PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

Book 5

7 and 8 May 2002

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

By authority of the Victorian Government Printer

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Tuesday, 7 May 2002

The DEPUTY PRESIDENT (Hon. B. W. Bishop) took the chair at 2.02 p.m. and read the prayer.

ABSENCE OF PRESIDENT

The DEPUTY PRESIDENT — Order! For the information of the house I report that the President is indisposed due to a heavy cold and will not be with us today, but I expect him to be back in the chair tomorrow.

HER MAJESTY QUEEN ELIZABETH THE QUEEN MOTHER

Message read advising that the Governor had transmitted to the Governor-General for presentation to Her Majesty the Queen joint condolence motion passed by both houses of the Parliament on death of Her Majesty Queen Elizabeth the Queen Mother.

ROYAL ASSENT

Message read advising royal assent to:

30 April

Jewish Care (Victoria) Act
Melbourne City Link (Further Miscellaneous Amendments) Act

7 May

Health Practitioner Acts (Further Amendments) Act

QUESTIONS WITHOUT NOTICE

Workcover: premiums

Hon. W. I. SMITH (Silvan) — I ask the Minister for Small Business why the Bracks government has frozen Workcover premiums instead of reducing premiums for small businesses.

Hon. M. R. THOMSON (Minister for Small Business) — I am not the Minister for Workcover and do not have responsibility for the setting of Workcover premiums. However, Mr Deputy President, I can tell you that businesses are welcoming the stabilisation of the Workcover rate. They are welcoming, given what is happening with other insurance products, finding that their Workcover rate has in fact been stabilised for those businesses that pay under $1 million in wages. Therefore this has been a welcome outcome out of Building Tomorrow's Businesses Today, which does see a stabilisation of the rate at 2.22 per cent.

Supplementary question

Hon. W. I. SMITH (Silvan) — I think the minister will be aware that one of the biggest taxes on jobs in Victoria and one of the biggest complaints from small business in Victoria is Workcover and Workcover premiums. Last year and the year before they were frozen because the year before that the increase in Workcover premiums was so high that small businesses are still complaining today. I ask the minister: does she really think that the small businesses in Victoria are conned by her just freezing the Workcover premiums and not tackling the hard task of actually reducing Workcover premiums?

Hon. M. R. THOMSON (Minister for Small Business) — Small businesses know that Workcover is an insurance product, not a tax. They welcome over $1 billion worth of business tax cuts that will be coming to businesses in Victoria with both this package and the Better Business Taxes package that was announced last year. They know they are paying fewer taxes; they know that they have far fewer taxes to pay. This business package has been welcomed by the business community, welcomed by the small businesses I have spoken to, and welcomed by the business organisations.

Freeza program

Hon. JENNY MIKAKOS (Jika Jika) — On Friday the Minister for Youth Affairs announced that the government would for the first time provide recurrent funding for the Freeza youth program. Could the minister please advise the house of the benefits to Victorian young people of this funding announcement?

Hon. Bill Forwood — On a point of order, Mr Deputy President, I suggest that this is a matter of public record. The minister put out a press release last Friday which is available on the Net with a lot of detail, and people can if they so wish go to it. I submit to you that this question should be ruled out of order.

Hon. M. M. Gould — Further on the point of order, Mr Deputy President, the honourable member asked me for further details of the announcement I made last week. I propose to give the house more details, given the opportunity.

The DEPUTY PRESIDENT — Order! I do not uphold the point of order. We will listen with interest to the Leader of the House as she may give further information.

Hon. M. M. GOULD (Minister for Youth Affairs) — As honourable members will be aware, the whole question of the Freeza program has been raised in this house on a number of occasions. The previous minister, the Honourable Justin Madden, had done a lot of work on Freeza.

The Freeza program provides money to local communities to organise drug and alcohol-free events for young people, and these events are usually band gigs or dance parties which are organised by a committee of young people. Last year more than 2000 young people were involved in over 60 local committees which received Freeza funding. Those committees staged more than 420 events across Victoria and more than 93 000 young Victorians attended those events.

As I said, this occurred across the state, and a lot of young people in regional and rural Victoria were able to benefit from it. A wide range of young Victorians received support and entertainment from the Freeza program. The obvious benefit of Freeza is that it provides safe drug and alcohol-free entertainment for young people, which is particularly important in both suburban and rural areas where not many options are available for under-age young people to attend events.

Freeza events are important for building stronger communities and they provide a focus for young people, their parents, teachers and others to work together to create positive community events and a positive environment. The people who probably get the most benefit from the Freeza program are the young people who organise the events. They learn a range of skills and often find they are doing something that interests them rather than becoming bored quickly. The Freeza program makes them enthusiastic and gets them involved in the community.

I am pleased to advise the house that for the first time the funding for this program will be committed on a recurrent basis. When the opposition was in government the funding was one off, year by year. This is a recurrent process and the funding arrangement is the highest level at which Freeza has ever been funded, which is $2 million per year. This funding will secure the Freeza program and will give the opportunity to continue the great work and provide even more events and benefits for young people into the future.

The funding shows that the Bracks government is there for young people and that it is providing new opportunities, delivering a brighter future and building stronger communities with this program.

Payroll tax: small business

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I ask the Minister for Small Business how many businesses will no longer pay payroll tax as a result of the change in the payroll tax threshold?

Hon. M. R. THOMSON (Minister for Small Business) — I am very happy to talk about payroll tax. Payroll tax was 5.75 per cent when the Bracks government came into office. Through announcements made by the Treasurer both last year out of the Better Business Taxes package and this year out of the Building Tomorrow's Businesses Today package, that rate will go from 5.75 per cent down to 5.25 per cent. The threshold will be raised from $515 000 to $550 000. This means that any businesses that pay payroll tax will be the beneficiaries of the announcement.

Hon. G. K. Rich-Phillips — On a point of order, Mr Deputy President, the question related to the number of businesses that would benefit from the change to the payroll tax threshold, and the minister has not addressed that matter.

The DEPUTY PRESIDENT — Order! The question, as I understand it, was quite specific and that was the number of businesses affected. But the Minister for Small Business has not concluded her answer, and I invite her to do so.

Hon. M. R. THOMSON — What I did say was any businesses that fall within the payroll tax net will be the beneficiaries of this package.

Supplementary question

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — Perhaps I can help the Minister for Small Business out because she clearly does not know her own government's package. I refer her to page 11 of the *Building Tomorrow's Businesses Today* statement where it says that 300 small businesses will benefit from the increase in the payroll tax threshold.

Perhaps the minister should be better acquainted with her government's policy. Is it not a fact that, given that only 300 businesses will benefit from this change in the threshold, and by the minister's own statement there are 280 000 small businesses in Victoria, only one-tenth of 1 per cent of Victorian small businesses will benefit from this change in the payroll tax threshold?

Hon. M. R. THOMSON (Minister for Small Business) — Small businesses care about the payroll tax threshold and the rate. They are pleased with what

the government has done on payroll tax. The vast majority of small businesses do not pay payroll tax. If this means they can employ one more person, that is a good thing. This is a payroll tax package that benefits all businesses that pay payroll tax. All these businesses are the beneficiaries.

I remind the house that the package has the endorsement of all business organisations. It is a great move for businesses in this state, and Victoria is well within — —

The DEPUTY PRESIDENT — Order! The minister's time has expired.

Skilled Stadium, Geelong

Hon. E. C. CARBINES (Geelong) — I refer my question to the Minister for Sport and Recreation. In light of the minister's commitment to improving Victoria's ability to host major sporting events, what steps has he taken to improve infrastructure which is critical to achieving this objective?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for asking the question, because last Friday I was pleased to visit Skilled Stadium at Geelong. While in my former life I may have been on the receiving end at that stadium, I was pleased that on this occasion it was good news for not only Geelong but for the government. I congratulate the Honourable Elaine Carbines, as well as the honourable members for Geelong and Geelong North from the other place, because they have been lobbying the government hard in relation to Skilled Stadium and the prospect of funding its redevelopment.

Through their good work I was fortunate enough last Friday to be able to announce a funding study into their proposal. One can understand why funding of such a study is so important. The Geelong Football Club is proposing that the eastern terrace be developed as a grandstand to include a 700-seat banquet/conference facility and new entry pavilions, as well as the creation of a Geelong sports house complex, a new public address system and an electronic scoreboard.

This is significant infrastructure, and the government is pleased to announce that it is funding a study, jointly managed with the City of Greater Geelong, into the proposed business case to assess the socioeconomic impact of the project as well as investigating the project delivery and future operational and management requirements. That is important. While the opposition is happy to jump up and down about the issue, the operational and management arrangements are important. This reflects the difference between what the opposition did and what the government did. When the opposition had a good idea, if it had any inspiration, it never looked at the operational or management arrangements of any of those good ideas.

The government has been responsible. We have ensured and will continue to ensure that the operational and management requirements are paramount. This reinforces the opportunity for the Geelong community and the greater Geelong region to be well placed to host major events in the future. This reflects the government's ability to grow the whole of the state.

I was very heartened by the enthusiasm with which this concept has been embraced by the local community. It shows that we are a government governing for all Victorians, and no doubt that will be reinforced later today. But it also reflects the way in which we are prepared to do the leg work, whereas we know the opposition is a bit of a shemozzle. They are divided, they stand for nothing and they do not care!

Schools: safety and security

Hon. P. R. HALL (Gippsland) — I refer the Minister for Education Services to circular 69 of 2002 which informs school principals of the requirement to have all electrical appliances at schools inspected and tested for safety purposes. Given that most schools have literally hundreds of electrical appliances and that electrical inspections typically cost between $15 to $30 per appliance, will today's budget provide specific funding to schools to cover the cost of this new requirement that is being imposed upon them?

Hon. M. M. GOULD (Minister for Education Services) — The government has reached agreement with all school principals about global budgets. Those global budgets allow for all the running costs of the schools and give principals the independence that they require to manage those schools. In the course of that the schools are required to ensure that safety precautions are taken in schools to protect our young children. Those requirements include not only inspecting electrical appliances but also checking basketball rings and a number of other facilities within the schools. These are the requirements the department puts on schools and it funds schools to do that under their global budgets. That is the process which will be followed in this matter.

Supplementary question

Hon. P. R. HALL (Gippsland) — I seek clarification of the minister's answer in respect to this. I specifically asked the minister whether this new requirement, which was imposed upon schools in a

circular distributed in March this year, will be provided for in school global budgets or whether additional funds will be provided for this additional financial and administrative burden that is being placed upon schools?

Hon. M. M. GOULD (Minister for Education Services) — I refer to my previous answer where I said the global budgets agreements were reached with principals and they allow the schools to be managed in an independent way. As I indicated, the budgets allow them to not only look at security of other appliances but also to look at security within schools — security systems in schools — and other things, for example, basketball rings. That funding is in the global budgets and principals are responsible for managing the global budgets and meeting all the requirements that are set down by the department.

School buses: review

Hon. T. C. THEOPHANOUS (Jika Jika) — I refer my question to the Minister for Education Services. May I say how pleased I am to be able to ask this question.

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — Just listen! Can the minister advise the house how the outcomes of the Bracks government's publicly released review of school bus services will assist school children in non-metropolitan areas?

Hon. M. M. GOULD (Minister for Education Services) — I thank the honourable member for his question and for his tireless and committed work as chairperson of the review. I am extremely pleased to advise the house that the Bracks government will be using the outcomes of that review as a basis for providing a massive boost to Victorian school bus services.

State-funded school bus services and allowances have existed in this state for many years, indeed many decades. The primary focus is providing free school buses to students who live more than 4.8 kilometres from their nearest government school in non-metropolitan areas. I know the National Party is very interested in this.

This system also provides for allowances for students who do not have access to free buses, including non-government school students who fulfil the relevant requirements. The previous government, however, had conducted a secret Clayton's review of school buses back in 1993, and that was led by the Honourable Andrew Brideson. But, as usual, members of the previous government could not care less about country and regional areas. They largely ignored the issues because they were too hard. They did not care about students in rural and regional schools who missed out on the bus services that they needed to get to school.

In contrast, the extensive review conducted by the Honourable Theo Theophanous and deputy chaired by the Honourable Glenyys Romanes will result in significant improvements to the school bus system. Over $31 million will be allocated over the next four years to implement the recommendations of Mr Theophanous's review of school buses. These reforms will result in a far more flexible and equitable school bus system, which will in turn strengthen our communities and deliver a stronger education infrastructure to our rural areas.

I will quickly highlight some of the changes. Private car travel reimbursements where students cannot access a free bus service have been substantially reformed. Currently this is a $300 per student subsidy no matter how far the student travels. That will now vary according to the distance travelled, which will result in increases of up to $700 for each student.

Similar increases will be made to allowances paid to non-government schools in rural areas to subsidise private bus services. A new allowance has also been established to assist deaf and blind students with private car or taxi travel. This provides $2000 a year for each student.

The number of non-government school students in an area will now be considered when starting up a new school bus service. Those students were ignored by the previous government — they were left to scramble onto a bus wherever they could.

We all know that the previous government turned its back on rural and regional Victoria. The Bracks government has delivered on its promise to improve school bus services. We are investing in our students' future and turning things around.

Land tax: small business

Hon. ANDREA COOTE (Monash) — I refer the Minister for Small Business to two small businesses that have been badly affected by increases in land tax. One is a small market research consultancy in Richmond that went from paying $1400 in land tax in 2000 to $18 740 in 2001; and another is a cafe in Camberwell whose land tax went from $18 000 in 2000 to $50 000 in 2001. Is it not a fact that the changes

announced last week will in no way benefit small businesses?

Hon. M. R. THOMSON (Minister for Small Business) — Let me reiterate again: I am not the Treasurer and I am not responsible for tax. However, I think it is a joke that the opposition would dare to bring up land tax. When in government they brought the $185 000 land tax threshold down to $85 000, increasing the number of people caught in the land tax threshold. Where were they defending small business then? They were not there. The Bracks government has lifted the threshold from $85 000 to $125 000, and again to $150 000. In the latest round we have increased the threshold to $150 000 and have taken 21 000 out of the land tax loop. I suggest the hypocrisy of the opposition has no limits.

Supplementary question

Hon. ANDREA COOTE (Monash) — Given that the minister is not the Treasurer but is the Minister for Small Business — so we want her to be responsible for small business — is it not a fact that this threshold increase brought in by her government will not benefit metropolitan small businesses in any way?

Hon. M. R. THOMSON (Minister for Small Business) — As I have already said, this is a hypocritical question coming from an opposition that in fact lowered the threshold from $185 000 to $85 000 when in government and brought more people into the land tax loop. As a result of the packages announced by the Treasurer, 21 000 will come out of the land tax loop.

Information and communications technology: growth

Hon. KAYE DARVENIZA (Melbourne West) — I refer the Minister for Information and Communication Technology to current statistics indicating that Victoria's economic strength is resulting in a net migration back to Victoria. Will the minister indicate how the information and communications technology industry is assisting in Victoria's growth and what the Bracks government is doing to encourage this sector?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — I thank the honourable member for her question. The statistics referred to by the honourable member were from the *2002 Victorian Year Book* and were also reported in an article in the *Age* of Wednesday, 1 May, titled 'Statistics prove Victoria is the place to be'. Those statistics indicate that Victoria enjoyed a net immigration of around 35 000 people in 2000–01, which is the highest gain since 1997 and shows the benefits of the Bracks government's commitment to growing the whole of the state.

The Bracks government's strong leadership and clear strategies have already delivered real benefits, including the fastest growing economy in Australia. Victoria's unemployment levels are the lowest they have been in more than 10 years at 5.8 per cent, and the state's economy is growing above the national average. The Bracks government's Building Tomorrow's Businesses Today package, which is a $364 million package of initiatives to grow Victoria's businesses and create new jobs, will continue to make Victoria the place to be for business.

In turning things around we are making Victoria the place to be for the best and the brightest, especially in the information and communications technology (ICT) industry. The Victorian industry has a turnover of $19 billion per annum, which is not an insignificant turnover. It employs 62 000 Victorians and makes an economic contribution to the state of $5.8 billion. Victoria continues to be the centre of ICT research and development and now accounts for nearly 40 per cent of all private sector expenditure in this area.

From 2000 up to April this year the Bracks government has provided over 160 grants under its trade fairs and missions program to ICT companies. Companies that participated in 2000–01 have projected export outcomes of $183 million over two years. Since 30 June 2001 the government has facilitated approximately 920 jobs and around $128 million in capital investment in the ICT sector. It is also a dynamic small business sector with around 6000 firms in ICT.

Earlier this year, as I announced in the house, the Indian company Tata Consultancy Services announced its intention to establish a global development centre in Melbourne which will create 200 new jobs.

Just over a week ago I was fortunate enough to be able to assist and launch Blue Tongue Software's new game *Jurassic Park*, which has been developed for Universal Interactive around the world. This places Blue Tongue Software at the forefront of computer game developments. I congratulate the company on its creativity and the fact it has involved other Victorian companies and the Melbourne Symphony Orchestra in the development of that game. The company will employ 25 additional people on the basis of what it is doing. I am sure it will have a very successful future in providing games for the world market. It is the

leadership by the Bracks government that will lead — —

The DEPUTY PRESIDENT — Order! The minister's time has expired.

Payroll tax: small business

Hon. E. G. STONEY (Central Highlands) — Why has the Minister for Small Business not reduced the amount of payroll tax that small business pays to reflect the actual increase in wages over the past 12 months?

Hon. M. R. THOMSON (Minister for Small Business) — I will add again that I am not the Treasurer and I am not responsible for the taxation cuts that have been announced by the Treasurer, but I reiterate what they are. The tax package announced in relation to payroll tax will see half a per cent taken off payroll tax through both the Better Business Taxes and the Building Tomorrow's Businesses Today packages, both announcements having been made by the Treasurer. The announcement of that tax reduction has been welcomed by the business community, business organisations and by individual businesses.

Honourable members interjecting.

Hon. M. R. THOMSON — I know the opposition does not want to hear about it. It knows the business community has welcomed the package. It appreciates the business statement and the intent of the government to make it easier for businesses to do business in Victoria.

I say it again: this is a package of over $1 billion of business tax cuts out of Better Business Taxes and Building Tomorrow's Businesses Today.

Supplementary question

Hon. E. G. STONEY (Central Highlands) — The minister has thrown a few figures around. The facts are that payroll tax has been reduced by about 2 per cent and wages have increased by 3 to 4 per cent. In relation to her answers to the Honourable Gordon Rich-Phillips and me, why has the minister conned small business into thinking it has had a payroll tax deduction when in fact it has had a payroll tax increase?

Hon. M. R. THOMSON (Minister for Small Business) — I say it again: they have had half a per cent taken off the payroll tax rate as a result of the statements made by the Treasurer.

Electricity: solar hot-water technology

Hon. G. D. ROMANES (Melbourne) — Given that Victorians are increasingly looking for renewable energy options, will the Minister for Energy and Resources provide the house with details of recent initiatives delivered by the Bracks government to further encourage the uptake of solar hot-water technology throughout Victoria?

Hon. C. C. BROAD (Minister for Energy and Resources) — I thank the honourable member for her question and her dedication to these policy areas. Promoting the uptake of innovation in energy options is a key priority of the Bracks government and forms part of its commitment to building sustainability into everything the government does.

As the honourable member mentioned in her question, Victorians are exploring the options on their sources of energy and the Bracks government is committed to maximising their options and minimising the cost to them.

I am pleased to inform the house that, in terms of recent initiatives, recently I had the pleasure of launching a pilot project in the Macedon Ranges Shire involving the retro-fitting of existing electric hot-water systems with solar panels. This is the first such program in Australia and is unique in that it utilises existing electric hot-water storage tanks. Retro-fitting in this way significantly reduces the cost to residents of converting to solar hot water.

This is a cooperative initiative between the Bracks government, the Macedon Ranges Shire Council and the Master Plumbers and Mechanical Services Association of Victoria and, on behalf of the government, I thank all those involved in the project. I would like to specifically mention the green plumbers who are specially trained and accredited members of the master plumbers association and who are conducting the retrofits at a fixed price.

The Bracks government expects that the results of this pilot program will increase the choice of solar hot-water systems available to all Victorians and welcomes the energy and greenhouse savings that will result from the installation of retrofit kits.

I am also pleased that this project builds on another Bracks government initiative — the $15 million solar hot-water program — because through the Sustainable Energy Authority the government is supporting this pilot project with funding from the solar hot-water rebate program.

The Sustainable Energy Authority is another initiative delivered by the Bracks Government. Since the commencement of the solar hot-water rebate program more than 2200 solar hot-water heaters have been installed in Victoria. Of those, 40 are retrofit kits. With the government's commitment, demonstrated through this pilot project and the rebate, it expects there will now be a far greater uptake of solar hot-water technology throughout Victoria.

I look forward to being able to build on these initiatives with further initiatives contained in today's state budget that invests in a sustainable energy future.

MOTIONS TO TAKE NOTE OF ANSWERS

Freeza program

Skilled Stadium, Geelong

Hon. I. J. COVER (Geelong) — I move:

That the Council take note of the answer given by the Minister for Sport and Recreation to a question without notice asked by the Honourable E. C. Carbines relating to sports infrastructure and the answer given by the Minister for Education Services to a question without notice asked by the Honourable Jenny Mikakos relating to funding for the Freeza program.

I deal first with the answer given by the Minister for Sport and Recreation to the question regarding Kardinia Park. The minister is now leaving the chamber — I thank him for his support.

The minister waxed lyrical about the work of government members representing Geelong in asking him to go down to Geelong last Friday to announce a study — perhaps the 700th or more study — into the upgrade of Kardinia Park, as proposed by the Geelong Football Club.

I raised this matter during the adjournment debate on 27 March when the Leader of the Government was the only minister present for that debate. On that occasion I asked whether the Minister for Sport and Recreation would support the proposal by the Geelong Football Club for a Kardinia Park upgrade. The Leader of the Government said in response that she would pass the matter on to the Minister for Sport and Recreation who, no doubt, would respond in the usual manner. It is now almost six weeks later and I have had no response from the minister, so I can only assume his response is his usual no response.

It also highlights that the new system the government has introduced of having only one minister available during the adjournment debate is not working. Had the Minister for Sport and Recreation been in the house on that night he could have given an immediate response rather than wait six weeks to answer a dorothy dixer from the Honourable Elaine Carbines about his visit to Geelong. The minister was photographed in the *Geelong Advertiser* with the Geelong Football Club captain, Ben Graham, taking a mark over him from behind.

