to provide referral and tenancy support services to each other and to advocate for the needs of tenants. This is an important plank in our democratic system, in that people are enabled, encouraged and supported so they can actively participate in our society and vigorously advocate for their own needs.

I am also pleased to advise the honourable member that the Australian Vietnamese Women's Welfare Association has received $67 500 to fund an independent tenancy advice and referral service, and

the Housing for the Aged Action Group, which I know people would genuinely support as being representative of that group of people, has also received $90 000 in funding to provide support to older public housing tenants and applicants throughout the state. I assure the honourable member for Sunshine that the government is committed to giving public tenants a voice, and is providing not only support in principle but actual funding to make it a reality.

The honourable member for Wantirna raised a matter for the Minister for Corrections regarding plans for two new prisons.

The honourable member for Geelong raised a matter for the Minister for Transport regarding upgrade works on the Melbourne–Geelong Road.

The Leader of the National Party raised a matter for the Minister for Education regarding the Sale special school.

The honourable member for Mornington raised a matter for the Minister for Environment and Conservation regarding rebuilding of bathing boxes.

The honourable member for Bendigo East raised a matter for the Minister for Energy and Resources in another place about the proposed electricity price rises for people in rural communities.

The honourable member for Caulfield raised a matter for the Premier in his capacity as the Minister for Multicultural Affairs regarding staff attendance at a conference in New Zealand.

The honourable member for Footscray raised a matter for the Minister for Planning regarding the Pride of Place program.

The honourable member for Glen Waverley raised a matter for the Minister for Transport regarding an important and significant issue. I shall refer all those matters to the appropriate ministers and ensure they respond appropriately.

The ACTING SPEAKER (Mr Nardella) — Order! The house stands adjourned until next day.

House adjourned 10.37 p.m.