I now refer to the response by the Minister for Youth Affairs regarding the announcement about Freeza. She has also left the chamber, which is a shame, because I was going to take the opportunity to welcome her announcement of $2 million recurrent funding for the Freeza program. While I say at the outset the announcement is welcome, I point out that it merely restores the $300 000 cut from the funding some 12 months ago by the previous Minister for Youth Affairs when he bungled the budget process. It resulted in uncertainty and anxiety for young people throughout Victoria. It is a shame that the government caused so much anxiety and uncertainty for young people.

I recall a recent debate when the Minister for Youth Affairs was challenged to restore the funding and, indeed, to match the Liberal Party's commitment of $3 million recurrent funding. During that debate I told the house about the concerns and fears being articulated by young people throughout Victoria and what an unhappy time it was for them having to cut back on the events that they had already planned when the $300 000 was removed by the previous minister.

As I said, the uncertainty surrounding Freeza funding for the best part of 12 months was an unhappy time for young people. Fears were also raised by young people that the Freeza program would be cut altogether. So I welcome the announcement by the government that funding is being restored to the program and that it will be recurrent funding in line with the Liberal Party's commitment, articulated in February, that it would commit $3 million to the Freeza program for the life of the Liberal government. As I have said, the young people of Victoria should not have been put through that period of uncertainty and anxiety.

I also note a *Herald Sun* report last Friday announcing the Freeza program funding, which the minister repeated today in the house when she said that the government was listening to young people and had responded accordingly. I trust the minister is big enough to admit that she also listened to members of the opposition, given that we were calling for this

increased funding for more than 12 months. I would like to think that the minister has listened and responded to the call by the Liberal Party, committed to in February when the announcement was made about the Freeza program, so that young people could continue to have safe drug and alcohol-free entertainment.

Hon. E. C. CARBINES (Geelong) — I am pleased to respond to both of those issues. Indeed I was delighted to attend Skilled Stadium last Friday with my parliamentary colleagues the honourable members for Geelong and Geelong North in the other place; the Minister for Sport and Recreation; Frank Costa, the President of the Geelong Football Club; Stewart Fox, the manager of the ground; and the mayor of the City of Greater Geelong, Cr Barbara Abley.

For a long time the Geelong Football Club has been seeking an upgrade of the whole Kardinia Park precinct, not just for the football club and Skilled Stadium, but for all the facilities in the park precinct. I am pleased there has been wide-ranging consultation with all user groups of Kardinia Park, which have worked well together to approach not just the state government but also the City of Greater Geelong for a much-needed upgrade.

This is very important for Geelong. The Geelong Football Club is very important to the economy of Geelong. We want to see the football club maintained in Geelong so that home games will be played at Skilled Stadium. It was great to have the minister present in Geelong last Friday to commit to the funding of a feasibility study for that much-needed upgrade.

The news was very well received by the Geelong community. It resulted from the many representations not just to local government members in Geelong but also to the minister. We were delighted that the minister came down and committed to that funding last Friday.

I congratulate the Minister for Youth Affairs on her commitment to provide the Freeza program with recurrent funding of $8 million over four years, which builds on the already well-established commitment of the Bracks government to the Freeza program since coming to office. In our first year of government we doubled the funding for Freeza. The previous government committed only $1 million per year for Freeza. In our first year we doubled that to $2 million and in the next year we provided $1.7 million. It is very good news that over the next four years Freeza funding will be secure at $2 million per year, a total of $8 million.

It is very important to acknowledge that under the Bracks government not only has the funding for Freeza increased but it is now secure. Not only has the funding grown but also the number of Freeza providers across the state has been increased from 43 to 60 with the major growth being in rural and regional Victoria, which has been very important to the community that I represent. As a result, the number of participants in the Freeza program has increased dramatically. The Bracks government has also tried very hard to involve young people from marginalised groups in Victorian society by staging events that benefit those people such as same-sex events and events that include marginal young ethnic people.

Freeza is a great program. The government is very pleased to not only maintain its funding but also to guarantee its future, which the previous government did not do. The Honourable Andrew Olexander admitted to me last week that members of the opposition ran around Victoria in a great scare campaign over Freeza. I note that he is very pleased that we are committing to this funding today.

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

Motion agreed to.

Land tax: small business

Payroll tax: small business

Workcover: premiums

Hon. W. I. SMITH (Silvan) — I move:

> That the Council take note of the answers given by the Minister for Small Business to questions without notice asked by the Honourables Andrea Coote, G. K. Rich-Phillips and W. I. Smith.

The Minister for Small Business was asked a variety of questions today on the impact of the budget the government has issued on cuts for small business. She was asked those questions because businesses in this state have lost confidence in the Labor government and the cost of doing business has increased enormously under the Bracks government. Small business has lost confidence in the Bracks government which knows that small and large business has lost confidence in it. That is why it has separated the budget for business out of the budget announced today.

We know from survey after survey of businesses in the state that one of the major reasons that businesses have lost confidence in Victoria is the high cost of doing

business, such as Workcover costs, land tax and payroll tax.

Jobs have been lost in this state — businesses have pulled out; we have lost investment and jobs. Since the Bracks government took office 19 607 real jobs have been lost in businesses including Virgin Airlines, Bonlac and a range of other businesses that will not do business in Victoria because of the high cost of doing business.

So the Bracks government has responded by introducing a budget outside the budget to put forward what it is saying is delivering a cheaper way of doing business in Victoria.

Let us look at some of the comments. The Minister for Small Business was trying to suggest that it was not her responsibility but she does happen to sit around the cabinet table and make decisions on what impacts on small business. You would have to ask why she did not argue more strongly for cuts in Workcover, for a serious look at Workcover premiums and not be part of a decision of this government just to freeze Workcover premiums.

Let us look at what the business community says about the business budget that was released several weeks ago. I refer to an article by Alan Wood in the *Australian* of 23 April. In an article headed, 'Bulldust raised in splitting the budget', he said:

> You don't have to be Machiavelli to work out the politics of the Bracks government's business statement.
>
> …
>
> The heart of [the] package is further tax cuts for business, including payroll tax cuts. Treasurer John Brumby's problem is that after the recommended abolition of payroll tax last year —

which his own government defeated. The article states that he has been 'fiddling with the rate' and it 'looks like a second-best solution'.

The article states further:

> In short, it's the familiar mixture of a few useful initiatives and rather a lot of bulldust relating to vision and strategic planning.

The president of the Property Council of Australia, Bill Russell, is quoted as having said:

> The state government's proposed business tax cuts are inadequate and a missed opportunity … the tax cut proposals outlined in the government's business statement … will do little to ease the high costs of doing business in Victoria.

In support of that we have only to look at some of the answers given by the Minister for Small Business to questions today. On the question on how many small businesses will be affected by payroll tax, she could not even answer it and had to be reminded by the Honourable Gordon Rich-Phillips that by the government's own analysis 300 small businesses will be impacted upon by the reduction in payroll tax. Well, big deal! We know that businesses out there do not believe they have had a cut in payroll tax. Their wages have gone up 3 per cent to 4 per cent in real wage increases in the last 12 months and they have had a tax reduction of 2 per cent on their payroll tax. It is a con and it is the same with land tax.

The question is: how many metropolitan small businesses would actually own land worth less than $150 000? Small business has seen a huge increase in the last 12 months in land tax. We saw some examples given during question time by the Honourable Andrea Coote. The reality is that tax increases have been so enormous that the rise from $125 000 to $150 000 has had very little real impact on small business in metropolitan Melbourne. Businesses will feel the impact because it will be passed on to tenants and small businesses.

It is the same with Workcover, which blew out two years ago. The government panicked: it froze it and it still freezes it. It has done nothing to reduce the problems of the huge increases in Workcover premiums in 2000–01.

The real question of this budget will be whether small business returns and believes with confidence in this government. I suggest that small business will not be fooled by this con.

Hon. JENNY MIKAKOS (Jika Jika) — I find it quite amusing that members of the opposition are seeking today to raise a debate on the issue of state taxation. They have an absolutely abysmal track record when it comes to taxation, not only at the state level but also at the federal level, and here we have the opposition yet again trying to demonstrate that it has some sort of policy and ideas in relation to taxation. I want to take the opportunity to indicate to the house not only the government's track record on state taxation matters but also the types of promises that the opposition has already made in this particular area.

This government is proud of the fact that it has already made a very significant contribution to jobs in this state by delivering significant tax cuts to Victorian businesses, not only last year but also in this year's budget that will be handed down later today.

Honourable members are aware that last year this government handed down more than $774 million in business tax cuts. We have been prepared to bring forward $86 million of those tax cuts this year and in addition to that we are providing another $176 million in new tax cuts that were announced recently in the Building Tomorrow's Businesses Today tax package.

This is a total package of over $1 billion in tax cuts, which is a huge boost in confidence and in jobs to Victorian businesses and Victorian families. We are absolutely unashamed of our support for Victorian businesses because we believe this will make a significant contribution to employment and to the level of business investment and business confidence in this state.

The details of the Building Tomorrow's Businesses Today tax package include an increase in the payroll tax threshold from $515 000 to $550 000 from 1 July 2002. That is a year ahead of schedule, a year ahead of the increase in the payroll tax threshold which we announced in last year's budget.

This increase in the payroll tax threshold will be the first increase in over a decade and will free hundreds of Victorian small businesses from payroll tax liability. In addition, the payroll tax rate will be reduced from 5.45 per cent to 5.35 per cent from 1 July 2002 — a year ahead of schedule. An additional reduction in the payroll tax rate will be made from 5.35 per cent to 5.25 per cent from 1 July 2003.

I suggest to the Honourable Wendy Smith that she checks the Treasurer's media release in this respect. I am happy to provide her with further details of this two-step incremental reduction in the payroll tax rate. This is a significant reduction from the rate of 5.75 per cent the Bracks government found when it came into government in September 1999.

On a number of occasions we have demonstrated our support for Victorian small businesses by reducing the payroll tax rate. By 1 July 2003 it will be 5.25 per cent, which is a very competitive position compared to other Australian states.

The changes in the land tax area will free a number of small businesses, investors and self-funded retirees from paying land tax. It is expected that up to 21 000 small business people will be freed by an increase in the land tax threshold from 1 July this year from $125 000 to $150 000. This is in contrast to the position of the former Kennett government that reduced the threshold from $200 000 to $85 000 and forced 70 000 land holders in this state to pay land tax.

We are strong supporters of Victorian businesses. We have delivered over $1 billion in tax cuts, which is in stark contrast to the position of the opposition.

Hon. R. H. BOWDEN (South Eastern) — In relation to small business and industry in general, but particularly small business, the Bracks government reminds me of a well-known performance by a very creditable international entertainer, Victor Borge, who amused his audiences around the world with a violin technique. He would speak for a long time about the beauty of the violin, the great sound of the violin, the wonderful curves of the violin and the techniques and the thrills that violin music can bring, and he would finish his comments by saying 'But I never learnt to play it'.

This is the type of reaction that I have when I listen to business matters from the present state government. It is a high-taxing government, it is a big-spending government and it does not engender business confidence. Where payroll tax, land tax and Workcover are concerned its record is not good.

The opposition has information published earlier this year that says land tax receipts to the Bracks government have increased from $369 million in 1998–99 to an estimated $525 million in the year 2001–02. The increase in the land tax threshold from $125 000 to $150 000 has only saved land tax payers $5 million when the overall collection rate has increased by $156 million. This state government is handing back $5 million and taking $156 million in land tax. I do not think that is likely to be well received. Even though the land tax community is painfully aware of it, I do not think the government understands the type of reaction that numbers of that sort engender.

If you look at some past accurate information published in a media release of 3 October by the shadow Treasurer, the honourable member for Box Hill in another place, Robert Clark, you can see that, using published information, land tax in Victoria has increased from $425 million in 1999–2000 to a budgeted $569 million in 2001–02, which is a 33.4 per cent increase in just two years. On several occasions over the last few years since we have been in this chamber under the Bracks government regime we have had to listen to the wonderful progress it is making and how wonderful it is in managing the land tax impost on small businesses, but that is wrong.

I wish to spend a few minutes speaking about Workcover. Workcover is a very real cost. No matter what definition you put on it — the minister said it is an

insurance policy while others look on it as a tax — it is still an inescapable cost — —

Hon. W. I. Smith — A huge cost.

Hon. R. H. BOWDEN — A huge cost, as the Honourable Wendy Smith said, and it is definitely one of those factors that is controllable, manageable and under the influence of the state government. That is inescapable.

The proprietors of a small business in my electorate wrote to me saying that their industry has no high physical risk. They have had no claims on their policy since they started business some 25 years ago but their premium has gone from $7589.94 to $14 562.79, an increase of 49 per cent.

Hon. W. I. Smith — And it's frozen.

Hon. R. H. BOWDEN — And it's frozen. Here is a business with no claims in 25 years, a reasonable volume of people on its staff, a good business and a business which has no chance of a cut under this present government, yet we are asked to accept the government's assurances that it has everything under control. The small business community cannot do that.

When it comes to the matter of Workcover costs I would like to cover one other matter. The incidence of Workcover claims on hospitals is appalling. Information shows that massive increases have occurred in the incidence of Workcover payments on hospitals. In my area of Wonthaggi the Workcover premium for the Wonthaggi and District Hospital has increased from $284 000 to $454 000, a 59.9 per cent increase.

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

Motion agreed to.

Schools: safety and security

Hon. P. R. HALL (Gippsland) — I move:

> That the Council take note of the answer given by the Minister for Education Services to a question without notice asked by the Honourable P. R. Hall relating to the testing of school electrical appliances.

This is an important subject, and circular 69 of 2002 describes the obligations and requirements of schools regarding electrical appliance inspection and safety standards. The National Party is not opposed to such inspections because we feel that electrical safety inspection and testing is a necessary function to be undertaken by schools and school communities, and the safety of students in schools is paramount. We do not object to the requirement for schools to undertake specific matters related to electrical inspections and testing.

What we are concerned about is the cost burden that this is now imposing upon schools. As I said in my question to the Minister for Education Services today, a school, particularly a big school, could literally have 1000 or more electrical appliances which need to be tested and inspected on a regular basis. Even small schools would probably have in excess of 100 different electrical appliances. Some of the schools in my electorate have calculated the cost involved. Some electrical contractors charge anywhere from $15 to $30 to test electrical appliances, and when that is multiplied by 100, or 1000 electrical appliances in the case of some of the bigger schools, then the cost is a significant one which amounts to thousands of dollars a year.

Our grave fear is that schools once again have been left to bear this cost without a specific component of school global budgets being included to cover the cost. Schools are required to comply with the Australian safety standard that came in for schools in 2000, and certainly by the end of this year schools will have to produce documentation and evidence that they comply with the electrical safety standards.

There will be a cost burden upon schools, and I suggest it will come as a surprise to many schools. It is fine for the minister in her answer today to say that schools have agreed on school global budgets, but this is one of those hidden costs which schools up until now have not been fully aware of. It will be a significant additional cost. It will also be a significant administrative cost that schools will have to bear.

Circular 69 of 2002 sent to all schools states:

> A recording system with dates and results of testing must be in place. Items are to be tagged at time of testing. Tags are to be made of a non-metallic and durable material and be non-reusable. They should contain the date of testing and the name of the person or company that did the testing.

Significant administrative requirements will be placed on schools to keep accurate records of all testing and inspections that have taken place on electrical appliances. This is a significant additional financial and administrative burden on schools.

Must there always be a qualified electrician to carry out an inspection? No, not always, but it is required for some forms of electrical appliances, but there can be, as described in the circular, a competent person to carry out some of the inspections within the school. A

competent person is defined in the circular as a person who has undertaken specific training in this particular area. One can perhaps undertake a TAFE college course to obtain competency in electrical inspections, but that is a cost to the school and the teacher being away from the school so that they can undertake that training. It says in the circular that the school can hire electrical testing equipment from certain suppliers, but once again at additional cost to the school.

This will be a major cost impact on schools in the state. I urge the government to consider that if all schools have to comply with these requirements a more cost-efficient way of doing it may be for the government through its regional offices to employ or contract specific people with qualifications to undertake tests on a school-by-school basis. That is probably a more cost-effective means of ensuring that all schools comply with the particular electrical safety standards. It is a hidden cost that has crept up on schools. Schools in rural areas that may not have ready access to electrical contractors to do this work will feel it hardest. Schools with small budgets will also feel it. I urge the government to examine this issue again to see if there is not some way in which the cost that schools will need to comply with can be offset.

Motion agreed to.

QUESTIONS ON NOTICE

Answers

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I have answers to the following questions on notice: 2686, 2696, 2713, 2717, 2718, 2725–7, 2729–31, 2737, 2747–51, 2753, 2755, 2758–60, 2765–7, 2808, 2825, 2826, 2840, 2841.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 4

Hon. A. P. OLEXANDER (Silvan) presented *Alert Digest* No. 4 of 2002, together with appendices.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Adult Multicultural Education Services — Report, 2000–2001.

Ballarat University — Report, 2000–2001 (two papers).

Bendigo Regional Institute of TAFE — Report, 2000–2001.

Box Hill Institute of TAFE — Report, 2000–2001.

Central Gippsland Institute of TAFE — Report, 2000–2001.

Centre for Adult Education — Report, 2000–2001.

Chisholm Institute of TAFE — Report, 2000–2001.

Cinemedia Corporation — Report, 1 July 2001 to 31 December 2001.

Crown Land (Reserves) Act 1978 —

Minister's Order of 19 April 2002 giving approval to granting of a lease at Jeffcott

Minister's Order of 19 April 2002 giving approval to granting of a lease at Maldon.

Deakin University — Report, 2000–2001.

Driver Education Centre of Australia — Report, 2000–2001.

East Gippsland Institute of TAFE — Report, 2000–2001.

Gordon Institute of TAFE — Report, 2000–2001.

Goulburn Ovens Institute of TAFE — Report, 2000–2001.

Holmesglen Institute of TAFE — Report, 2000–2001.

Kangan Batman Institute of TAFE — Report, 2000–2001.

La Trobe University — Report, 2000–2001.

Melbourne University — Report, 2000–2001

Monash University — Report, 2000–2001.

Mount Stirling Alpine Resort Management Board — Report, 2000–2001.

Northern Melbourne Institute of TAFE — Report, 2000–2001.

Parliamentary Committees Act 1968 — Minister's response to recommendations in the Economic Development Committee's report upon the Inquiry into the Impact of the Goods and Services Tax on Small and Medium Sized Businesses in Victoria.

Planning and Environment Act 1987 — Notices of Approval of the following amendments to planning schemes:

East Gippsland Planning Scheme — Amendment C3 Part 1.

Hume Planning Scheme — Amendments C32, C34 and C35.

Maribyrnong Planning Scheme — Amendments C8 and C27.

Maroondah Planning Scheme — Amendment C26.

Melbourne Planning Scheme — Amendment C64.

Monash Planning Scheme — Amendment C6.

Moyne Planning Scheme — Amendment C1.

South Gippsland Planning Scheme — Amendment C7.

Whittlesea Planning Scheme — Amendment C33.

Wodonga Planning Scheme — Amendment C11.

Yarra Planning Scheme — Amendment C31.

Practitioners Registration Board of Victoria — Minister's report of failure to submit 2000–2001 report to him within the prescribed period and the reasons therefor.

Royal Melbourne Institute of Technology — Report, 2000–2001.

South West Institute of TAFE — Report, 2000–2001.

Sunraysia Institute of TAFE — Report, 2000–2001.

Swinburne University of Technology — Report, 2000–2001.

Victims of Crime Assistance Tribunal — Report, 2000–2001.

Victoria University of Technology — Report, 2000–2001.

Victorian Law Reform Commission — Report on Criminal Liability for Workplace Death and Serious Injury in the Public Sector.

William Angliss Institute of TAFE — Report, 2000–2001.

Wodonga Institute of TAFE — Report, 2000–2001.

Proclamations of His Excellency the Governor in Council fixing operative dates in respect of the following Acts:

Post Compulsory Education Acts (Amendment) Act 2001 — Remaining provisions — 3 May 2002 *(Gazette No. G18, 2 May 2002).*

Sentencing (Amendment) Act 2002 — Remaining provisions (except for sections 8, 9, 11 and 14) — 2 May 2002 *(Gazette No. G18, 2 May 2002).*

Road Safety (Alcohol Interlocks) Act 2002 — Remaining provisions — 13 May 2002 *(Gazette No. G18, 2 May 2002).*

BUILDING AND CONSTRUCTION INDUSTRY SECURITY OF PAYMENT BILL

Second reading

Debate resumed from 24 April; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. P. A. KATSAMBANIS (Monash) — The opposition does not oppose the Building and Construction Industry Security of Payment Bill that is before the house today. In a lot of ways the bill has a noble cause — to change the culture and the habits that have built up over many years in the building and construction industry in relation to payment upon contract and upon agreement. As members of this place would know, there is no doubt that things often go wrong within the building and construction industry and the parties involved at various levels are often left unable to obtain payment for work or for goods and services that have been provided. That can occur at almost any level; from the payment of a developer or a financier through to professionals engaged in planning and designing buildings and the various tradespeople involved in building and construction.

I dare say every member in this place will have come across stories, issues and cases where, through no fault of their own, hardworking people who had performed their duties to the best of their abilities in the expectation that they would be paid have ended up not being paid. This has caused significant hardship and in many cases has led to the collapse of businesses and financial and personal ruin for a lot of people. As far as this bill attempts to change those happenings and occurrences and to protect from financial hardship parties involved in the building and construction industry in Victoria the opposition wishes this bill every success. However, upon examination it appears highly unlikely that the bill will lead to any real or concrete change, especially in the short to medium term.

It is instructive to note that the government intends to review the operation of the bill 12 months after its introduction. If you are looking at significant cultural change and if you are looking at changing the habits of a lifetime in an industry, I think that 12 months is a very short time frame. But the fact that the government is looking at reviewing the operation of the bill in 12 months probably indicates it has grave concerns that what it is introducing is not really going to affect anything in practice. That is why the opposition is not opposing the bill rather than supporting it. We support the higher cause that this bill is trying to address which is, to put it simply, 'Don't think in practical terms'. It is not going to effect very much change at all, and there are plenty of groups within the industry who, in practical terms, agree.

Essentially the bill deals with four major issues and introduces four significant changes to the ways things happen in the building and construction industry. Firstly, it introduces a default system for payment, or it attempts to introduce a default system of payment. I

will address the issues relating to that in due course. Secondly, it introduces an adjudication process for disputes that arise under this default system for payment. Thirdly, it addresses the issue of what is commonly known in the industry as provisions for 'pay when paid'. These occur where one contractor on one level says to a subcontractor, 'I will pay you when I get paid'. They are very common at all levels, from professional services right through to building work itself. Fourthly, the bill sets out a process to recover payment from the principle at the top of the chain of contracts in any particular building dispute which can, of course, create lots of problems, and I will address issues related to that process in due course.

The default system for payment that this bill attempts to introduce is a noble one, however, the way I read the operation of the bill, there are more exclusions than inclusions. There are already many standard contracts operating in the marketplace, either contracts that are given legislative backing or contracts that are used extensively through custom in various segments of the industry. They all have their own payment systems. Additionally, payment systems were introduced under the Domestic Building Contracts Act 1995. Clause 7 of the bill makes it clear that contracts falling under the operation of the Domestic Building Contracts Act are of themselves excluded from the operation of the provisions in this bill in relation to security of payments. But when we look at what contracts can be included under the Domestic Building Contracts Act we see that the inclusion provisions in the act also have a series of exclusions, so that when we try to marry the operation of the new bill with the Domestic Building Contracts Act and with all the various contracts that exist in the marketplace, we can see that there are more exclusions than inclusions.

If you are a practitioner in the building construction industry, especially if you are a practitioner at the service delivery end such as a cabinet-maker, a carpenter, a plumber or an electrician, you are never going to be certain whether you will be covered by the Building and Construction Industry Security of Payment Bill, the Domestic Building Contracts and Tribunal Act or some other legislative or contractual arrangement.

It was interesting that the task force called by the government in 2000 to look at this issue — the security of payments in the building and construction industry generally — recommended that these provisions apply as broadly as possible. It is also interesting to note that both the Housing Industry Association and the Victorian Institute of Steel Detailers have suggested to the opposition that the exclusion provisions are far too complex and it would be preferable to have a security of payment system introduced that had little or no exclusion at all so that there would be certainty in the industry as to what standards applied, what the nature of the default payment process was and what the nature of the adjudication process was, so the people would know quite clearly what laws applied to them.

We know there are many reasons why there are significant financial failures and collapses in the building and construction industry: a lot of it is to do with underquoting; some of it is about not understanding the scope of the job; some of it is because some people are much better tradesmen than they are business people; and other times it is something that happens to the person who gets caught at the end of the chain that is not that person's fault but causes the payment system to break down. A lot of the time we tend to say that these people need legislative protection because they are at the end of the chain and cannot really do a lot about what happens at the top of it. That is why we as legislators intervene and introduce legislation to try to protect these people.

When we do that we must ensure that the legislation is as clear and transparent as possible and that the people out there in the industry know exactly what legislation applies to them.

Submissions have been made to the government to the effect that the system they are proposing to introduce is far too complex. You can be excluded from the operation of this legislation and move to the Domestic Building Contracts and Tribunal Act then find that you are excluded on some technicality from that act as well. Then whether you come back to this legislation, back to common law or to another contractual provision, it is just simply too complex.

So, although a default system of payment is being introduced it is questionable what subsectors of industry it will apply to. It may very well be in some cases that a contract between a builder and a building owner may not be subject to the operation of this legislation, but that a contract for the same site between a builder — the very same builder — and a subcontractor may be subject to it. It is confusing. There are various rights attaching under various pieces of legislation, often for the same building site and the same set of building works when you look at them in totality; but depending on where in the chain you happen to fit you may or may not be included in the default payment system. I think that complexity is going to be part of the reason why the bill will not achieve its noble cause of effecting real cultural and

practical change in the way payment is secured in the building industry.

I will not belabour the house on this point except to point out to honourable members of this place and to the public generally that if you want a detailed, expert contribution as to why this is an area of significant concern you should look at the contribution made in the second-reading debate in the other place by the honourable member for Hawthorn, who with his practical experience over many years as a professional in the building and construction industry has outlined very fully the failings of this bill. We in the opposition outline the failings not because we do not support the cause the bill is trying to effect; on the contrary, it is because we want the bill to succeed in its noble cause; we are just concerned that because of the way it is constructed it will not meet its aims. Again I commend to everyone who wants to know all the minutiae of the failings of the bill to refer to the contribution of the honourable member for Hawthorn.

The second major thing the bill attempts to do is establish an adjudication process for disputes over payment in the building and construction industry. Of course it will only apply to disputes in those cases where there is not an exclusion or a double exclusion, nor an inclusion of an exclusion of an exclusion, as I discussed earlier. It is very complex; but eventually if someone ends up in the adjudication process under these provisions they will be able to have some redress for their concerns.

One issue I have is that the time frame seems to be rather extended. You do not have ready redress to an adjudication process because it is cumbersome and something of a paper chase. Maybe that is something the government can review in 12 months time when it comes to look at how successfully the legislation has operated.

Because the legislation is based in part on the New South Wales model we should look to New South Wales for examples. In the past 12 months the adjudication process has only been used on about 50 or so occasions. If disputes and problems of payment are as rife in the building industry as we are led to believe — and they have not been quantified but we all know from anecdotal evidence that they are everywhere — why has the adjudication process only been used 50 times in New South Wales? There are two possible reasons. One is that it is too complex and difficult for people to get there or the reason may well be that their security of payment legislation is working so terrifically well that no-one needs to go to adjudication.

If it were the latter case we would all be happy. However, the New South Wales government is now reviewing the operation of its act, which has been in place for some time, because it simply does not believe it is working. People are not getting to the adjudication process because the provisions are too complex; they are not sure if they are included or excluded; and they are finding it too hard.

Interestingly, the Housing Industry Association (HIA) has called on the Victorian government to review this bill because there are new developments in New South Wales. The HIA is saying, 'Do not go down the path of introducing legislation that in many ways mirrors that of New South Wales', at exactly the same time as the New South Wales government has said, 'Hang on, this is not working, we had better look at it'.

In its haste to introduce a bill to give the house some legislation to debate and to be seen in the marketplace as doing something, it may be that this government is throwing the baby out with the bathwater and has not stopped to look at the provisions it is introducing that mirror provisions in New South Wales that are being reviewed. The HIA submission should not be dismissed lightly. The association is expert in this area and understands better than anyone else the difficulties that can occur when the payment chain breaks down in the building and construction industry. When it tells the government to hasten slowly, the government should listen.

I am sure that these provisions will probably work well when the adjudication stage is reached. It is difficult to envisage how many cases will get to the adjudication stage because of the complexity of the system. Another issue to be considered is that if a matter needs to be adjudicated, the time frames in the bill extend the period far too long. I hope the government will look at that and review the time frames so that adjudication can be quicker and payment can be quicker to ensure that people who have done quality work and are entitled to be paid are not denied payment and do not get into financial and personal difficulties as a result.

The third aspect of the bill touches broadly on the provisions of pay when paid. They are typical provisions in the building and construction industry. My colleague the Honourable Ken Smith is shaking his head. I am sure as a reputable former plumber he understands exactly what these pay-when-paid provisions mean in practice to someone at the end of a building contract chain. Subcontractors in the building industry would have heard those three words time and again. I dare say there are plenty of subcontractors out there today who have been waiting a long time to be

paid when paid. This issue has been addressed by standing committees of the Parliament; it was addressed by the task force in 2000 and has occupied the minds of many people. Interestingly, the task force suggested that the pay-when-paid provisions should be outlawed.

In many ways such provisions essentially defeat the privity of contracts. They stop people from getting money to which they are legitimately entitled for work they have done competently and to the best of their abilities. However, the bill does not outlaw pay-when-paid provisions. The bill — and this is subtle but indicates one of the reasons I think the bill will fail — essentially denies someone a remedy when they have entered into a pay-when-paid provision. Pay-when-paid provisions will not be given effect under this legislation, so if someone enters into a pay-when-paid agreement, they will not be able to seek redress under this legislation. That is a subtle but very material difference from banning pay-when-paid provisions. If you ban them it is clear: you cannot enter into them, they have no effect, they have no force at law. That has not been done; the government has not outlawed pay-when-paid provisions. It has said that if you come under a pay-when-paid provision you will not have any redress under the legislation. It will not have any effect. That is harming the people we are attempting to protect. It will be interesting to see how it plays out in practice.

As I said, the government will review the operation of this legislation within 12 months, which is a very short time frame. I hope those sorts of issues will be addressed properly at that time. They could have been addressed before the bill was introduced. Unfortunately, they were not. I do not know if it was a drafting error or if it was consciously done. I would be interested to hear from the minister or government members why the pay-when-paid provisions were not outlawed, but rather were not to be given effect under the legislation. That essentially means that the people who need the remedy are not being protected — that is, those people who are at the mercy of the pay-when-paid provisions — the plumbers, electricians, cabinet-makers and carpenters — those at the end of the chain who are left holding the can out for money. I will be interested to hear what the government has to say about that.

Another issue that concerns me — and it dovetails a little into the pay-when-paid provisions but is a separate issue on its own — is the attempt to make the principal at the top of the contract responsible for payment where there is a breakdown in the contract. That offends my sense of justice because it could end up with someone who has legitimately paid for contracted work being held liable again. That is a classic situation. If you only have three people in the chain — the principal contractor, the head subcontractor, and the person who performs the work — and the person in the middle gets payment from the person at the top but does not pass the payment down to the person at the end of the chain, then the person at the end of the chain can make a claim against the person who has already paid for the work. I have some concerns about that.

I am not sure how it will play out in practice, but rather than create the appropriate cultural change in the industry it tends to give comfort to rogues. It tends to give comfort to those people who might want to deliberately withhold payment along the chain, so that a plumber who legitimately does some work that has been subcontracted to him from, say, a builder may not be paid by that builder, who probably recovered the money from the person who contracted him in the first place. If the builder absconds, runs away and we cannot find him — he might even set up a phoenix company somewhere else and start again — then the plumber will go to the head contractor, the person who has already paid out for the plumber's work, who will pay that money again. It seems convoluted and tends to protect the rogue more than the innocent third party. I hope that is not the way it will work in practice, but that is how the opposition reads the recovery-from-principal provisions contained in division 4 of the bill.

The government should look at that provision to ensure it is not penalising the wrong person. I understand and have absolutely no doubt that the person at the end of the chain deserves to get paid, but why should the person at the top of the chain be forced to pay twice so as to protect the rogue somewhere in the middle? The legislation should be about protecting all the innocent parties, be they at the top, the bottom or somewhere else along the chain. It should be about penalising the rogues and driving them out of the industry.

Another good reason why the legislation should be reviewed within 12 months rather than have the longer time frame is that if the legislation is not working the government should have to act immediately to protect the innocents and punish the wrongdoers, rather than the other way around.

The only other issue I highlight about the bill is that a task force was formed, met, had extensive consultations and made a series of recommendations. That part was handled fairly properly. The task force made about 30 recommendations. However, the bill introduced by the government does not accept in full the recommendations of the task force. I am not commenting negatively on that aspect, but I point out

that the bill does not accept the recommendations in full; I think it implements about half of them. It is significant that there was little opportunity for consultation with the industry players when the bill was drafted and introduced. Although the task force part of the process was handled well, when it came to drafting and introducing the bill in this and the other place the government failed to adequately consult the industry. That has been pointed out again to the opposition by industry bodies including the Housing Industry Association, which has real concerns about the fact that the government, although it pays lip-service to consultation, does not consult when it needs to consult.

Were the bill simply implementing the task force recommendations holus-bolus there may have been some argument to say that the government had done all the necessary consultation, but task force reports are not legislation. Often the devil is in the detail. If it is being fair dinkum about being a consultative government, the government should have allowed the industry and other interested parties enough time to consider the bill now before the house and to make legitimate representations to ensure that Victoria gets the best possible legislation rather than a second-best set of legislative provisions, as are now before the house. For that the government again stands condemned. The lip-service to consultation continues to be paid, but the proof, as always, is in the pudding. This pudding is an absolute tasteless shocker, because the government is not consulting when it needs to consult.

One other aspect about the bill is that it contains — surprise, surprise! — clause 51 which limits the jurisdiction of the Supreme Court; that clause contains a section 85 statement. When you examine it you would probably suggest that in all the circumstances this is a fairly legitimate use of section 85 in that the legislation protects a person adjudicating in disputes under the provisions of the bill from being personally liable when they exercise their role as an adjudicator in good faith. That is pretty reasonable.

However, for seven and a half years opposition members had to sit in this house and listen to members of the current government, when in opposition, yelling, screaming and bleating that the then Liberal–National coalition government — I notice all government members now in the house are personally excused because they are only collectively guilty and guilty by association — was inappropriately using section 85 to limit the jurisdiction of the Supreme Court. We heard it again and again, like a broken record. However, now that the then opposition is in government it has discovered that there can be a legitimate use of those provisions; that is why they are in the Constitution Act. It ensures that people who are fulfilling statutory duties in good faith are not personally liable to be sued in the Supreme Court.

It should be highlighted in this place that that fact again points out the duplicity of this government — that is, that when in opposition it whinged and moaned about the use of section 85 but now that it is in government it has no concern about using it. How the wheel has turned; it is yet another contradictory performance by the government!

In closing, it is clear to me and, I believe, to every member of this house that the security of payments to contractors in the building and construction industry is an issue that needs to be addressed. It is not something new but is a perennial issue. I daresay it is one that will never be solved by one magic piece of legislation, but is one that will need to be continuously revisited.

So far as the intent of the legislation is concerned, nobody in the opposition has any difficulty with it. The Liberal Party believes players in the building and construction industry should have certainty and security of payment for work done. We understand that unfortunately from time to time there are breakdowns; some are inadvertent but all too many are deliberate. We should make sure we can catch the people who abuse the system by denying people rightful payment for work performed. The Liberal Party has no problem with any of that.

We believe the legislation, although it has the best of intentions, is likely in practice to have very little practical impact because it has more exclusions than inclusions. It is complex and difficult to see which contracts will or will not be covered. It has an adjudication process with a long lead-in time, which means that most practical business people would rather sit down and resolve a dispute themselves even if it leads to some detriment, because they do not wish to wait for an extended period when they have debts they need to cover.

The bill may not work because it does not outlaw pay-when-paid provisions and it probably harms rather than helps people who need protection from pay-when-paid provisions. It may well unfairly prejudice people who have paid for building work and make them pay for building work a second time when the person who has defaulted on the payment has run away and is nowhere to be found or is impecunious.

The government has not consulted widely enough on the provisions of the bill. Therefore for all those reasons the Liberal Party believes in practice the government is

unlikely to achieve the noble aims it set for this legislation.

We wish it well, but I do not think it will have the effect it could have had had it been drafted better through more consultation and by listening to the legitimate concerns of the industry involved in this industry on a day-to-day basis.

I will be interested in what the review brings up in 12 months time. I hope the bill is the catalyst for cultural change in the building industry so that fewer legitimate practitioners are inconvenienced and put out of business and out of work, but I hold grave doubts.

Hon. GAVIN JENNINGS (Melbourne) — I am pleased to speak on behalf of the government in support of the Building and Construction Industry Security of Payment Bill. I will be a happy member of the government if and when the bill is passed by the Legislative Council later today. Victoria is one of the few states in the country that does not have a legislative base to protect the rights of contractors, subcontractors and consultants to receive payments for their work. In fact, the sorry situation inherited by the Bracks government was that the only provisions that applied upon it coming to government were some provisions that loosely roped in the public sector of Victoria.

The bill is one of the essential pieces of legislation that the Labor Party took to the people of Victoria at the last election. The government adopted a method to deliver the legislation which is a hallmark of the operations of the government. It involved stakeholders in the preparation of the programs and of the legislative framework that applies in Victoria.

The success of the task force established by the government involving various stakeholders is testimony to the consultative way the government goes about its business. Under the stewardship of the honourable member for Mitcham in the other place the task force brought together a number of major stakeholders in the construction industry. They included the Office of Housing, the Airconditioning and Mechanical Contractors Association of Victoria, the Housing Industry Association, the National Electrical and Communications Association, the Master Plumbers and Mechanical Services Association of Australia, the Civil Contractors Federation, the Property Council of Australia and the Victorian Employers Chamber of Commerce and Industry.

Those peak bodies came together to work with a number of representatives of individual companies that included Leighton Properties Pty Ltd, Actrol Parts and WT Partnership, quantity surveyors, and representatives of the trade union movement who were most affected by the exercise, in particular individuals representing the Construction, Forestry, Mining and Energy Union, John Cummins and Ray Hallett, and good solid citizens from the Communications, Electrical and Plumbing Union, Dean Mighell and Earl Setches. They took to their task and delivered the goods to the people of Victoria and provided the basis by which the government could prepare the legislation that is before the Parliament today.

I am pleased to put on the public record that the key recommendations of the task force received the broad support of all those stakeholders and ensured that the fundamental aspects of the bill were well understood, considered and well supported by all the stakeholders who were represented on the task force.

I outline to the house the major purpose of the bill, which is to ensure there is an entitlement for progress payments for persons who carry out building and construction work in the state and who provide related goods and services under construction contracts. It is the government's intention to ensure that there is no longer the inequitable practice that we have seen in the building and construction industry whereby many small contractors were not paid on time or not paid at all for their work. That is a blight on the prevailing employment practices and contractual arrangements applying in the construction industry throughout Australia and, up until now, have not had a legislative framework to be dealt with within the Victorian jurisdiction. To my mind that is the greatest outcome achieved by the honourable member for Mitcham in the other place and his task force.

In fact, this was identified in the other place as part of the watershed of the electoral tide that turned in favour of the Labor Party during the last term of the Kennett government. In his contribution during the debate on this bill in the other place the honourable member for Mitcham said that when he was doorknocking for that important campaign in the Mitcham electorate he came across a number of victims of this practice who implored him to ensure that if a Labor government was elected the Labor Party would rectify this lack of legislation and of processes to ensure security of payment. The honourable member relayed a sorry story in his contribution. He said that after his task force had concluded its work ensuring the preparation of this legislation he contacted the subcontractor whom he came across during the course of that election campaign to discover that he had not received his payments in a timely fashion and had been taken to the wall

financially, with the sorry conclusion that he lost his house.

We have heard many similar stories as many subcontractors and contractors use their own homes as security to underwrite their contractual arrangements in the building and construction industry. It is a sorry history and not an isolated case, and is something that affects all electorates in the state. All honourable members of this place would have a number of constituents who have experienced considerable difficulty because of the imprecision of payments in the construction industry. The lack of precision and timely payment is a statistic that is difficult to identify and quantify when people go to the wall financially at great personal cost. It is a great disappointment that the royal commission inquiring into the construction industry has not responded appropriately to an evaluation of the security of payment issue. It appears to be a blind spot in the consideration of the royal commission, and perhaps members of the government do not find that surprising given that we were dubious about the creation of the royal commission in the first place and regarded it as a political stunt leading up to the last federal election — a stunt that the head of the royal commission commented on as recently as yesterday, when he castigated the federal government, among other parties, for not complying with the terms of reference of the royal commission by providing a submission representing the views of the commonwealth government. That extraordinary report issued yesterday indicates the federal government does not take this issue seriously, but established the royal commission in the climate of a federal election hoping to add to the degree of anxiety, intimidation and pressure placed on the labour movement leading up to the last federal election.

I hope that before its conclusion the royal commission will address the issues of security of payments and occupational health and safety and the appalling track record within the industry of workplace deaths; and that the industry, the commission, and all parties in this place face up to the reality of workplace death and injury and realise their responsibility to turn around that very sorry situation. A total of 32 deaths occurred in Victorian workplaces last year.

Those will be the arguments that underpin the government's case on a bill that will be before the house shortly, so I will not err on the side of anticipating the debate that may take place. However, I certainly encourage all members of this house to make themselves aware of that issue and the concerns about workplace death and injury in this state.

I also urge the commission to start facing up to its responsibility to ensure that it provides appropriate protection for industrial rights and that the obligations of all those in the industry to apply the prevailing industrial award, enterprise bargaining and industry agreements are met.

I will be pleasantly surprised if the royal commission lives up to the expectations I have placed on the public record today. I am mortified that the commission appears to be embarking upon a process to make workers — the small people in the industry — accountable. As recently as yesterday the commission put pressure on an occupational health and safety trainer who works in the Construction, Forestry, Mining and Energy Union, yet it is very reluctant to make some major corporate entities or indeed the commonwealth government accountable. There have been many sorry stories of fear and intimidation applied by bosses within the industry, and I hope the royal commission pays some attention to that when issuing its report.

As I have indicated, that has been a blind spot in the royal commission's considerations but not in the view of the government. This government has been prepared to consider the recommendations of the task force and to implement them through this proposed legislation. The government has been particularly mindful of the current legislative framework which has resulted in lengthy delays in civil jurisdictions in this country in settling payments, and has attempted to put in place a mechanism that will speed up the processing of those claims and allow for independent adjudication of the validity of claims and the maximum resolution of disputes.

The government has used the New South Wales Building and Construction Industry Security of Payment Act 1999 as a template for the proposed legislation. The bill provides an opportunity for progress payments to be made within the terms of a contract even if those progress payments are not specified within the contract, but it does not necessarily override progress payments if they are a feature of the contract in question.

The bill does not overstep or overstate its potential to guarantee payments but it provides a more secure footing and reliable process for those claims to be pursued by providing for payments to be made under two streams: those that fall under the definitions in the act of 'construction work' or suppliers of 'related goods and services'.

Clause 4 in part 1 of the bill has a fairly broad definition of 'construction contract'. Clause 5, headed 'Definition of "construction work"', ropes in a number of elements which include construction, alteration or repair, including demolition of any works forming part of land including roadworks, buildings, railways, and drainage construction.

Clause 6, headed 'Definition of "related goods and services"', ropes in those which are supplied under construction contracts, such as engineering, landscaping and technical and advisory services that relate to that construction work.

There has been some play in Parliament about issues that are excluded from this piece of legislation, and I will talk briefly about the types of contracts that are not included within the scope of the bill. They fall into a number of categories: firstly, those that would be retrospective. The government seeks to apply this legislation prospectively rather than retrospectively, so any contract that is entered into before the commencement of the act will be excluded. It excludes those that are covered specifically by an employment contract. This is an important dividing line in the definition between the employee–employer relationship or the relationship based upon contracting or subcontracting. It is a fairly obvious distinction. Given that there are profound implications for taxation and other regimes, it is important to replicate that division in the application of this bill.

The bill does not cover contracts or work that is undertaken outside Victoria, contracts which form part of insurance or loans or guarantees, and matters that are covered by domestic building contracts. The reason it does not cover those contracts is because it is the intention of the government to run in parallel a system which operates under the Victorian Civil and Administrative Tribunal (VCAT) to allow for those claims to be pursued there.

So the rule of thumb is that if there is a current pre-existing right to pursue those claims under the Domestic Building Contracts and Tribunal Act through VCAT that right is maintained. While it is true that provisions governing the VCAT building list process deal primarily with home owners taking action against builders in the event of inadequate work, the VCAT provisions currently cater for an opportunity for contractors and subcontractors to work out disputes over payments. It is clearly the intention of the government not to diminish the roles and responsibilities of VCAT but to work in parallel consistently with those existing provisions and to add an additional process for work that does not fall within the domestic building contractual arrangements. When it is enacted this legislation will provide a statutory entitlement for contractors to receive progress payments for their work. Clause 9 indicates that those progress payments will be made every 20 business days.

The government has recognised through the task force that elements within the industry say that this is an overly regimented regime, particularly for projects that may be of a short-term nature or may have part-payment provisions within them. If they are satisfactory to the parties concerned and there are milestone payments agreements more appropriate within the term of the contract the parties will not be prevented from making them.

This provides the legislative benchmark. Should those arrangements not be satisfactorily entered into between the parties then the part-payment provisions would be enforceable through this legislation.

Part 3 of the bill deals with the procedures for recovering those progress payments and sets out the procedures for making a payment claim; it provides the head of power for the adjudication of disputes and the appointment of adjudicators; it establishes the head of power for a claimant's right to suspend work in certain circumstances; and it describes the circumstances in which claimants may seek recovery from the principal contractor.

From the government's perspective, the beauty of this scheme is that it is being introduced not with a heavy bureaucratic hand but rather with a discernible lightness of touch in terms of both a regulatory model and the establishment of bureaucratic control. The administrative arrangements by and large will operate on a user-pays principle in effect and will not require a large bureaucracy to underpin them. The government is confident that the scheme will be simple to use and that the demarcation of responsibilities between this process and the VCAT processes will be clear and easy to use.

The government has indicated that it has willingly undertaken to review the effectiveness and efficiency of the act within a 12-month horizon and to establish whether it has succeeded in turning around the culture in the building and construction industry to provide for timely payments and to ensure that the definitions that underpin this act and the way in which the legislation is constructed work in practice.

We are confident that the bill has been put together in such a way that contractors can use the adjudication system when required. A relatively narrow scope for

consideration of the adjudication process has been provided, and by and large issues beyond payment will not be considered by adjudication, with the exception of an evaluation of an allegation of defective work. Otherwise, issues such as set-offs and cross-claims will not be permitted.

We have a degree of confidence that the process will work in practice. If in the interim between now and when the review takes place in 12 months time it appears that there are problems with the implementation of the scheme across the state the bill provides the Building Commission with an opportunity to issue practice notes to the industry. If and when there are any problems with implementation the commission will provide guidelines to the sector to assist either parties on an individual basis or the sector as a whole to come to terms with the intent of the legislation and the practices and procedures the government expects of the operations of the new legislation.

In conclusion, I congratulate the present Minister for Planning in another place, who has taken carriage of this legislation. A moving corollary of the minister taking carriage of this legislation is that her dearly departed husband, Jock Rankin, played a significant role on behalf of the Property Council of Victoria in the preparation of the recommendations of the task force. I suggest it is a nice testimony to his contribution to the state of Victoria, the property sector and the building and construction industry in Victoria. I pay tribute to his bravery and the bravery of the Minister for Planning in another place in taking this issue forward.

I also congratulate the previous Minister for Planning in another place, who introduced the task force, and the honourable member for Mitcham in another place, who provided appropriate direction to the considerations of the task force. He was with this legislation from the beginning, from the very kernel of an idea in terms of the recognition as he was doorknocking in his election campaign in Mitcham that there needed to be legislation in Victoria to address this important issue, right to the end of seeing it through.

I am pleased that it again demonstrates that the Bracks government lives up to the promises it took to the people at the last election. It has adopted a method of consulting appropriately with all stakeholders, brought all the parties together in support of this legislation and delivered the bill to the house. I heartily commend it to the Legislative Council.

Hon. E. J. POWELL (North Eastern) — I am pleased to speak on the Building and Construction Industry Security of Payment Bill on behalf of the National Party and put on record that it will not be opposing the bill.

The main purpose of the bill is to provide for entitlements to progress payments for persons who carry out construction work or who supply related goods and services under construction contracts.

Clause 5(1) of the bill gives a very broad definition of construction work under this act. It says that 'construction work' means any of the following work:

> the construction, alteration, repair, restoration, maintenance, extension, demolition or dismantling of buildings or structures forming, or to form, part of land —

whether it is permanent or not. Clause 5(1)(b) includes:

> … walls, roadwork, powerlines, telecommunication apparatus, aircraft runways, docks and harbours, railways, inland waterways, pipelines, reservoirs, water mains, wells, sewers, industrial plant and installations for the purposes of land drainage or coast protection;

As you can see, it is a very broad definition of building and construction. Clause 5(1)(c) refers to:

> … heating, lighting, airconditioning, ventilation, power supply, drainage, sanitation, water supply, fire protection, security and communications systems —

and clause 5 goes on to bring in other areas included in the bill.

Clause 6 is headed 'Definition of "related goods and services"'. Goods are defined as:

> (i) materials and components to form part of any building, structure or work arising from construction work;
>
> (ii) plant or materials (whether supplied by sale, hire or otherwise) for use in connection with the carrying out of construction work.

Services are defined as:

> (i) the provision of labour to carry out construction work;
>
> (ii) architectural, design, surveying or quantity surveying services in relation to construction work;
>
> (iii) building, engineering, interior or exterior decoration or landscape advisory or technical services in relation to construction work.

It is a broad spectrum of what is called building, construction, and services and goods provision.

The bill also establishes a right to receive progress payments in relation to construction contracts and establishes a process for claims for those payments. Non-payment or slow payment in the building industry has been a big issue for some time and causes great

hardship to many small businesses, more particularly those in single ownership and those who have a few employees or run family businesses. If a big company bankrupt or refuses to pay, those small companies down the line will not survive and may have to go into bankruptcy.

As the Honourable Gavin Jennings said, the government made an election commitment to establish a task force and bring together the stakeholders, such as owners, builders, subcontractors and unions, to look at the problem of payment security in the building industry in an effort to come up with solutions and make recommendations to government.

The Victorian security of payments task force, chaired by the honourable member for Mitcham in another place, was created in 2000 and was comprised of some 18 members. The final report was delivered to government in February 2001, and we are debating it in this place some 15 months later. At the briefing I asked if there were any country members of the task force, and I believe the answer was no. I urge the government when looking into issues that affect rural and regional Victoria to ensure that representatives from rural and regional Victoria are members of those committees or advisory boards or whatever body is making decisions on behalf of country Victoria, because such issues are important to us.

The task force report contains 30 recommendations, 15 of which have been accepted by the government. It will be interesting over time to see what happens to the other 15 recommendations. Maybe the government will look at introducing them at a later date.

The task force also acknowledged that the legislation covering contractual payment reforms and the establishment of a periodic payment dispute resolution process goes only some way to addressing security of payment, and that much more needs to be done to fully address the problem. Some of the main issues addressed in the report are encouraging, such as encouraging higher skill levels in the building and construction industry, a more rigorous registration system, and enforcement of standards within the public and private sectors. That will help to make the environment more conducive to security of payments in some way and to ensure that the larger building companies understand the impacts of their non-payment or slow payment on smaller groups.

The report also states that legislative schemes have been introduced in New South Wales, Queensland and the United Kingdom to overcome similar problems regarding payment security or lack of payment. Laws are also proposed in New Zealand and Western Australia. The task force sought advice from senior public servants in New South Wales and Queensland, and the impact of those talks can be seen in some of the recommendations.

The task force recommended the introduction of legislation reflecting the New South Wales Building and Construction Industry Security of Payment Act 1999, but, I understand, as the Honourable Peter Katsambanis said, that the legislation will be reviewed because there are some problems with it.

We were informed at the briefing that there were some 50 adjudications last year. It would be interesting to know how many of those went through the system.

In a letter to the Minister for Planning, the Housing Industry Association (HIA) said there are problems with the New South Wales legislation and that there are proposals to reform it, and asked the Bracks government to look at its reforms before the bill was debated. Obviously that was not the government's intention, and when it reviews the legislation in 12 months it may examine issues that came out of the New South Wales legislation to see if better legislation can be introduced. It would be helpful if New South Wales could inform the government of the errors in its legislation so that Victoria can pick up on that in its legislation.

It is also interesting to note that there is no specific data or information about the incidence of bankruptcy, non-payment or slow payment. It would be fair to say that many people do not give out that information. Much of what the report was relying on was anecdotal evidence.

When they consulted on the bill on its initial reading, members of the National Party could not see anything that we were concerned about, but I sent letters, the bill and the second-reading speech to a number of people in the industry. We also had briefings from officers of the Building Commission, and Mr Robert Bradford twice gave the honourable member for Wimmera in the other place and me a briefing. He has since left the Building Commission and now works as a special counsel for the law firm Deacons. Mr Paul Vicari from the Building Commission was also at the briefings. I thank them for answering a number of our concerns, and they ensured that we understood the bill. Often we have questions from our constituents that we may not have thought of, and we were able to ask the appropriate questions.

I received a response from Stan and Yvonne Jezewski, builders in Shepparton who carry out domestic work

and are covered under the Domestic Building Contracts Act 1995. They believe subcontractors need some form of protection and the right to progress payments.

I also sent the second-reading speech and the bill to R. J. and J. M. Whyte of Kialla, electrical contractors, who had no problems with the bill and were pleased to see that finally the issue is being addressed.

Tony Villani, a building contractor in Kialla, had no problems with the bill and was appreciative of an opportunity of having some input into the legislation.

One of the big firms in Shepparton that I sent the information to was Hansen and Yuncken, which sent a response off to its Melbourne's office raising a few concerns about the fixed days in the bill. For example, clause 21, headed 'Adjudication responses', states:

> (1) The respondent may lodge with the adjudicator a response to the claimant's adjudication application (the "adjudication response") at any time within —
>
> (a) 5 business days after receiving a copy of the application; or
>
> (b) 2 business days after receiving notice of an adjudicator's acceptance of the application —
>
> whichever time expires later.

Clause 21(3) provides:

> A copy of the adjudication response must be served on the claimant.

Clause 29, headed 'Claimant may suspend work', states:

> (1) A claimant may suspend the carrying out of construction work or the supply of related goods and services under a construction contract if at least 2 business days have passed since the claimant has caused a notice of intention to do so to be given to the respondent under section 16, 17 or 27.

The concern in the bigger construction industry was that an authorised person may not be on site or in the office to be served with those notices with intention to suspend work.

I am not sure whether the government is able to make some sort of clarification of that, but I pass on the concerns of larger construction companies about their time lines where, after giving maybe two days notice, work can be suspended. This may be due to the fact that the person they need to be giving the notice to may not be on site or may not be in the office due to the number of holidays or rostered days off that they have in the building industry. There may be a number of reasons for this. The larger construction companies did not have a lot of issues with the bill but the issue of specified days was one concern that they found.

As a person who has been in small business, I know how hard it is to collect money that is owed to you. My husband and I have an auto-electrical business, which my husband still runs. Of course I am no longer in the business, but we understand at first hand the ramifications of people owing you money that you are unable to collect. The ramifications go right through the area in which you work. When I used to send out the accounts and reminder notices there was one really interesting reminder notice that showed a little wheel which said, 'If you pay me, then I can pay him, and he can pay him, and he can pay him'. It is a wheel that shows quite specifically how people need to be paid and tells them, 'If you do not pay your person up front, then that person gets a bad reputation for not being able to pay their bills on time as well'.

As the Honourable Peter Katsambanis said in his presentation, clause 13 of the bill supposedly bans the issue of pay-when-paid provisions in the contracts. But the bill does not actually use the word 'bans'; the words in the bill are 'has no effect'. The minister's press release used the words 'outlawed' or 'banned' in relation to the pay-when-paid provisions, but the words in the bill itself could be misconstrued because they just say 'has no effect' rather than 'is banned'. I believe the government's intent is to ban the practice, but in reality that may not be the case.

In 1996 the former government banned the practice of pay when paid on all government contracts. It was a coalition reform to the industry that all government contracts are no longer able to use that pay-when-paid policy. The pay-when-paid policy does have a huge effect on big business, particularly the issue of slow payment or non-payment. As I said before, fixing that up is hopefully what this bill is intended to do. It is not just about security of payment; it is making sure that big business pays smaller businesses, whether they be subcontractors, contractors or consultants, and that they are paid on time so that they can buy their products and continue to work.

At the briefing I raised a concern about the increase of paperwork for small businesses and I was told that there would be no increase. In fact, this legislation will only come into effect when payment is not agreed upon or if there is a holding-off of the payment. Many builders, contractors and subcontractors have their own contracts, and that will not be changed. Hopefully if those contracts are suited to them and they work out well then this legislation will not even come into effect and will act only as a safety net. That is important.

I was told by a number of small builders that usually there is not a periodic or progressive payment; they usually pay at certain stages of the building. For example, in the case of electrical contractors, when they finish a certain portion of their work they get paid and when they finish the rest of it they also get paid. That is usually an agreement made between all parties involved in the building and is accepted by those people. They see no need to change, but I guess this bill will only come into effect if that arrangement falls down.

Division 2 of the bill provides that if there is a dispute about payment an independent adjudicator will be appointed. The selection of the adjudicator can be agreed to by both parties, but if they cannot agree then the Building Commission can appoint someone. The adjudicator will then decide on what payments are due and, if there is still a dispute, payment must be quarantined or put into a trust until the dispute is resolved. This will guarantee that the money is paid. That is important because so often when there is a dispute and one of the builders goes bankrupt, the person who is disputing the amount of money owed or the length of time that they are waiting to be paid does not have any access to that funding if the person owing the money goes bankrupt. A certain amount of money will be quarantined during a dispute and that money must be paid when the dispute is finalised in favour of the person to whom the money is owed.

The bill does not deal with domestic building contracts or contracts between a builder and a building owner. They will still come under the Domestic Building Contracts and Tribunal Act 1995. As we heard earlier, any dispute process will still go through the Victorian Civil and Administrative Tribunal. I was also advised that spec homes come under this act as long as the builder does not reside in the house being built.

Like other members, I received a memo from Tony Robinson, the honourable member for Mitcham in the other place and the chair of the task force, stating that the government has decided not to amend the bill. As we heard earlier, the Housing Industry Association and the Air Conditioning and Mechanical Contractors Association of Australia Ltd (AMCA) had some concerns, but parliamentary counsel advised government that there was sufficient certainty within the Victorian definitions to ensure that the adjudication procedure does not get cluttered with set-offs and counterclaims that have nothing to do with the central payment issue. The government was also advised that the Building Commission has the power to issue practice notes. As we heard earlier, it will assist the adjudication procedure if an issue arises about what can and cannot be admitted.

The government has said it believes it has addressed the concerns of HIA and AMCA but will review the operation of the act 12 months after its introduction. If there are concerns, hopefully the act can be amended. This review could also pick up any flaws in the act or, as I said earlier, include any changes that may be made to the New South Wales act.

In closing, the National Party supports any bill that supports and protects small business. The effect of this bill is to make sure contractors, subcontractors, consultants and those who work or provide goods and services in the building and construction industry receive payment for their work or services. I wish the bill a speedy passage through the house.

Hon. G. D. ROMANES (Melbourne) — I am pleased to contribute to debate on the Building and Construction Industry Security of Payment Bill, which is a landmark bill for Victoria. It addresses entrenched practices in the building and construction industry such as non-payment, part payment and slow payment practices to subcontractors and consultants and other service providers.

The reforms embodied in this bill, which are in an area that has enormous problems and that the Kennett government failed to address, are long overdue. They are a response to an election commitment made by the Australian Labor Party and now delivered to the people of Victoria in the bill.

I first heard of unscrupulous practices in the building and construction industry a few years ago when speaking with a colleague at a previous workplace whose husband is an architect and is very involved in the building and construction industry. At the time I was appalled to learn of common practices which threatened the viability of small businesses, subcontractors and service providers due to the part payment, slow payment or non-payment by the head contractor because those smaller businesses might be at the end of the payment chain. In some cases that happens because the builder may be in strife with poor cash flow or poor financial management. In some instances a builder may operate on a system where the builder is paid on a 35-day invoice schedule but the subcontractor is paid on a 60-day schedule. Then there is the nefarious practice of ‘paid if and paid when’, a circumstance in which one person’s payment is dependent on another’s payment. All these practices amount to situations where one business is using someone else’s money to keep itself afloat and are therefore reprehensible. Often it is the small businesses and small subcontractors operating on very small

margins that cannot shoulder the burden of bad debts and may go under in such a system.

I am aware that industry itself has at different times tried to find ways to deal with these problems. Under a code of practice developed in the 1990s there is a common practice for builders to use a withholding payment to get a contractor to perform better or to fix up defects. Most contracts, while providing for progressive payments, would embody a concept of retention and retain — that is, retain a little, maybe about 5 per cent, in a trust account or by bank guarantee until the end of the job time, at which time half of that amount would be released to the contractor and half kept for up to 12 months until the warranty liability period for defects had passed.

Often, however, disputes arise about defects and who should pay for them. The smaller contractors in many instances do not have the resources to sue and may end up forgoing such final payment. In such cases bigger companies may benefit from bullying small subcontractors into acceding to the situation.

A number of clients and builders have tried to address the situation with a voluntary system whereby statutory declarations are provided monthly with the progress claim for payment. That system limits the potential damage to one month's money. Overall, however, there is a huge problem for participants in the building and construction industry that comes with a lack of certainty of payment for jobs done. It has hovered like a scourge on the industry.

To address these problems the Bracks Labor government put in place a security of payments task force under the chairmanship of the honourable member for Mitcham in another place. The task force was given the job of looking at legislative and non-legislative options for remedying the difficulties faced by the industry. The task force brought forward 30 recommendations, about half of which have been incorporated into the bill. The recommendations of the task force were strongly informed by Queensland and New South Wales legislation, which has been in place for some time and which gives greater access to redress in the event of non-payment in those jurisdictions.

Some of the key provisions are found in part 2 of the bill, 'Rights to progress payments', including a right to progress payments for construction work carried out and the provision of goods and services under a construction contract. Clause 13 makes provision that a pay-when-paid practice will have no effect and is therefore effectively banned. It is equivalent to banning pay-when-paid practices and it is the government's intention that that practice be banned within the industry.

Part 3 outlines processes for recovering progress payments and provides for claims and payment schedules, adjudication of disputes, claimants' rights to suspend construction work or supply of goods and services after at least two days from the time a notice is given to a respondent seeking payment for goods and services rendered.

Part 3 also contains a recovery-from-principal provision which gives the right to and provides the procedure for a claimant to obtain payment from a principal in respect of money owed by a respondent. A process is outlined for obtaining a debt certificate from a court and serving a claim on a principal in the event of non-payment from a respondent.

Division 5 contains general provisions regarding adjudicators. It empowers the Building Commission to authorise or withdraw authorisation of a person to nominate adjudicators for the purposes of the bill. This is to be done with regard to ministerial guidelines.

Clause 46 provides for the exclusion of liability of an adjudicator for anything done in good faith in the exercise of power or discharge of a duty. Clause 51 further states it is the intention of clause 46 to vary or alter section 85 of the Constitution Act 1975.

Division 6 contains provisions to ensure that the bill does not limit any other entitlement under a construction contract or any other remedy for recovery entitlements. Part 4 deals with a range of miscellaneous provisions including clause 52, which provides regulation-making powers.

The task force recommended legislative changes to introduce reforms into the building and construction industry, but it also put forward a number of recommendations — namely, recommendations 16 to 30 which relate more to policy and government areas of influence and administration. Some of those issues are broader than the security of payments and go to the basis of building regulatory functions. They include a range of issues, such as the rigour of the registration system, and ask questions about whether Victoria should consider a more comprehensive registration system that gives more consumer protection and incorporates factors such as poor payment practices into the criteria for registration or deregistration in the building and construction industry.

Other issues included a recommendation to review and strengthen the government's ministerial directions and code of practice, and the consideration of formalising

links between the Building Commission and agencies such as the Australian Securities and Investments Commission to ensure maximum advice about non-performing companies and individuals within the industry. The task force also raised issues about monitoring and training in project management and other skills, and highlighted the assistance that such training may provide in reducing the level of abuse of the cash-flow system, particularly by making subcontractors more aware of their rights.

Many of those recommendations sit well with the Building Commission's desire to play a stronger role in facilitating change and improving standards in the building and construction industry. They are currently the subject of works in progress, and further investigation and analysis is continuing with regard to those matters raised in the task force's report.

At the end of 2002 the government working party will deliver further recommendations to the minister on other issues regarding further improvement to practices in the building and construction industry and more generally in the area of building regulatory control.

The legislation comes with the backing of industry and unions that were involved with the government in the task force which considered the positive impact of such measures in other jurisdictions in terms of addressing abusive practices in the building and construction industry. The opposition has expressed some scepticism about whether the bill can achieve the desired cultural change that it attempts to bring about, and I would be only too ready to acknowledge that reforms and changes of culture and behaviour in any sector are not easy to achieve and demand considerable effort from all involved. In an idealistic world we might hope that justice for all the participants in the building and construction industry should bring its own rewards to the individuals and companies involved, but that is a rosy view of the world. I hope there are sufficient compliance measures and incentives in the bill for the building and construction industry to improve the ethics and reputation of the industry.

A claim has been made by the opposition that the government should have waited for the outcome of the review of the legislation and practices in New South Wales, but that would have delayed for far too long the implementation and putting in place of the reforms we are dealing with today in the bill. The government has grasped the nettle; it is addressing something that has adversely affected many individuals and small businesses throughout Victoria. These are changes that are long overdue and have been welcomed by parties from all sectors, and I congratulate the ministers involved, the chair of and the participants in the task force and all others who contributed to this very important legislation. I wish the bill a speedy passage.

Hon. K. M. SMITH (South Eastern) — It is a pleasure to join the debate on the Building and Construction Industry Security of Payment Bill. I am probably the only person in this chamber who has had experience in the building industry, and from time to time I have suffered financially as a result of non-payment by builders for works that I have done. During my contribution I might mention some of the builders who were miserable about paying and some of the tricks that builders would use to defer payment to people in the plumbing trade, as I was. Today is settling day!

I have had nearly 30 years experience in the building industry, from my apprenticeship to running my own business. I have worked for a variety of people from all walks of the building industry, from small renovation jobs to working on large construction jobs. I thank God I never worked on any of the big buildings in Melbourne because it would have been horrific to have worked under the control of the building unions, which as we know are being investigated along with some of the builders in that industry.

It is nice to finally see that somebody is doing something about the building and construction industry and about ensuring that payments made to subcontractors particularly and suppliers are being addressed, because it has always been a problem.

As I looked through the bill I saw a million loopholes that the government has built into it for the builders who will try to play the game. In fact, the bill has built into it probably more loopholes than previously were encountered by builders and subcontractors in disputes they would often have.

One glaring thing I noticed when I read the bill is that if a builder decides he will not pay and the dispute goes to adjudication there is no requirement that the money be paid into a trust account of the adjudicator to be handed out at the end of the adjudication. The bill certainly mentions a trust account, but that is a factor after everything has been determined. I noticed that the government builds into the legislation a number of time frames.

For the sake of the exercise, I will use the example of a builder and a plumber in dispute. If there is to be an adjudication, firstly a claim must be lodged by the plumber against the builder for a progress payment to be made. The first loophole is whether the progress

payment is to be made within 10 working days as set out in the bill or whether it is to be as set out in the contract. The builders will be able to use a contract to extend the amount of time before they actually have to make that progress payment. Most builders would probably make their payments within 30 days or even 45 days.

That becomes a problem to start with because builders will be stalling for anything up to 45 days under the terms of their contract. You can bet your life that that stipulation will be built into most standard forms of contract. The Housing Industry Association (HIA) and the Master Builders Association of Victoria (MBAV) contracts will specify certain periods of time that will suit the builders but not necessarily the subcontractors.

The claimed payment has to be made within 10 days or 45 days, whichever is determined. If that payment is not made, the matter then has to go to adjudication. The time periods set out in the bill require that the parties to the dispute have to agree to an adjudicator. That is fine, so long as they agree.

Then we come upon loophole no. 2. They can argue about who the adjudicator should be or about the adjudicator's qualifications and whether he or she will be suitable to hear the case and so on. Then the adjudicator has to go through a lot of paperwork within five days of the notification. He has to notify both the claimant and the respondent — in my example, the builder and the plumber. The adjudicator has to be willing to take on the case and if so, an adjudication follows. A time frame is set for the amount of information that needs to be supplied.

The builder has an opportunity to read what the plumber has said about the claim and whether payment should be made. He will then decide whether he will argue the case or whether he will pay, and whether he will pay it in full or in part, which would again stall things. In the meantime the adjudicator is sitting in his office waiting for the time frames set out in the bill to expire before he can take the next step.

That creates problems because a plumber could be sitting and twiddling his thumbs. He may not have enough money in his bank account and does not feel that he can again beg his bank manager for funds to pay his staff or suppliers. He would be waiting for the adjudicator to determine whether he will hear the case because a legitimate claim is being made by the plumbing contractor. If he does not determine that there is a case, a builder may wait for the total time as specified to expire and then make a payment to the plumber. He may make only a part payment and say mistakes have been made on the job and he could withhold funds from the plumber.

The adjudicator would then have to determine whether that is true. He would have to make site visits and talk to the plumber to determine whether there is defective work on the site and whether money should be withheld.

As I have tried to say, the builder will use loopholes. Not all builders are bad; a lot are fair with their tradespeople and try to work with them. That is how the industry works. But the problems start when you get the bodgie builders, and I have known a lot of them. They will use every loophole they can find to defer payment to a contractor.

I noticed that the bill contains a provision about the right to progress payments. Clause 9(2)(b) states:

> if the contract makes no express provision with respect to the matter, the date occurring 20 business days after the previous reference date or (in the case of the first reference date) the date occurring 20 business days after …

That relates to the reference date of the construction contract. That means the plumber has to wait for four weeks, which is a long time.

I relate that to my experience in the plumbing industry. When I was a plumbing contractor and worked for a number of building companies we were doing 10 new houses a week. That involves a fair amount of money for a small contractor like I was.

We had to put in our quotation on a particular type of house using the Master Plumbers and Mechanical Services Association standard form. We were given acceptance of our contract on a MBAV standard contract, which then overrode our contract. If we wanted to take up the contract it would be on the basis of what the MBAV or the HIA wanted, which was structured in favour of the building contractor and not so much to the benefit of the plumber.

These days with concrete slab construction a lot of work is done under the slab before construction really gets under way and the building starts to rise above ground level. We would normally put in for our first progress payment for work done under the slab and for the water tapping on the property. Then we would wait for the frames of the houses to be erected. Then, as a group we would hit that particular site and do a hot and cold water rough in on the site. We would probably put the roof or spouting around the house and rough in the gas around the place. That involves a fair amount of money. We would put the roof on and probably do the

flashing on the roof. If the roof was metal, it would have to be screwed down.

Then we would have the water connected and tested under pressure. We would probably also be looking at putting a pressure test on our gas connections.

It may well have been up to three weeks after we had put in our first claim, which we would put in reasonably quickly. So we would have our second progress payment that would make up probably two-thirds of the price of the construction job. That may have occurred within a maximum of three to four weeks.

My terms with the builders would be 30 days and, as I said earlier, I was working on up to 10 houses a week. In one week I would be making progress payments on two-thirds of the cost of 10 houses, and because of the way work on the houses rotated I would be putting in claims for work on houses that we had completed over that period. So we were in credit for the part payment of 10 houses a week, which was about 40 homes.

We would also do the stormwater drains and sewerage drains, so the plumbing, the drains, the roof and the hot and cold water systems required to complete a house amounted to about $5000 per home. That amounted to $200 000 a month. If the builder stalled payment for a few weeks after that — that often occurred where a builder would say, 'We will pay you after we get paid', and I am pleased some recognition is given to that in the bill — it could be up to $400 000 that I was owed after two months. Even if this legislation were in force and I applied for some payments I could be legally fobbed off by the builders, if I can put it that way.

I always had a good relationship with my builders. I helped them out when times were tough; I was on the job and would always help them out. However, at the end of the 1980s I had three builders go broke on me at the one time. Occasionally in the building industry you would get a builder who would go broke on you — normally one builder at a time — but I had three of them go broke on me, so I was out of pocket $200 000 in the early 1980s. I could have walked away from it because I had a company and there were not the stringent requirements that there are now on directors. I could have gone bankrupt, but I had my suppliers and staff who had worked with me for a long time. My wife and I were put in the position of having to sell all our assets, including our family home, to pay the people I had dealings with. The builders did not suffer at all — they walked away from their commitments. They had a temporary lull in work before each of them started up again under another name and probably, over the years — although I was not involved with them after that — shafted a few other people in the industry.

It was not only Ken Smith the plumber but the electricians, concreters, plasterers and other tradesmen who worked on the job and the suppliers of the building companies who suffered. That is why I say the legislation is welcomed. I got out of the industry for four years because I had had a gutful of it. You work seven days a week trying to create some wealth for yourself only to find it goes because some people walk away from their obligations. I think some builders had criminal intent in defrauding me and the other contractors who worked on these jobs by not keeping up with their obligations.

I re-entered the plumbing industry when I started work with the Master Plumbers and Mechanical Services Association. I had a different view of the industry at that time. My contracts were always up to date, and I made sure people kept their obligations. When people learnt that I had come back into the industry they asked me to quote for some new homes they were building. I was a good plumbing contractor and had a good reputation. I am not praising myself but just giving honourable members an understanding of the industry and the business I was running. I suggested to those people that I was more than happy to work with them again and that they should bring their plans to me and while there sign personal guarantees that I had made up. I was amazed that no-one came to my front door and said, 'Here are the plans. Give us some prices, Smithy. It's good to have you back in the industry again'. They knew they would have to give personal guarantees, as would their wives, and commit their homes so that if they went broke I would not lose my family home.

I applaud the government for the legislation but I also caution it because it has a large number of loopholes that the dodgy builders will use to their advantage. I note the government says it will hold a review in 12 months. It may be worthwhile looking at what New South Wales does with its review before reviewing this legislation, but it should not be left for too long because it may save a few contractors from suffering the financial pain that I went through when I was trying to bring up my family and create some wealth for myself.

As I said, I support the legislation, but I caution the government because the bill has a number of loopholes that at some stage will probably be abused by dodgy builders.

Hon. D. G. HADDEN (Ballarat) — I support the Building and Construction Industry Security of

Payment Bill. It gives me pleasure to make a short contribution on this bill because not only was it a pre-election commitment of the Labor Party but it involves an issue raised with me by two of my constituents who have been in the building and construction industry for more than 40 years. They raised the issue of security of payments with me in August 2000, about the time the then Minister for Planning, the Honourable John Thwaites in the other place, announced a review of payments in the construction industry. I raised the concerns of my constituents during the adjournment debate on 29 August 2000, so I am pleased that the bill is before the house today.

My constituents run and operate a commercial floor-covering business contracting to the construction industry and have done so since the 1960s, and they raised concerns with me regarding the security of payment within the building industry. The commercial floor-covering contractors had attended a pre-election luncheon at the Swanston Hotel on 10 September 1999 hosted by the honourable member for Mitcham in the other place, and as a result of attending that luncheon and raising their concerns through their experience of nearly 40 years in the industry they explained to me in their terms the hardships independent contractors and subcontractors in the industry have been operating under.

> In simple terms Mr Coveney of Coveney Interlay explained it to mean that a builder deducts cash from the contract sum at the rate of 10 per cent in the dollar until 5 per cent in the dollar of the contract sum is reached. That amount is held until practical completion is reached and the builder — not always — is to then release held retentions to 2.5 per cent in the dollar of the contract sum. The builder holds the 2.5 per cent in the dollar until the defects liability period is finished, which my constituents pointed out could be for any period between 30 days and 104 months, depending on the contract terms. My constituents state in a submission: The builder does not have to inform us what he is doing with our moneys. Most often the builder will keep the funds in his cash flow. If it is a major builder it is highly likely he will invest our moneys in an investment scheme of some type. However, the builder retains all accrued interest.
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> Further, they state: if the builder goes into receivership or liquidation our moneys are normally kept by the appointed administrator and we are deemed to be an unsecured creditor.
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> My constituents pointed out that this is totally incorrect as they are our funds the builder has withheld.
>
> As well as keeping the interest accrued on them.

As I said, I raised the matter on the adjournment debate in this house on 29 August 2000. At the same time the then Minister for Planning announced the review of payments task force which was chaired by the honourable member for Mitcham, then Parliamentary Secretary, State and Regional Development. The task force was set up to cover a broad cross-section of industry stakeholders, if I can use that term. The task force was established in August 2000 and its members were required to report back to the then Minister for Planning at the end of January 2001.

The task force brought together owners, builders, subcontractors and unions. The members of the task force came from the Office of Housing, Leighton Properties and the Housing Industry Association, and included the chief executive officer of the National Electrical Communications Association of Victoria, representatives of the Construction, Forestry, Mining and Energy Union, the Master Plumbers and Mechanical Services of Australia, the Civil Contractors Federation, Dean Mighell of the Communications, Electrical and Plumbing Union, the Victorian Employers Chamber of Commerce and Industry, WT Partnership Quantity Surveyors, GHD, the Master Builders Association of Victoria, Actrol Parts, the Property Council of Australia — in particular the late Mr Jock Rankin — and the Assistant Building Commissioner, the Building Commissioner and others.

The task force took submissions, including those from my constituents to whom I have just referred; they were very keen to make their submissions, having had nearly four decades of experience of working in the construction industry. The various models were looked at and the task force chose the New South Wales model with some improvements to suit the Victorian construction climate.

I commend the task force and all involved and I also commend all those who made submissions to the task force. I especially commend the then Minister for Planning, the Honourable John Thwaites in the other place, for his initiative, and the chairperson of that task force, the Honourable Tony Robinson.

The purpose of the bill is to establish an entitlement of progress payments for contractors and subcontractors who carry out construction work or who supply goods and services under a construction contract. The bill also addresses delays in payment under construction contracts to parties who carry out constructional work or who supply related goods and services under those contracts. It also provides an adjudication process when a claim for progress payments is disputed to determine the payment due.

It is important to know that the previous Kennett coalition government had seven years to do something about supporting and reviewing the security of payments in the building and construction industry and

it did nothing. It did not act; it sat on its hands. Prior to the last election in 1999 the then Labor opposition made a commitment which resulted in the task force being formed in August 2000 and the bill before the house.

This government has acted in a very significant way. The bill is landmark legislation for this state. It is the start of providing security for those subcontractors and contractors who have for too long suffered at the hands of unscrupulous builders and operators higher up the chain who go bust and make everyone underneath go bust as well, which creates absolute hardship and often results in bankruptcies and losses of family homes quite apart from the emotional and social problems that flow from those matters.

Victoria is one of the few states currently without security of payment legislation to protect those contractors, subcontractors and independent contractors working in the building and construction industry, so this bill will certainly be welcomed out in the industry.

The bill creates a statutory right to periodic payment unless a separate agreed payment schedule features in the contract. A failure to pay in accordance with the schedule gives rise to a low-cost adjudication procedure, and a failure to comply with the adjudicator's determination gives rise to a right to suspend work, and penalty interest applies. The bill provides a further right to seek the outstanding payment from the principal. As I have said, the bill has received very broad support across a broad industry representation and its genesis is in the Labor government's task force chaired by the honourable member for Mitcham in the other place.

The bill also protects the adjudicator. A section 85(5) statement under the Constitution Act 1975 is provided in the bill, and that was made by the Minister for Planning in the second-reading speech of the bill in the other place. That statement is made pursuant to the Constitution Act as the bill alters or varies section 85 of that act.

The important part here is that an adjudicator is not personally liable for the exercise of his or her powers and duties under the bill, provided they are done in good faith, and an adjudicator must be in a position where he or she exercises those powers and duties without fear of litigation. Those protections are provided for in the bill.

The bill is a start. It will give certainty to subcontractors and independent contractors in the building and construction industry. It will not come into operation until proclaimed which, under clause 2, may not be until 31 January 2003. Clause 7 (6) of the bill provides that it will not apply to a construction contract entered into before the commencement of that provision.

Importantly, the Building Commission will be providing briefings across the industry to all stakeholders as to the effect of the bill and the changes it will make to their operations. This will give the parties time to make any adjustments to their future contractual arrangements to reflect their new obligations and rights under the bill.

The bill is timely and has come after broad consultation and representation across the building and construction industry. It has its genesis in this Labor government, its task force and the former Minister for Planning in another place. I commend the bill to the house.

Hon. C. A. STRONG (Higinbotham) — I rise to speak on the Building and Construction Industry Security of Payment Bill, the purpose of which is to try and guarantee progress payments to subcontractors. It seeks to do this because there have been problems over many years of subcontractors and contractors receiving payments for work done. Payments for work done is easy to say but it is not always easy to judge and appropriately assess what is fair and equitable. As a consequence, over the years this issue has generated a lot of heat because subcontractors often think they are not being fairly treated by contractors, they do not get their payments on time or do not get what they deem to be the appropriate amount of their quantum. Likewise, contractors think that subcontractors have not done a proper job and do not deserve payment or have not done the work they have claimed for, et cetera.

I speak with some experience on this issue as a qualified engineer who practised in project management over many years. I can vouch that this is a problem fraught with many difficulties. It is all fine and dandy, simple and lovely for the government to say that it will legislate these problems away, but it is often very much easier to say and conceptualise than it is to achieve in practice.

One of the things that gives me a little heart about the bill is that it is basically modelled on the New South Wales legislation which has been in place for something like 18 months to two years. The reports I have received about the New South Wales legislation show that it has been relatively neutral in its impact. I have heard of no major victories, milestones or wonderful achievements, nor have I heard of any disasters that have befallen as a result of the legislation. From what I can understand, the act has been relatively

neutral until now. It does not seem to have advanced the situation enormously, nor has it seemed to cause disadvantage.

When legislation is brought in to regulate a particular activity or function, what happens 9 times out of 10 is that people are basically honest; they try to do their best to make things work and seek to abide by the legislation. In many cases they are caught by the legislation if they should inadvertently slip. It is fair to say that, although there are many recalcitrants in the building industry, by far and away the majority of people try and make the system work and it does work fairly well.

What is a bit of a worry with the bill is some of the exclusions. Basically it deals with major contractual works and major contractual relationships. I am glad that it includes architects, engineers and all the other subsidiary services that draw fees sometimes in difficult circumstances compared to contractors and subcontractors. It is good that they are covered. However, I see some fairly significant exclusions. Domestic building work is excluded. It is fair to say that the domestic building field is where you get most of the cowboys and most of the problems as a result of contractors who are not as well funded, solid, or as honest as you would expect.

Subcontractors have varying degrees of competence, skill and experience. As in recent times when there has been a fair bit of building activity, a lot of subcontractors who leave a certain amount to be desired come into the business. It is in domestic building work that so many problems arise. We have heard Mr Smith talk about his experience in plumbing work, most of which is in the domestic building area. It is an area where, as I have acknowledged, a lot of problems occur but which unfortunately is a major exclusion.

A lot happens in that domestic area which unfortunately is not covered.

Another area that is not covered is what is called the employee. Clause 7(3) states:

> This Act does not apply to a construction contract to the extent to which it contains —
>
> (a) provisions under which a party undertakes to carry out construction work, or supply related goods and services —

and this is the important part —

> as an employee of the party for whom the work is to be carried out …

Who is a subcontractor and who is an employee is a grey area in subcontract work. Under taxation law many people who hold themselves out to be subcontractors are deemed to be employees. In many cases today the contractors provide most of the materials. Therefore in essence it is a fine line as to whether many of the subcontractors, who basically provide their labour, are in fact employees or subcontractors. For taxation, insurance and Workcover purposes many people who would see themselves as subcontractors are deemed to be employees.

I can see a rich area of dispute with the exclusion of employees. If I were a difficult contractor trying to get out of the application of this legislation I would hold that most of the subcontractors who work for me are in fact employees. There would be a significant amount of case law in both state and federal jurisdictions to establish that that was the case. Those are unfortunately some severe limitations on how the legislation would work.

It is also worth going through how the bill addresses the problem of people not getting progress payments on time or for the appropriate amount and how people would seek to ensure that they can overcome that problem. Clause 3(2) of the bill provides:

> The means by which this Act ensures that a person is entitled to receive a progress payment is by granting a statutory entitlement …

How is that statutory entitlement established? Clause 3(3) provides:

> The means by which this Act ensures that a person is able to recover a progress payment is by establishing a procedure that involves —
>
> (a) the making of a payment claim by the person claiming payment —

they do that, anyway, today —

> (b) the provision of a payment schedule by the person by whom the payment is payable —

that happens today when people make a progress payment, and in many cases they make it under a schedule. The next provision is the crunch:

> (c) the referral of any disputed claim to an adjudicator for determination.

How does the adjudication work? Unfortunately, in many ways the bill sets in place a process which will not come to the aid of a subcontractor who faces a recalcitrant contractor. Most contractors and subcontractors are basically honest and seek to do the right thing, and the bill provides them with incentives to

do the right thing more rapidly and more fairly, but that is not where the problem with contractors and subcontractors lies — it is with the people who set out not to pay or to delay payment to their subcontractors, and so on.

The solution in the bill is to adjudicate for a determination of the payment. As well as that — and this is another area where the recalcitrant contractor will come into play — if, after going through the process of adjudication the adjudicator says, 'Why didn't you pay Smith Plumbing for the work that he did for you?', the contractor could say, 'Simply because he was no good; it was shoddy workmanship; I had to pull it up and do it again'. In such a claim a person can say, 'I am not paying this man because he has not fulfilled his part of the bargain, either documented or implied'.

What happens in an adjudication situation? If the adjudicated amount for progress payment goes into some trust fund or similar arrangement while there is a claim for shoddy workmanship — some counterclaim by a person who says, 'I am not paying this because it was no good' — the money is rightly not paid if there is a counterclaim, and the whole business of the claim and counterclaim has to go through the court in the normal fashion, which may take 12 to 18 months or 2 years. In terms of wanting to frustrate the process, which is what the recalcitrant contractor would want to do, the first thing he would say is, 'There was something wrong with the workmanship'. He may get an adjudication against him to make a payment but it does not help the subcontractor because his money is tied up pending the resolution of the issues of any counterclaim on the question of quality.

The bill then sets out how claims are to be made, including how often claims can be made, the period of payment, and the time for payment. In each case the bill provides that if a period is set out in the subcontract documents then that period for making a claim will rule, and it sets default times. When the claim can be made every 20 days, it sets a default payment time of 10 days. Therefore there is a period of 10 days from the lodging of the claim to the time when it is supposed to be paid. If the claim is not paid then it will go through the adjudication process which requires the appointment of an adjudicator between the subcontractor and the contractor who will appear before the adjudicator. They will lead evidence that they did certain work and will get into an argument about the quality of that work and why the money has not been paid.

Obviously a contractor would not go in front of an adjudicator and say, 'Well, the reason I have not paid this guy is because I do not feel like it'. Obviously he will make up some half-plausible reason why he had not paid, and that would go to the quality of the work and the counterclaim. As I said before, even though you might get an adjudication you might never get the money because it could be held up in some form of counterclaim.

The other absolutely beautiful part is that if there is an adjudication, how do you assess the amount of progress? Clause 10 states:

> (b) If the contract makes no express provision with respect to the matter, the amount calculated on the basis of the value of —
>
> (i) construction work carried out by the person under the contract; or
>
> (ii) related goods and services supplied by the person under the contract —

In establishing the valuation of construction work and related goods and services, the adjudicator will have to have reference to the contract price of the work, any other rates or prices set out in the contract, any variation agreed to by the parties to the contract or any other rate or price set out in the contract, and make adjustments by the specific amounts. The valuation will be made in consideration of whether any of the works are defective, the estimated cost of rectifying those defects, and so on! We have a typical minefield which could go on forever, and that is the fundamental reason why, in many cases, progress payments are not made.

Presumably all that evidence has to be led before an adjudicator. The main contractor may say it is shoddy work, but the subcontractor may say it is perfect work. Expert witnesses will then have to be rolled in to testify on each account. The main contractor may say, 'Well, I spoke to the subcontractor and he agreed to the variation to contract as to the rates'. The subcontractor may say, 'No, you didn't!' Written and verbal evidence will have to be led. So this will be a process akin to going to court.

Of course, the final thing would be if the subcontractor were to get an adjudication in his favour after going through all this process, and the main contractor were to say, 'I am not paying'. What happens then? It would go to court and run the whole gamut of the normal legal process, as would happen now with some contract arrangements.

So the bottom line is that the objective of this piece of legislation is highly desirable. I do not disagree with that at all, but it is very unfortunate that it seeks to exclude domestic building contracts, which are one of

the major areas where these sorts of disputes arise and where subcontractors are hurt the most. In many cases the subcontractors for domestic building are smaller. Many are run by one or two men or are family entities, and they are often the least able to withstand the rigours of a major interruption to cash flow that would occur from failure to meet a progress payment. Because of the type of industry that it is, you also get more of the contractors who do not have quite the same skill backup and administrative support and who perhaps operate a little bit more like cowboys than the bigger construction companies.

When all is said and done, if there is a dispute it will go through a quasi-legal process with adjudicators and that will take a significant amount of time. Even if it is determined that a payment is due and there is a dispute over quality and so on, then that sort of adjudicated payment simply will be held in trust. Of course at the end of the day, for the real recalcitrant the bottom line will be to go to court, as it always was.

The bill has a fine objective but the reality of the industry — and I can speak from some experience having been involved in the industry for many years — is that it is pretty cutthroat out there and people take a very hardline view. This bill will not do a lot to stop hardline recalcitrants who seek to rip off subcontractors, as some clearly do. It is a fairly idealistic view that this legislation will do so, because at the end of day you get back to the court process and you go through a whole process that may take months and years. I hope this legislation helps, but I am afraid that in many cases when this bill is enacted we, as members of Parliament and practitioners in this area, will still hear of many examples of subcontractors who feel very aggrieved about problems with their progress payments and sequencing.

The DEPUTY PRESIDENT — Order! I am of the opinion that the second reading of this bill requires to be passed by an absolute majority. I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in the chamber:

The DEPUTY PRESIDENT — Order! So that I may be satisfied that an absolute majority exists, I ask honourable members supporting the motion to rise in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read second time.

Third reading

Hon. J. M. MADDEN (Minister for Sport and Recreation) — By leave, I move:

That this bill be now read a third time.

In doing so I thank the Honourables Peter Katsambanis, Gavin Jennings, Jeanette Powell, Glenyys Romanes, Ken Smith, Dianne Hadden and Chris Strong for their contributions in this chamber.

The DEPUTY PRESIDENT — Order! So that I may be satisfied that an absolute majority exists, I again ask honourable members supporting the motion to rise in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

ADJOURNMENT

Hon. M. R. THOMSON (Minister for Small Business) — I move:

That the house do now adjourn.

World Masters Games

Hon. ANDREW BRIDESON (Waverley) — I draw to the attention of the Minister for Sport and Recreation, who has just left the chamber, an issue to do with the Masters Games, which are to be conducted between 5 October and 13 October of this year.

All honourable members will have received a copy of *Active State* in their mail yesterday. I was rather taken by the Masters Games article in it, which says that the entry fee for the games is $165 for most sports and that further details would be available from the web site. I went to the web site to have a look at what the costs would be for the various sports and noticed that the entry fee for ordinary competitors is $165, which allows people to participate in one sport. Those entering to play golf pay an additional $220 golf entry fee — that is, $165 plus $220. Anyone who wants to enter more than one sport will pay an additional fee of $55. A person with a partner, family friend or some other person who wants to go along in a non-competitive role

will pay an accompanying person's fee of $75. So, for example, if I am an athlete and I want to take my wife along to look after me while I run the marathon it is going to cost us $240.

A lot of people who are going to compete in the Masters Games will be self-funded retirees and may be pensioners, and these fees for participation may well be beyond many of those people. I ask the minister to give serious consideration to adjusting the fees to broaden the category of competitor and so that pensioners might be encouraged by lower fees to participate.

Wando Vale Primary School

Hon. R. M. HALLAM (Western) — I raise for the Minister for Education Services, and I am sorry she is not in the chamber to hear this directly, the government's recent announcement that airconditioning was to be installed in the primary school at Wando Vale.

I could simply hold the minister and the government up to ridicule for this bureaucratic stuff-up because, as was recently related to the chamber by the Honourable Bill Forwood, the school has been closed due to a drop off in student numbers and a decision taken by the remaining parents to send their children into the nearby main centre of Casterton. I could have ridiculed the minister on the basis that that closure took place during the term of the Bracks government and remind her of all the posturing and pontificating that took place from the Australian Labor Party in opposition. I could also have made much of the point that if the Bracks government had followed the standard courtesy of consulting local members of Parliament instead of simply consulting ALP branch secretaries I could have saved the minister the embarrassment — although I am not sure why I should have done so!

In any event I can verify that the school does not need airconditioning. Quite apart from having an absence of students, the building has now been vandalised and ransacked and, indeed, sufficient weatherboards have been looted to allow one to see right through the building — literally! To that extent the school is already airconditioned!

My point is that what was once a proudly maintained community facility is now an eyesore and an embarrassment. I offer the minister the chance to recover some credibility from this *Yes, Minister* script. I suggest she consult with the last serving school council and offer financial support for the local view as to how the site should now be used and developed in the best long-term interests of the local community.

Police: Pakenham station

Hon. K. M. SMITH (South Eastern) — I raise for the attention of the Minister for Police and Emergency Services in another place a matter concerning the Pakenham police station. Pakenham police station is an old, decrepit building that does not house enough police, and those who are there are certainly overworked because it is understaffed. They have a huge area to cover with very inadequate resources.

I notice from the documents produced along with today's budget speech that the government is planning on putting a new police station at Bunyip, which is certainly a growing area and in need of a police station that is adequate for its growing community.

Pakenham covers a huge area and, as I said, the major police station in that area works out of a very inadequate building. I ask the minister to come out and look at the police station, and I will explain to him the needs of the police. I will badger the Minister for Police and Emergency Services until we get a better police station in Pakenham. I support the police who are working extremely hard to cover the huge area with its growing population, which is made up of many groups. They need help; they need resources and a police station that enable them to deal with the area properly.

I worked hard to get a new police station in Wonthaggi. The police there were working out of an old house which was falling down around their ears. The police minister was good enough to make available resources and the finances to build what is now a first-class police station at Wonthaggi. I am looking for a better police station to be built in Pakenham because the area is much larger than that covered by Wonthaggi police. I do not want to be fobbed off and find it is not going to start for another 2, 3 or 4 years. It has to start now. The area has a huge population; it is probably one of the fastest growing areas in the south-east. The police minister should not ignore me because he will do so at his own peril.

Rural and regional Victoria: Seniors Card

Hon. E. J. POWELL (North Eastern) — I refer the Minister for Small Business who represents the Minister for Senior Victorians in the other place to a letter I received recently from the secretary of the Warrnambool branch of the Association of Independent Retirees, Mr William McIntyre, who asked me to raise an issue on their behalf. However, it is not just on their behalf but is a matter that will benefit all country seniors. The members of the Association of Independent Retirees received from the Minister for

Housing in another place, the Honourable Bronwyn Pike, a letter addressed to eligible householders regarding Seniors Card material. The letter contained a 1300 phone number for people to ring if they wished to obtain a booklet entitled *Growing Victoria Together*. However, in a postscript to her letter the minister urges 60-year-old non-Seniors Card holders to phone a Melbourne number to obtain information regarding eligibility. The same Melbourne phone number appears in the 'How to contact us' section on page 2 of the Seniors Card booklet.

The association asks why a 1800 phone number, which is a free call or perhaps a local call, is not available for use by country callers, who may be prepared to endure a delay with a free call or local call but would get very frustrated if they had to phone this number, which is a Melbourne number, and wait a long time, particularly when the calls would have to be made during peak cost times. Their view is that it is another instance of country seniors not being treated the same as metro seniors and that they are being disadvantaged by living outside Melbourne. I ask the minister to redress this situation and implement a 1800 number so that country seniors have the same advantages as metro seniors.

Housing: Prahran estate

Hon. ANDREA COOTE (Monash) — I refer the Minister for Small Business who represents the Minister for Housing in another place to an article in the *Herald Sun* of 6 May 2002 entitled 'Boost in security for flats'. I was pleased to see that an additional $790 000 has been given by the government for new security measures for the Fitzroy, Collingwood and Prahran estates — and I commend that. I was particularly interested and pleased to see that $190 000 was to be used at the Prahran flats to put a fence around the playground. However, the additional security is needed because of an article that was written some time ago by the *Herald Sun* exposing drug abuse in the high-rise flats, highlighting the bad situation in some of these estates. Although drugs are an issue for people in Prahran, many of these people living at the Prahran estate are elderly and drugs are not the only problem; they are more worried about day-to-day security. They are frightened of going in and out of the Prahran estate.

I ask the minister: in addition to the fence around the playground at the Prahran estate — which is very welcome — will the tenants of the Prahran estate enjoy the same level of surveillance that will be offered to those people in Fitzroy — that is, individual intercom systems and additional security surveillance? Will additional police be put on to cope with this?

Drivers licences: bonus merit points

Hon. P. R. HALL (Gippsland) — I refer the Minister for Police and Emergency Services in the other place to a matter that was brought to my attention by one of my constituents, Mrs Val Marcus of Traralgon. Mrs Marcus commented about the proposed bonus merit points system for good drivers. She applauded the fact that good drivers should be rewarded in this state. However, she pointed out some of the deficiencies in the proposal as outlined at this time — that is, people who are good drivers and achieve bonus merit points are the exact people who are most unlikely to benefit from this proposal, given they are good drivers and are unlikely to lose points from their licences in any case.

Mrs Marcus made some suggestions as to what would be a more appropriate method of rewarding good drivers, and I put her suggestions forward for the Minister for Police and Emergency Services to consider. She suggests that as a reward all drivers who maintain their 12 merit points on their licences for a period of three years should be rewarded by a suggested discount of 20 per cent on their car registration and Transport Accident Commission insurance renewal, which would be a saving of about $80 on the fee of $400 which is the approximate current vehicle registration and renewal figure. Mrs Marcus makes a very good point that this is something that all Victorian drivers could aspire to, as it is suggested the proposed bonus merit point system is just for a few random, luckily-spotted good drivers. This system makes eminent sense, would bring about the objectives of the proposal — that is, to encourage people to be good drivers on our roads — and I ask the Minister for Police and Emergency Services to give it serious consideration.

Insurance: public liability

Hon. R. H. BOWDEN (South Eastern) — I seek the assistance of the Minister for Finance in another place and draw his attention to a difficulty among a large number of my constituents. On the Mornington Peninsula in particular there is a wide network of recreational horse and pony clubs and people who are very committed to their pony clubs and other associated recreational activities. I have received several letters from representatives of the Balnarring Pony Club, which is a member of the Pony Club Association of Victoria. To help the minister understand the scope of this organisation, the Pony Club Association of Victoria has approximately 8000 riding members between 6 and 21 years and is supported by 12 000 adult members.

The difficulty that has been reported to me and which I have been asked to raise in Parliament is to do with public liability and professional indemnity insurance, because on 30 June the Balnarring Pony Club may very well have to cease to exist. This is but one of many clubs, and I have given those numbers to the minister so that he can appreciate the seriousness and the impact on our community of the loss of this organisation which, along with other organisations, is facing a real crisis.

We all know that the state and federal governments are working on this issue, but the urgency is now becoming real because on 30 June many hundreds of my constituents will be disadvantaged and will have to seek other recreational outlets. This will have a great effect on the economy of the Mornington Peninsula. It will have an effect on people who in their younger years are learning skills as members of the pony clubs, particularly the Balnarring Pony Club which has been very up-front in telling me of its problem. The members of the Balnarring Pony Club are typical of the young people who are learning skills and taking a very credible approach to those skills. Their parents and families are concerned that access to that learning continue. I ask the minister to further speed up the resolution of this major problem so that clubs like the Balnarring Pony Club do not cease to exist on 30 June this year.

Queen Elizabeth Oval, Bendigo

Hon. R. A. BEST (North Western) — The issue I raise for the attention of the Minister for Sport and Recreation is dear to my heart and one that I have continued to pursue over the past two and a half years. I refer to funding for the desperately needed upgrade of facilities at the Queen Elizabeth Oval in Bendigo.

As most people would be aware, the QEO, as it is known, is one of the most important sporting venues in Bendigo. It is the home of the Sandhurst football and cricket clubs, the South Bendigo Football Club, the Bendigo Cricket Club and the Bendigo Diggers Football Club. It also hosts the Bendigo Pioneers Football Club and major school sporting events in Bendigo.

The problem is that the changing room facilities are very much below standard to host Victorian Football League teams and interstate cricket teams, let alone competitors in any other special events that may be identified as suitable for staging at the oval.

I am aware that for quite some time the City of Greater Bendigo has sought support from the government. It is looking for funding in excess of $1 million. I totally support the city's submission for funds from the government. It is particularly disappointing to note that no funding announcement has been made in the 2002–03 budget presented today in the other house. I am particularly concerned that the government may want to use the QEO upgrade as an election issue. That would deprive the City of Greater Bendigo of a facility that can be used to attract and host major sporting events.

When will the minister make a funding announcement for the upgrade of the QEO, given that the City of Greater Bendigo and all sporting associations in Bendigo support the upgrade of the QEO? As I said earlier, it is particularly disappointing that the government has made no funding commitment to it in today's budget. I call on the minister to announce funding for what is a most important project for Bendigo.

Gas: Gippsland pipeline

Hon. PHILIP DAVIS (Gippsland) — I wished to direct a matter to the attention of the Minister for Energy and Resources, but she is not in the chamber. Therefore, I ask the Minister for Small Business to direct my matter to the attention of the Minister for State and Regional Development in the other house.

The Bass gas project will bring the natural gas transmission pipeline through West Gippsland. That will open up the possibility that natural gas can be brought to South Gippsland by tapping the Bass gas pipeline at Lang Lang and laying a pipeline west to east through Poowong, Korumburra and Leongatha. That route could be significantly easier, and therefore cheaper, to traverse and construct than the non-viable 1997 proposal to bring gas to South Gippsland via the Strzelecki Ranges by tapping the Longford–Melbourne pipeline at Morwell.

As a result of that opportunity opening up, last week I invited the Envestra group to review their 1997 financial feasibility of the South Gippsland gas proposal, particularly in light of significant population growth. The population of Leongatha has nearly doubled over that time. A number of new businesses that have been established in South Gippsland depend on high levels of liquid gas. For example, I understand Burra Foods uses $2 million of gas each year. That brings into ambit the possibility of reviewing the financial feasibility of a supply.

Given the precedent that the Bracks government set by supporting financially the reticulation of gas to the Bellarine Peninsula to the tune of $1.75 million, what

criteria would South Gippsland need to meet to obtain government financial support for this project involving the reticulation of natural gas to South Gippsland, other than by political expediency?

Information and communications technology: outer space strategy

Hon. B. C. BOARDMAN (Chelsea) — The matter I raise is for the attention of the Minister for Information and Communication Technology. In doing so I bring to the minister's attention certain technological initiatives concerning her portfolio in today's budget, in the Building Tomorrow's Businesses Today package and the acknowledgment from the government of the need to increase Victoria's technological capacities and exchange ideas on policy to engender greater investment and facilitation of technology-related initiatives.

I bring to the attention of the minister a letter that I, and probably a number of other honourable members, received from Mr Bruno Racina, the executive director of Aquarian Age Applications Corporation Pty Ltd, in which he advises that:

> The Muons from Myton are in close proximity to our planet in their main ship and several accompanying smaller scout-style craft.

He says he makes:

> An appeal for immediate attention in this matter … because the Muons will need to be acknowledged and welcomed, and relieved from their quarters, no matter how comfortable and how self-sufficient they are.
>
> … if nothing is done, or at least brought to public debate, we put at stake the welfare of the 1000 distinguished visitors that have embarked on a mission of peace and goodwill from a faraway planet in the star cluster of the Pleiades, Constellation Taurus, 7.5 light years distant. A favourable gesture by the Parliament of Victoria will be met with their gratitude and personal thanks.

He advises that the Muons are in possession of such technologically advanced facilities as space stations and star ships and that they have:

> Apparatus for personal transport, based upon the same principles, known as 'Tara'.

He says they also have 'new systems of proliferation of drinking water' and knowledge about the 'production of enhanced stockfeed'.

Considering that this race of people, or whatever they are, produces such technological advancements, it is important that at least they get acknowledgment from the government. Given the seriousness of this issue — and no doubt Labor members of Parliament have received similar letters; it would have been discussed at the cabinet table — I and other members of the Liberal Party are taking the letter seriously. I assume the government has formulated a strategy on how it will welcome the Muons. The possibility of the Muons landing is imminent and we do not want to miss this historically important event.

Will the minister outline the government's strategy for welcoming these creatures and how Victoria can learn from their technology?

Treasury and Finance: web site

Hon. P. A. KATSAMBANIS (Monash) — It is rather hard to follow the matter raised by the Honourable Cameron Boardman, but I will attempt to direct an issue to the attention of the Minister for Information and Communication Technology. It is a serious matter that the minister should address immediately.

For at least the last 45 minutes I have been attempting to access a number of Victorian government web sites, particularly the web site of the Department of Treasury and Finance, which is appropriate given that the 2002–03 budget was presented in the other place today. I have also been attempting to access the direct link from the www.vic.gov.au web site front page to the budget and the Victorian government's press release site, but with no success.

The government has made a commitment to make information available online, but the error message I continue to receive on my laptop computer is 'Cannot contact server'. This is happening when, I imagine, thousands of Victorians would have been trying to access live, real-time information on the web, and would have been inconvenienced by not being able to do so.

Will the minister now admit that this is one more example of how the government is failing in its commitment to provide information and government services online and will she investigate why on such an important day this important information is not available for such an extended time to the public of Victoria?

Chronic fatigue syndrome

Hon. N. B. LUCAS (Eumemmerring) — I raise a matter for the attention of the Minister for Health in the other place. This week is International Chronic Fatigue Syndrome/Myalgic Encephalopathy Awareness Week and I take the opportunity to recognise and support

those sufferers of chronic fatigue syndrome (CFS) or myalgic encephalomyelitis (ME). Many people have had this condition for a long time and some suffer from it greatly. I also take the opportunity to applaud and encourage those people who care for people with this condition. I refer to members of ME/Chronic Fatigue Syndrome Society of Victoria which supports sufferers.

Over the past four or five years I have raised this issue in Parliament because I believe society does not know enough about this condition and certainly does not do enough to support those who suffer from it. As members of the community I believe we should do whatever we can, in this case through Parliament, not only to bring this matter to the community's attention, but to seek further support.

Recently a published document entitled *CFS Guidelines for Doctors* was roundly criticised by sufferers, those who care for them and those who work with them in a number of areas. It is a shame that some conjecture has arisen. There is a need to have a further look at this issue because we should not have therapies included in guidelines that are regarded as not appropriate for people suffering from this condition or that blame sufferers or suggest the condition is trivial. I know a number of people with this condition and I know that they face a very difficult situation.

I ask the Minister for Health to call together all relevant parties involved in the preparation of the CFS guidelines with a view to reviewing the findings, taking into account the views of both the ME/CFS society and sufferers of this condition.

Workcover: agencies

Hon. BILL FORWOOD (Templestowe) — I raise a matter for the attention of the Minister for Small Business. I have received a letter from L. A. Woodland and Associates, public accountants and registered tax agents, which states in part:

> In the past year as a practising accountant to mainly small business I have been appalled at the total repeated bungling and rigid practices that appointed agencies of the Victorian Workcover Authority have applied to some of my clients. My clients have all transacted business with this government agency under the present and former governments but at no time have I felt that the agencies have been out of touch with normal commercial practices as at the present.

Mr Woodland goes on to detail a particular circumstance which basically runs like this. He has a client who had a statutory demand issued by the Victorian Workcover Authority agency Allianz for $12 944, which was obviously wrong. He instructed a member of his staff to call Allianz to obtain full details of the amount, but could not get to first base because he was told they could not speak to him because of the privacy laws. In the meantime a wind-up motion was received on 16 April, set down for hearing on 15 May.

Eventually they sorted some of this out, but on 18 April my constituent informs me that he spoke to someone at Allianz to explain that the demand for $12 944 was ridiculous. He then received a letter from Hall and Wilcox, solicitors, reducing that amount to $5425. The letter from Hall and Wilcox states:

> As you are aware a proceeding to wind up your company has been issued and is listed for hearing on 15 May 2002. Our client's legal costs to date are $2500. If you send a check to us for $7925 … we will discontinue the proceeding …

Mr Woodland's client went in and paid the amount of $5425 on 3 May, so he paid the amount he had been asked for only to be told that the legal costs were now $4000. Will the Minister for Small Business give this house an undertaking that tomorrow she will get her staff to ring Mr Woodland so this mess can be sorted out?

Buses: Ringwood–Croydon service

Hon. A. P. OLEXANDER (Silvan) — I seek the assistance of the Minister for Transport in the other place. The issue I raise today is one that I raised during the adjournment debate on 19 March relating to bus services along the Maroondah Highway on Sundays between Ringwood and Croydon. During that adjournment debate I pointed out to the minister that there is only a Monday to Saturday service at the moment and there are many elderly and retired residents who live in the area who feel isolated and shut in because of the lack of connection with other public transport services on Sunday. This applies particularly to those who reside in the Cherrytree Grove Retirement Village.

I also informed the minister that the Croydon Bus Service, part of the Invicta group, was amenable to extending its service by providing two services each way on Sundays if it received minimal funding from the transport division of the Department of Infrastructure. I asked the minister whether he would favourably receive a proposal from this bus company for this important project.

On 26 April I received a response from the minister in which he informed me that the Department of Infrastructure has under consideration a huge number of competing requests and that these requests include requests for additional weekday and weekend services, including evenings, Sundays and public holidays. He

says the merits of these requests are continually assessed by his department subject to funding availability. The minister then goes on to state:

> The Bracks government's recent budget provides funding to introduce new and improved bus services over a four year period in several outlying growth areas including Roxburgh Park, Rowville, Werribee, Berwick and St Albans/Sydenham. These locations have limited or no weekend service at all and are regarded as much higher priority at the moment compared to the Sunday service you have requested.

Two things occurred to me about the minister's letter. Not only has the minister pre-empted the government's budget announcement in releasing the letter to me on 26 April, but he has prejudged an application from my community and from Invicta Bus Services without even having received the application. It is still not in his hands. The minister should apologise to my community and to the bus company. Will the minister undertake to follow proper process and consider the application fairly and clearly on its merits?

Payroll tax: small business

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I raise a matter for the attention of the Minister for Small Business. I refer her to her answer during question time this afternoon in response to my question on payroll tax. I was not surprised to see the minister had no grasp of the government's policy and I was pleased to be able to point out to her where the answer relating to small business was in the policy document.

Hon. D. McL. Davis interjected.

Hon. G. K. RICH-PHILLIPS — I was trying to be helpful. During the minister's answer she indicated that small business or business generally was to benefit by the changes the government had announced with respect to payroll tax. I refer to the 2002–03 budget estimates tabled by the Treasurer this afternoon. Table 3.2 headed 'Taxation estimates' on page 391 of budget paper 3 has a line item for payroll tax estimates. It shows for the 2001–02 financial year payroll tax was budgeted at $2607.2 million, and for 2002–03 the budget estimates for payroll tax is $2710.1 million, an increase in receipts of around $103 million.

The government is going to collect an extra $103 million in payroll tax despite the minister saying earlier this afternoon that business would benefit from the changes in payroll tax. So I ask the minister whether she will reflect on her answer this afternoon, or does she believe the Department of Treasury and Finance and the Treasurer have got it wrong?

Housing: North Western Province

Hon. B. W. BISHOP (North Western) — I raise with the Minister for Small Business representing the Minister for Housing in the other place a matter concerning the Shire of Buloke. Adequate housing in rural areas is simply becoming a thing of the past. This has traditionally had the detrimental effect of preventing the sourcing of professional people such as doctors, teachers and police officers for regional towns. Such an effect is currently being felt by the Buloke Shire Council, as outlined in recent correspondence from the chief executive officer to me.

The council's particular concerns revolve around the inability to adequately house two police officers in Donald. The vacancies have to be filled in an effort to meet the policing needs of the district, but the housing shortage is making that impossible. This has now become more than a housing issue; it has evolved into a safety issue. The vacancies for the police are there, the need is there but the housing for the appointments is not.

I acknowledge that there is a shortage of housing in most rural and regional areas — Mildura, Robinvale, Swan Hill and right across the North Western Province which I represent. However, in most cases it is a housing shortage for families who relocate from one place to another, which is in itself a great pity. I know it can cause great distress and place stress on family members, and it forms part of the workload of our officers in country Victoria. For many families the waiting list for public housing is up to four years and in some areas it is even longer. For people needing to shift towns for work and other necessary reasons it is a heartbreaking wait.

The shortage has wide-reaching ramifications because it means that police, teachers and other needed community professionals are unable to find somewhere to live. Professional medical people, forever sought after in our rural areas, find accommodation very scarce. Once there was an abundance of housing available — teacher housing, police housing and doctor housing was accessible — but it is no longer there.

The public housing crisis affects everyone: the family it displaces, the professional it turns away and the communities that are left without those who are prepared to serve. Can the minister advise me what action the government is taking to remedy this situation?

Serrated tussock

Hon. I. J. COVER (Geelong) — I direct through the Minister for Small Business a matter for the attention of the Minister for Environment and Conservation in the other place. It concerns serrated tussock, which I am sure is of great concern to many people throughout Victoria.

I have been contacted by Mr Robert Percy, the secretary of the Batesford–Fyansford–Stonehaven Landcare group, who points out that the members of his group continue to be concerned about the lack of work undertaken to reduce the infestation of serrated tussock on two properties near where he lives at Batesford and where this Landcare group is based, namely Dalkeith and Liberton. The Dalkeith property might be well known to members of the house as the property outside Geelong where the Stonehaven power station was to be built. That is of course well known also to government members, particularly as the government refused to provide an environmental effects statement for that proposal.

The issue of serrated tussock is urgent and pressing; it appears that no spraying or burning has been carried out to control it on these properties. Adjoining and nearby property owners are finding it more difficult and expensive to eradicate serrated tussock as it spreads to their properties. The suggestions made by the Batesford–Fyansford–Stonehaven Landcare group are that legislation could be improved and could include more severe penalties for property owners who do not attack the problem of the spread of serrated tussock.

Mr Percy, as secretary of the Landcare group, is seeking an upgrade of information from the minister and the government about legal proceedings that may be taken against the owners of these particular properties and whether the government has any plans to introduce legislation which would improve the situation so the serrated tussock problem could be attacked more readily and efficiently.

Police: Endeavour Hills station

Hon. M. T. LUCKINS (Waverley) — I raise with the Minister for Sport and Recreation to pass on to the Minister for Police and Emergency Services in another place a matter concerning the building of new police stations. I noticed in the budget the Treasurer brought down today that allocations are made for the building of new police stations at Footscray and Coburg only.

I remind the minister that Labor's first 1999 state election promise made to the south-eastern suburbs was to build a new 24-hour state-of-the-art police station in Endeavour Hills. It may sound curious that I am raising a matter concerning Endeavour Hills, but two of my colleagues in the other place, the honourable members for Oakleigh and Clayton, have both raised this matter previously with the Minister for Police and Emergency Services calling for the police station to be built.

The new budget contains no allocation for this new police station. The issue has to do with the identification of sites. The government had five sites to choose from, and regardless of an abundance of other seemingly appropriate properties the government earmarked a park, which also includes a playground, in Chalcot Drive, Endeavour Hills. This suggestion was rejected by the City of Casey after expressions of community concern, so two and a half years after the election and certainly within the next budget period there is no chance at all for the people of Endeavour Hills to have Labor's promise to build a new police station delivered.

I noted with interest that on 26 February this year the honourable member for Clayton in the other place asked the Minister for Police and Emergency Services to relocate the police station from Endeavour Hills to his electorate in Clayton.

Hon. Andrew Brideson — That is only because I raised it!

Hon. M. T. LUCKINS — That is right, and my colleague the Honourable Andrew Brideson and I have had many meetings with the Clayton traders and the police themselves regarding their and the community's concerns about the increasing crime rate, particularly with young people and drug use in that area.

My query for the minister is twofold. Firstly, when does he anticipate delivering on the election promise to the people of Endeavour Hills to build a new 24-hour state-of-the-art police station and undertake not to build it on a current playground and park; and secondly, when will he consider committing funds for a new 24-hour police station in Clayton where it is much needed? I also seek clarification about how much consideration the minister has given — —

Hon. M. R. Thomson — On a point of order, Mr Acting President, I thought only one question was allowed on the adjournment debate. I think we are getting about three.

Hon. M. T. LUCKINS — I am clarifying.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! I think the honourable

member is expanding the question, and I do not think it is appropriate to phrase it so that it becomes a multiple question. She might like to be a little careful in her phrasing so that it is in fact one question.

Hon. M. T. LUCKINS — I ask the minister to respond to my concerns about Clayton and Endeavour Hills police stations.

Stamp duty: reform

Hon. D. McL. DAVIS (East Yarra) — I raise a matter concerning the state budget for the attention of the Treasurer in the other place. I note that his representative is not in the chamber on budget night, which is shameful. It is important to note that the Treasurer has repeatedly resisted the provision of any relief or any return of the windfall gains it has made on stamp duty. This budget is shameful in the level of collections in relation to stamp duty. Page 223 of budget paper 2 indicates that stamp duty revenue from land transfers and mortgages amounts to $759 million, which is the increase received by the government this year. That is a massive increase. The government budgets for a significant increase, again budgeting for much greater increases in stamp duty than we have seen in the past, although it indicates that this year there will be some dip. However, on past form I do not believe that.

I wish to place on record that stamp duty has soared from $1006 million in 1998–99 to an estimated $1.85 billion in 2001–02, which is an increase of 84 per cent in just over two and a bit years. It is largely a case of bracket creep and the property price boom which has pushed up stamp duty collections on a typical Melbourne house price to 54 per cent greater than at the time of the September 1999 change of government.

I note the government's plan to collect very significant increases in a range of taxes, but this matter of stamp duty is significant because it impacts directly on people with very normal incomes. It impacts on people in typical suburbs and impacts on people in suburbs like those in my province of East Yarra.

Hon. W. I. Smith — Burwood.

Hon. D. McL. DAVIS — The Burwood part of East Yarra, as the Honourable Wendy Smith alerts me.

Hon. G. R. Craige — Glen Iris.

Hon. D. McL. DAVIS — Glen Iris, as Mr Craige also alerts me, and Box Hill and suburbs like that. However, it also affects suburbs out into the north and west of Melbourne — Essendon and Brunswick — and in the east — Berwick and areas like that — which have felt the impact of the stamp duty revenue windfall this government has collected. I record in this public forum my concern at the Treasurer's intransigence on this issue and note that many people believe he should move on this — —

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The honourable member's time has expired.

Young Achievement Australia program

Hon. W. I. SMITH (Silvan) — I refer the Minister for Small Business to a press release she put out and an answer she gave to a question on notice. The press release concerns young people taking small business as a career and says:

> Encouraging young people to develop their own business initiatives and opportunities will be a key focus of the Bracks Labor government's small business agenda for 2000 and beyond.

The minister says:

> We're committed to ensuring that young people are given real opportunities to … establish their own business enterprises.

In doing that the minister said that the government would continue to support two major youth entrepreneurship programs, one of which is Young Achievement Australia. The aim of that program is to help young people kick-start new business enterprises and introduce the principles of successful business operation to students, which is a great aim.

In relation to the business skills program, Young Achievement Australia, I asked the minister four questions: how many grants have been funded; how many recipients of the grant have started their own business; what are the targets for the program; and what are the criteria for assessing the program?

In her answer the minister says two things: the targets are to extend business skills opportunities to as many participants as possible from regional Victoria, in particular disadvantaged youths and indigenous groups. That is a great aim, but I ask: what about metropolitan youths as well?

The issue I particularly raise is that in answer to the question regarding how many recipients of the grant have started their own business — which is one of the aims of the program — the minister said that Young Achievement Australia does not keep records of the number of participants who might have later started their own business. As it is a stated objective that the

government wants young people to start businesses, I ask the minister how can she benchmark the success of the program if she has no idea of how many people start their own businesses?

GST: ALP policy

Hon. G. R. CRAIGE (Central Highlands) — I address my question to the Minister for Small Business, and in doing so I say that it specifically relates to the GST. Members on this side of the house have very long memories concerning the GST. Recently, the federal opposition shadow Treasurer announced that the Labor Party has now dumped its opposition to the GST. That will be welcomed by most enlightened Australians. Clearly, it will be seen that the Labor Party can be progressive.

This house will recall that the minister has accused members on this side of carping and whingeing. Let me say that on the GST she has consistently and continually gone on and on about it and the economic impact it will have on the people of Victoria and small business in particular. On so many occasions we have heard in this chamber the minister calling on the opposition to have some impact on its federal colleagues in relation to the GST.

Noting the minister's membership of the Labor Party federal executive as a right-wing power broker, will she now support the beneficial effects of the GST on the Victorian economy in line with her federal colleagues?

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! Before calling the Minister for Small Business to respond I refer to a matter raised by the Honourable Ian Cover seeking some direction on serrated tussock. I believe that he called for legislation to be introduced. I remind honourable members that the rules for the adjournment debate preclude any request for the introduction of legislation.

Hon. Bill Forwood — On a point of order, Mr Acting President, my understanding is that Mr Cover's contribution tonight was the result of a letter he had received. As I recall, the writers suggested that one of the options the government could consider would be the introduction of legislation. From my recollection Mr Cover did not call for the introduction of legislation. What he did was repeat that there was a group of people who sought that. I suggest that Mr Cover's contribution falls within the guidelines because it was not he who called for the introduction of the legislation.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The point of order was somewhat out of order in calling a point of order on the Chair. I was about to suggest to the minister that in her response she may like to take note of that and respond accordingly.

Responses

Hon. M. R. THOMSON (Minister for Small Business) — The Honourable Andrew Brideson raised a matter for the attention of the Minister for Sport and Recreation concerning the Masters Games and concession prices for pensioners and asked whether that could be taken into account. I shall pass that on to the Minister for Sport and Recreation.

The Honourable Roger Hallam raised a matter for the attention of the Minister for Education Services concerning the Wando Vale school and asked whether she could consult with the previous school council on the use of that facility and the asset to the community. I shall pass that on to the minister for her direct response.

The Honourable Ken Smith raised a matter for the Minister for Police and Emergency Services in relation to the Pakenham police station, and I shall pass that on for his direct response.

The Honourable Jeanette Powell raised a matter for the Minister for Senior Victorians concerning matters raised by the Warrnambool branch of the Association of Independent Retirees in regard to an 1800 number for seniors information. I shall pass that on to the minister for a direct response.

The Honourable Andrea Coote raised a matter for the Minister for Housing concerning security at the Prahran housing estate which I shall pass that on to the minister for her direct response.

The Honourable Peter Hall raised a matter for the Minister for Police and Emergency Services about a constituent, Val Marcus, regarding bonus merit points and the suggestion that discounts be provided for vehicle registration and insurance for those who maintain their 12 points over a three-year period. I shall pass that on to the minister for his consideration.

The Honourable Ron Bowden raised a matter with the Minister for Finance concerning horse and pony clubs, particularly the Balnarring Pony Club on the Mornington Peninsula, regarding public liability and professional indemnity. I shall pass that on to the minister for his direct response.

The Honourable Ron Best raised a matter for the Minister for Sport and Recreation concerning the Queen Elizabeth Oval at Bendigo and asked when an upgrade of that oval is likely. I shall pass that on to the minister for a direct response.

The Honourable Philip Davis raised a matter for the Minister for State and Regional Development concerning the Bassgas link and asked what criteria South Gippsland would need to meet for the reticulation of gas. I shall pass that on to the minister for his direct response.

The Honourable Cameron Boardman raised a matter in relation to a letter from Bruno Racina, who states that Muons may wish to visit this state. Obviously the honourable member has an affinity with that community; maybe the honourable member would like to be the welcoming committee for those visitors!

The Honourable Peter Katsambanis raised a matter in relation to the government being online, and access to government web sites. Something in the parliamentary system could possibly be a problem. I shall look at it and get back to the honourable member. It could be the system in Parliament itself.

The Honourable Neil Lucas raised a matter for the Minister for Health concerning chronic fatigue syndrome and concerns about the guidelines that have been developed. He asked whether they meet the needs of sufferers and what information doctors are being given. He seeks that the minister bring the parties together to review the guidelines. I shall pass that on to the minister for his direct response.

The Honourable Bill Forwood raised a matter from L. A. Woodland and Associates, accountants, in relation to Victorian Workcover Authority issues. I am happy for the honourable member to pass on the information, and we will examine it and raise it with the Minister for Workcover to see if we can find out what is going on. I will get back to the honourable member as soon as we are able to find out what the issues are.

The Honourable Andrew Olexander raised a matter for the Minister for Transport concerning the provision on Sundays of bus services on the Maroondah Highway between Ringwood and Croydon. I will ask the minister whether he will consider the application, and I will pass it on to him for his direct response.

The Honourable Gordon Rich-Phillips raised the question of payroll tax. Again I stress that there is a 0.5 per cent reduction of the payroll tax rate arising from the *Better Business Taxes* statement and *Building Tomorrow's Businesses Today*.

The Honourable Barry Bishop raised a matter for the Minister for Housing in relation to the Buloke Shire Council, in particular the capacity to house two police officers in Donald. I shall pass that on to the minister for her direct response.

The Honourable Ian Cover raised a matter for the Minister for Environment and Conservation about two properties that have come to the attention of the Batesford–Fyansford–Stonehaven Landcare group in relation to serrated tussock, warning information on potential penalties that may be applied in this case and what other potential action might be taken.

The Honourable Maree Luckins raised the matter of two police stations, Endeavour Hills and Clayton, and I shall raise that with the minister for a direct response.

The Honourable David Davis raised a matter for the Treasurer in relation to stamp duty, but we do not know what that was because he did not get to ask his question.

The Honourable Wendy Smith raised the question of Young Achievement Australia and a benchmark of success. The organisation seeks to give young people an opportunity to look at an alternative to other job prospects and to give them the skills so that they may be able to look at being business people rather than working for other people. It is a worthwhile organisation that works and does great things with young people.

The Honourable Geoff Craige raised a matter of the GST. I still get people in small business complaining about cash flow and business activity statement (BAS) issues. If the honourable member has read recent comments from the federal Leader of the Opposition, Simon Crean, he will know that they are still talking about the need to streamline BAS forms.

Motion agreed to.

House adjourned 6.54 p.m.

Wednesday, 8 May 2002

The PRESIDENT (Hon. B. A. Chamberlain) took the chair at 10.02 a.m. and read the prayer.

RAIL CORPORATIONS (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. C. C. BROAD (Minister for Energy and Resources).

QUESTIONS WITHOUT NOTICE

Electricity: charges

Hon. C. A. FURLETTI (Templestowe) — I direct my question to the Minister for Energy and Resources and refer her to the government's document *Building Tomorrow's Businesses Today*. I refer to the section for which the minister is responsible, where, under a heading entitled 'The next step', which looks to the future, she says that the government will continue to monitor electricity prices. She says that the government will continue to call for the creation of a single economic regulator. She says that the government will issue a full statement later this year on the government's energy policy for the state. I ask the minister: is this a step sideways or backwards?

Hon. C. C. BROAD (Minister for Energy and Resources) — I guess this is very much in the vein that we have come to expect from members of the opposition. They are certainly living up to their negative, carping approach to this state.

I absolutely welcome the opportunity to confirm those statements. This government has made it very clear that it intends to continue to act in the interests of electricity consumers in this state. It is very early days in the introduction of competition for small consumers, and the government is very proud of the consumer protection framework it has put in place through legislation to protect those Victorians. This is unlike the open-slather approach to pricing which we inherited from the previous Kennett government.

In relation to the energy policy — I have forecast that it is my intention to release it later this year — I confidently predict that that policy will build on the very significant steps that I have taken to date on behalf of the Bracks government in acting to improve the security, the reliability and the affordability of Victoria's electricity supplies.

Supplementary question

Hon. C. A. FURLETTI (Templestowe) — I appreciate the minister's pre-emptive energy policy, but I asked about what is under the heading 'The next step', which is the government's vision for the future. I repeat that the minister refers to monitoring electricity prices, which I would have accepted as an ongoing issue and not something that is a next step. The minister has called for the creation of a single economic regulator. She did so at a conference organised by the Electricity Supply Association of Australia a month or so ago, but of course it was decried by her Labor colleagues in New South Wales and Queensland, and that means that it means absolutely nothing. We would have expected policy from the minister some time before the next election. So I ask the question again: are we going sideways or backwards?

Hon. T. C. Theophanous — On a point of order, Mr President, my understanding of the nature of a supplementary question under the guidelines you have issued is that it has to be a question seeking additional information to what has been given or in some way different to the original question. The honourable member has, using his own words, asked again the same question that he asked originally, so I ask you to rule it out of order.

Hon. Bill Forwood — On the point of order, Mr President, the guidelines are clear on this: the questioner may ask a supplementary question of the same minister in order to elucidate the reply. The guidelines also say that supplementary questions must actually and accurately relate to the original question and must relate to or arise from the minister's response. I put it to the house that Mr Furletti has complied completely with the guidelines we operate under.

The PRESIDENT — Order! I do not believe that supplementary questions were intended to enable a question to be re-asked. The basic thing is to obtain an elucidation of the answer. The actual nub of the question that Mr Furletti put the first time and the second time was exactly the same. If, in fact, there was an aspect of the minister's answer that the honourable member wanted clarified, that is very appropriate, but in relation to whether it gives him the liberty just to simply restate the question, I do not believe it does. I uphold the point of order.

Budget: sport and recreation

Hon. G. D. ROMANES (Melbourne) — I refer my question to the Minister for Sport and Recreation, who is also the Minister for Commonwealth Games. Will the minister advise the house of the extent of the Bracks government's commitment to sport and, in so doing, identify the key sporting priorities that were revealed in yesterday's state budget?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for her question and am pleased to advise the house that the budget details in the order of over $81 million of additional funding for sport and recreation. This money is critical to ensuring that both sports infrastructure and the sports people themselves will be in an excellent position when Melbourne holds the 2006 Commonwealth Games.

The government has allocated $7 million in the budget to continue the design, development and expansion of the Melbourne Sports and Aquatic Centre. This will include community leisure facilities in addition to the competition pool. The total project cost is in the order of $50 million.

Further funding for local community-level sport and recreation facilities will also continue with $5 million for minor facilities and $8 million for the Better Pools program to be provided from the Community Support Fund. This shows and reinforces that this government is serious about continuing community-based sport and recreation opportunities throughout the sports area and growing all of the state.

The budget also assures the continuation of the highly successful Play it Safe by the Water campaign with the provision of $2.2 million from the Community Support Fund. Sports injury prevention and women's participation in sport will receive $300 000 from the government's proceeds from the Tipstar footy tipping competition.

Honourable members interjecting.

Hon. J. M. MADDEN — I knew you would enjoy that one!

The government has already announced a $1.5 million boost to the Victorian Institute of Sport in the lead-up to Athens 2004 and Melbourne 2006, part of which will also be directed to regional sports academies — again reinforcing our commitment to growing the whole of the state. In addition, the government recreation camps at Howmans Gap, Mount Eliza and Mount Evelyn will all benefit from upgrades to the value of $750 000 to ensure compliance guidelines are met. As well as all that — —

Honourable members interjecting.

Hon. J. M. MADDEN — I know opposition members like to whinge and whine and carp about these things, but they cannot avoid it: it is good news, no matter what they say, how divided they are or how they stand for nothing. It is good news.

We will ensure as a government that we continue to facilitate the construction of the MCG to ensure the highest possible level of public access to the people's ground. We are delivering things opposition members could never deliver when in government because they did not care then, they do not care now, and we know they will never care!

Electricity: charges

Hon. C. A. STRONG (Higinbotham) — I refer the Minister for Energy and Resources to the recent article on Macquarie Generation in which was made public recently the details of why it was fined by the National Electricity Code Administrator. It was fined for inflating the wholesale price of electricity, and the national code administrator also noted that other New South Wales generators are themselves involved in similar practices. These are New South Wales government-owned generators who are able to wash out their inflated prices through the tariff equalisation — —

Honourable members interjecting.

The PRESIDENT — Order! Ask your question.

Hon. C. A. STRONG — I have asked the minister to take up the tariff equalisation scheme with the Australian Competition and Consumer Commission. Will she now, in the light of this public acknowledgment of New South Wales — —

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

Hon. C. C. BROAD (Minister for Energy and Resources) — I am aware of the reports that the honourable member opposite referred to. It is also important to note that the National Electricity Code Administrator put forward some proposals in relation to rebidding practices, which are currently under consideration in the national electricity market, and these are matters that are being watched carefully through the national electricity market ministerial forum established following the actions of the Victorian and New South Wales governments.

I expect that the actions of New South Wales generators are matters that will be closely watched on an ongoing basis under the existing regulatory arrangements.

In relation to a matter raised in an earlier question, Victoria is continuing to advocate a position in relation to a single regulator for the national electricity market. We believe that proposal would be of great assistance in terms of these matters being addressed. Contrary to earlier comments, I am pleased to note that this proposal has received a good deal of support.

Supplementary question

Hon. C. A. STRONG (Higinbotham) — My supplementary question — —

Hon. J. M. Madden — On a point of order, Mr President, I ask for a clarification of the status of supplementary questions. Because the honourable member did not complete his first question, I am not sure, and I would like some reinforcement — —

The PRESIDENT — Order! The rules are available to all members. There is no point of order.

Hon. Bill Forwood (to Hon. J. M. Madden) — If 100 000 people lived in the village you would still be the village idiot!

Hon. J. M. Madden — He has all that time and he still cannot get it out. You ask it for him, Bill!

The PRESIDENT — Order! The honourable member has a limited time in which to ask his supplementary question. I ask the house to let him do so.

Hon. C. A. STRONG — In light of the minister's answer, has she considered and would she consider taking this issue up with the Australian Competition and Consumer Commission. Clearly this is anticompetitive behaviour and, as such, the ACCC is probably the most powerful and effective organisation to ensure that such anticompetitive behaviour ceases. I urge the minister to seriously consider, either separately or through her ministerial council, taking this matter up with the ACCC.

Hon. C. C. BROAD (Minister for Energy and Resources) — I am sure all members of this chamber, indeed all Australians, have been watching with great interest the actions of the Australian Competition and Consumer Commission and its leader, Professor Alan Fels. Those actions have sent a strong message about the ACCC's willingness to investigate, pursue and prosecute these matters vigorously. I have every confidence that the ACCC will continue to do that in relation to these matters where it is warranted.

Budget: ICT strategy

Hon. KAYE DARVENIZA (Melbourne West) — I refer the Minister for Information and Communication Technology to the Bracks government's third budget delivered yesterday which contained $70.6 million for a new whole-of-government telecommunications purchasing and management strategy. Will the minister explain the benefits of this strategy?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — I thank the honourable member for her question. I start by saying that through Connecting Victoria the Bracks government has strived to place Victoria at the forefront of the information and communications technology (ICT) industry. The telecommunications purchasing and management strategy will continue that commitment and position the Victorian government as a world leader of governments in the use of telecommunications. This four year $70.6 million commitment will promote greater competition within Victoria's telecommunications market and allow the government to take advantage of new technologies as they become available. This strategy — —

Honourable members interjecting.

The PRESIDENT — Order! I ask the minister and whoever it is who is interrupting on this side — —

Hon. M. M. Gould — The Leader of the Opposition!

The PRESIDENT — Order! He is the Leader of the Opposition. I ask them to keep out of this and allow the minister to answer her question.

Hon. M. R. THOMSON — This strategy will also result in enormous benefits to the Victorian community and will deliver improved bandwidth to schools and hospitals. A fundamental part of the strategy is the commitment to progressively move over time all of the government's voice and video services to a data network. The Bracks government is the first government in Australia to make this commitment and fund it. What makes the commitment possible is the use of a connectivity hub that enables the government's data systems to connect over a common secure network.

In the past the government has relied on its data services being provided by one provider. The connectivity hub will enable a panel of providers to be

available to supply services to the government by allowing them to connect to this connectivity hub. This will drive telecommunication prices down making them more competitive, and it will bring cost savings to the government, enabling departments to invest in higher bandwidths.

The government's spend of $175 million in telecommunications will stimulate investment in telecommunications infrastructure and improve services in country Victoria. While these new contracts are being negotiated we will continue to use the VicOne network for data services, and we have finalised a short-term agreement with AAPT to ensure this will occur.

A competitive interim arrangement for telephony services has been put in place which will deliver cost savings of up to $9 million to government. This strategy is fundamental to a number of key Bracks government's policies, including Growing Victoria Together and its e-government vision for Putting People at the Centre. It also supports our efforts to boost telecommunications infrastructure in regional Victoria through our Regional Connections policy.

The telecommunications purchasing and management strategy is proof of the Bracks government's commitment to ICT vision and its ability to build policies to secure Victoria's future as an innovative, competitive and connected economy.

Fishing: abalone

Hon. P. R. HALL (Gippsland) — I refer the Minister for Energy and Resources to the recently released abalone fishery management plan which will, in the minister's own words, ensure that the fishery continues to be managed on a sustainable basis. Would the minister agree that the sustainability of all fisheries is best achieved by fisheries management planning, rather than by prohibition as proposed in the government's marine parks proposal?

Hon. C. C. BROAD (Minister for Energy and Resources) — I welcome this opportunity to speak about the recently released abalone management plan. This plan is a first in relation to ensuring sustainable management of our abalone fishery. It is a significant and valuable export-oriented fishery, which this government is determined to ensure is managed into the future on a sustainable basis. All the participants should be congratulated on the plan that has been put in place by this government after an enormous amount of work by stakeholders in the industry, the department and elsewhere. It will provide the basis in the future for a cooperative approach to ensure the best possible results from this fishery.

In relation to marine reserves, there are ongoing and significant discussions between the opposition and the government, and I am certain that those matters have been addressed during those discussions along with parallel discussions with all stakeholders, including representatives of the industry and conservation groups.

I am confident that the package that the government will put before Parliament when those discussions are properly concluded will bear the fruits of those discussions. The government's package, of course, includes a very important component in relation to primarily the abalone fishery. That is a substantial boost to enforcement, which is very much called for by the industry.

Supplementary question

Hon. P. R. HALL (Gippsland) — I will not ask the same question again because the minister did not answer my question about the balance between fisheries management plans as opposed to marine parks in assessing sustainability. However, I seek clarification on the minister's answer.

Is it not true that the marine park legislation will result in the abalone fishery being concentrated into a smaller area, thus putting the sustainability of Victoria's most valuable fishery into jeopardy?

Hon. C. C. BROAD (Minister for Energy and Resources) — When the legislation is brought before Parliament I expect that this matter and many others which are covered by the bill will be well debated.

Hon. Bill Forwood — Even in committee?

Hon. C. C. BROAD — Yes, possibly even in committee in this place, and there will be ample opportunity for these matters to be further debated at that time.

Melbourne Sports and Aquatic Centre

Hon. R. F. SMITH (Chelsea) — Will the Minister for Commonwealth Games advise the house what steps he has taken to ensure that Melbourne will have an appropriate swimming venue for the hosting of the 2006 Commonwealth Games?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I thank the honourable member for his question. The house would be aware that in yesterday's state budget we outlined an

additional $48 million in funds for the redevelopment of the Melbourne Sports and Aquatic Centre (MSAC). That includes $7 million in the 2002–03 financial year, $22 million in the 2003–04 financial year and $21 million in the 2004–05 financial year.

The redevelopment will include an event pool to host major events, including the 2006 Commonwealth Games that I have mentioned previously, but also it will assist in increasing the amount of car parking in and around the precinct to take pressure off the local neighbourhood. It will also improve the public amenity and add to the viability of the facility through increased leisure water activity participation.

In late January this year the firm of architects Peddle Thorp was announced as the architect for MSAC stage 2. I understand the firm has 30 years practice in architecture and planning. Its designs include the Rod Laver arena and the Vodafone arena at Melbourne Park. The firm is well placed to create a world-class facility that will feature as part of the 2006 Commonwealth Games.

One of the key aspects of the redevelopment of MSAC is that we are ensuring that the final design reflects the desires and aspirations of the local community. That is important not only for the local community but also for the aspirations of the games athletes and Victorians generally who no doubt appreciate the significance of the venue.

The government is committed to community consultation in relation to the stage 2 redevelopment. The consultation process has commenced with the distribution to the local community, through homes in the vicinity, of a community information brochure, followed by a series of public consultation meetings.

I am pleased to advise that already, following the initial stages of that public consultation, a number of modifications have been made to the design brief. This is a key approach that the government is proud of. We do care, we do consult, we do listen and, when the messages are made clear, we take action. I underline that: we take action! We take action to ensure that the aspirations of the local communities and the greater Victorian community are addressed.

Following initial community consultation, under the legislation the project will be formally referred to an advisory committee to enable that committee to give advice to the minister in relation to many of the issues that may well need addressing. I expect to give my determination on the project in or around July–August 2002 following consideration of the advisory committee's report.

We expect the project to commence around September–October 2002. That again reinforces that we will ensure that not only will the Commonwealth Games be the most significant sporting event staged in Victoria but also they will help grow the rest of Victoria.

Fisheries Co-Management Council: appointments

Hon. PHILIP DAVIS (Gippsland) — My question is addressed to the Minister for Energy and Resources. The government is about to finalise its response to the Environment Conservation Council report on marine parks.

Hon. J. M. McQuilten interjected.

Hon. PHILIP DAVIS — How do I know? Because a minute ago the Minister for Energy and Resources said it — you weren't listening! This will be the single most profound government decision affecting commercial and recreational fishing taken in Victoria's history. The Fisheries Co-Management Council is the peak advisory body to government on the management of fisheries resources in this state. The council's term expired in March this year. Will the minister advise why she has failed to appoint a new council for two months coincidental with the finalisation of the government's marine parks response?

Hon. C. C. BROAD (Minister for Energy and Resources) — I take this opportunity in relation to that report, which I actually did not refer to during my answer to a previous question, to welcome the very strong contributions that have been made to that report, which is now with the government. I am looking forward to bringing forward the government's response to that report in due course.

That investigation as part of its terms of reference focused particularly on the matter of co-management. I note that the report which has been presented is a strong endorsement of that approach and one that I welcome on behalf of the government.

In relation to the matter of appointments, there were some delays in dealing with appointments. The government was very mindful, given that one of the very strong points of the report was about co-management itself, not to be seen to be pre-empting that report. I am proceeding with new appointments in light of the report's strong endorsement of

co-management as an approach prior to the government's response.

I am confident that the government's response, when it is brought forward in due course, will be a further reaffirmation of the report's support for co-management as a desirable approach to fisheries into the future.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — With courtesy to the minister, I think she genuinely did not understand my question. The question was about the government's response to the Environment Conservation Council report and recommendations in relation to marine parks. It seems the minister was answering a different question — a question about a review into co-management when, I presume, she was alluding to the Environment and Natural Resources Committee review that is under way.

I am sorry the minister misunderstood the question. Would she like to answer the question that I asked — that is, the fact that she has not appointed a new council? Will the minister elucidate on why it is that coincidental to the consideration of the government recommendation's response — that is, legislation in this place — the minister does not have a co-management council in place? The co-management council needs to be appointed forthwith.

The PRESIDENT — Order! Time!

Hon. C. C. BROAD (Minister for Energy and Resources) — As I have indicated, I am proceeding with appointments. The chair has been appointed, a matter to which the honourable member opposite drew attention at the time the chair was appointed. I am confident that those appointments will be in place shortly.

Port of Geelong: rail access

Hon. E. C. CARBINES (Geelong) — I refer my question to the Minister for Ports, and I ask the minister to inform the house of details of recent initiatives delivered by the Bracks government to strengthen the links from our ports to industry and agricultural centres across Victoria.

Hon. C. C. BROAD (Minister for Ports) — I thank the honourable member for her question and her representations on behalf of her local community in relation to the port of Geelong.

The Bracks government is committed to strengthening the links from our ports to industry and agricultural centres right across Victoria and in particular under our 10-year plan for the state's future, Growing Victoria Together. We are delivering on that commitment in the 2002 budget with a plan which we believe will drive growth and secure new opportunities for the freight industry.

I am very pleased to draw the house's attention to the 2002 budget initiative of $5.1 million to construct dual-gauge rail access to Lascelles wharf at the port of Geelong. That project will construct a single spur line from the independent goods line to Lascelles wharf, where three dual-gauge marshalling sidings are to be constructed on concrete sleepers.

This is a key infrastructure investment which will reduce freight costs, lead to an increase in the mode share of rail freight to and from the port of Geelong and to the development of warehousing and other similar infrastructure on some 25 hectares of vacant land in the port of Geelong.

The line links into the Corio independent goods line, which will be provided through another key Bracks government investment, the $96 million regional freight links rail gauge standardisation program. This was an initiative from last year's budget and one which we are now building on with this new investment. The range of users to which better rail links will provide competitive business costs is varied, from log exporters to fertiliser producers and specialist grain growers. It is estimated that some 665 000 tonnes of product every year will be delivered to and distributed from Lascelles wharf by rail and that some 234 000 tonnes of that will come from entirely new business for rail operators.

This transfer of freight from road to rail will have a huge impact on vehicle emissions, on noise and costs of road maintenance, showing yet again that the Bracks government is determined to build sustainability into everything we do.

The Lascelles wharf project comes on top of the $5.2 million announced in the Bracks government's *Building Tomorrow's Businesses Today* statement for detailed investigation into deepening the approach channels to the port of Melbourne. Deepening the channels will allow vessels to operate at their capacity, resulting in improved efficiency, leading to lower shipping costs to Victorian exporters, and that will have benefits into the future for Geelong as well. Both these projects will deliver a competitive advantage to the freight industry and strong benefits for regional Victoria.

World Athletics Championships

Hon. I. J. COVER (Geelong) — My question without notice is to the Minister for Sport and Recreation. The 2005 World Athletics Championships originally planned for London will now be held in Helsinki. What did the minister to do to attract the event to Melbourne?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for his question. Members of the house may not be aware that originally the 2005 games were to be held in London — —

Hon. G. R. Craige — We have already said that!

The PRESIDENT — Order!

Hon. J. M. MADDEN — But they may not appreciate why London was unable to deliver the event because, as I have mentioned in this house before, at the end of the day it did not have an athletics track. That was basically the reason. The organisers were not sure whether to put it at Picketts Lock or Wembley, and in the end they were not able to build it at Wembley so they did not have a location for the track.

An Honourable Member — That is the House of Commons. You are supposed to talk about us!

Hon. J. M. MADDEN — I am giving members a bit of background because they might want to appreciate that we understand the technical elements of what is required to deliver an event like this.

Honourable members would also appreciate about an event like this that the greatest market for an event of that nature is the European market. World athletics, I suppose, dominates television in Europe. As part of that the bids from Europe were seen as the key to driving the event, and no doubt the Victorian Major Events Company concluded and informed the government that the event could only take place in Europe on the basis of the attraction that was required and the timing of the delivery of the television telecast into Europe, and so of course this government chose not to pursue the event because it was indicated to us that world athletics would not wish to take up the opportunity of staging that event in Australia.

Supplementary question

Hon. I. J. COVER (Geelong) — It was nice of the minister to remind us that the games were not going to London, as I pointed out to him last October. He did say, when talking about whether he was going to be doing anything about it, that it may well be one of the events to be investigated by the government.

Earlier this year I sought under freedom of information access to all documents held by the former Department of State and Regional Development and the office of the Minister for Sport and Recreation regarding the 2005 World Athletics Championships. I received a response saying that research of departmental records had been conducted and no documents falling within the terms of the request had been located.

Will the minister now admit that he did not care about pursuing this sporting opportunity and did nothing?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I reinforce, as I have reinforced on a number of occasions, that the honourable member was wrong previously, he is wrong today and he will be wrong in the future. If he remembers rightly, when I answered this question previously, I had discussed this issue with the relevant authorities when I visited England last year, and discussed it in some detail. I think the honourable member would also appreciate that we have discussed it in some length.

An Honourable Member — No emails!

An Honourable Member — No notes!

Hon. J. M. MADDEN — Just because there is no paperwork does not mean that it has not been pursued.

Schools and TAFE: funding

Hon. S. M. NGUYEN (Melbourne West) — I ask the Minister for Education Services to advise how the Bracks government's commitment to invest over $216 million in modernising Victoria's schools and TAFE institutes will impact on her portfolio.

Hon. M. M. GOULD (Minister for Education Services) — I thank the honourable member for his question. The government's commitment of a massive amount of over $216 million to improve our schools and TAFE institutes is yet an another example of the Bracks government's commitment to invest in our future. We are getting on with the job of undoing the appalling damage that our schools suffered under the previous government.

I am delighted to have the ministerial responsibility for the implementation of agreed capital programs. While the decision about planning and the total budget for capital works rests with my colleague the Minister for Education and Training in another place, I have the

responsibility for ensuring the delivery of these projects.

The announcement of this capital works funding will have a dramatic impact on Victoria's education system, providing students with a world-class infrastructure. This government is undoing the damage the former government did when it was in office with the sacking of 9000 teachers and the closing of 300 schools. It left the education system to rot; it just did not care about our children or about their future and it tried as hard as it could to destroy the public education system in Victoria. But the Bracks government has invested very heavily in fixing up the mess the previous government left behind.

I will turn to some of the examples of how the Bracks government will be spending this money to rebuild our education system: $89 million will be spent to modernise over 90 government schools right across the state; over $44 million will be spent to construct new schools and undertake major redevelopments; $7.5 million will be spent on four major rebuilding projects; over $16 million will go to TAFE projects; and $4 million will be provided for the Maryborough precinct.

What this budget initiative means is that more than 110 schools and TAFE institutes across the state will be completely rebuilt or refurbished. The government will be getting on with the job of providing modern and world-class teaching facilities and spaces for our school communities, unlike what the opposition did when it was in government. This capital spending will also have the important benefit of providing new opportunities for Victorians by creating job opportunities and building stronger communities right across the state.

The Bracks government is delivering a brighter future for the state's education and training system. Through the construction of these significant projects the Bracks government is positioning Victoria as Australia's leading educational system. I am very proud to be the minister responsible for ensuring that these capital projects are delivered to the Victorian community to assist our young people and to improve the education system which the opposition when it was in government tore down and left to rot!

MOTIONS TO TAKE NOTE OF ANSWERS

World Athletics Championships

Hon. I. J. COVER (Geelong) — I move:

> That the Council take note of the answer given by the Minister for Sport and Recreation to a question without notice asked by the Honourable I. J. Cover relating to the 2005 World Athletics Championships.

It might be interesting if the minister stays back today to give us some explanation of his response, because he clearly did nothing.

Hon. N. B. Lucas — He's going!

Hon. I. J. COVER — If he is going to his office to look up documents relating to what he did in trying to attract the 2005 World Athletics Championships to Victoria he is wasting his time, because he has already indicated to me in response to a freedom of information request that there are no documents such as emails, letters, memoranda, briefing notes, post-it notes and the like relating to anything that may have been done.

The minister said in his answer to my question without notice that he spoke to someone in London about the issue. This means — as the minister leaves the chamber, not wanting to give us a full explanation of the way he conducts his activities as the Minister for Sport and Recreation — either that he conducts these activities in a very sloppy and slack manner, in this instance by just having a chat with someone in London who said, 'Don't bother about having that down in Melbourne because it won't be in the right time zone for international television', or that there are documents or things written down and that therefore the freedom of information process put in place by this government is a sham because it is not releasing those documents.

In fact, I have to ask the question: is the government being secretive about the way it does things in the office of the Minister for Sport and Recreation? Given that the minister has now left the chamber, perhaps he is going to his office to do another search to find out whether he actually did have some documentation or some briefing about the matter and that he did take some advice. Surely if the minister met with someone in London and discussed the possibility of the 2005 World Athletics Championships coming to Melbourne, given that he had received so much information about how inadequate London's facilities were, his diary would contain an entry saying, 'London meeting re world athletics championships'?

Hon. C. A. Furletti — There might some contra argument for Melbourne.

Hon. I. J. COVER — Exactly. I am giving the minister the opportunity to do another search and reveal that he did attempt to do something about getting the 2005 World Athletics Championships to Melbourne.

The minister goes on about the attraction of events to Melbourne and Victoria, and in one of his answers today he went on about this being a government that takes action. 'We take action', he said. Clearly the government did not take any action to get the 2005 World Athletics Championships to Melbourne.

It also strikes me as rather odd that when the minister was informed about the international television problems with conducting the championships down in Melbourne, it did not stop the government last year from putting money into and waxing lyrical about the International Association of Athletics Federations (IAAF) grand prix meeting that was held at Olympic Park and televised around the world. In fact, in an answer the minister gave here in the house in September last year he told us:

> The event was broadcast live in many places around the world, significantly throughout Europe, North America and South America as well as Asia.

That puts paid to this line that the minister claims is being peddled to him about there being no point in Melbourne going for it because it has got to be held in Europe. The IAAF, which runs the World Athletics Championships as well as the grand prix, had no problems about coming down here last September, sponsored by the Victorian government, running the grand prix event in Melbourne and having it televised around the world.

Now this minister just dismisses the matter and says, 'Here's a convenient excuse for me not to do anything about attracting the world championships in 2005. I'll just accept this line that we can't do it because the TV is not going to work internationally'. It worked last September when the IAAF held its grand prix series here at Olympic Park.

Clearly the minister has missed an opportunity. It is typical of this do-nothing government and this do-nothing minister that, when it came to taking up an opportunity that could be pursued for Melbourne and for Victoria, they did nothing. Given that I received this response from the minister's department saying that there were no documents relating to the 2005 World Athletics Championships — —

Hon. N. B. Lucas — He might be making it up!

Hon. I. J. COVER — Correct, Mr Lucas, he might be making up that he met with someone in London about it. There are no documents.

Hon. N. B. Lucas — There is no record.

Hon. I. J. COVER — Either there is no record and he did nothing, or there actually is a record and the government is being secretive. That now raises grave concerns about the manner in which the minister may conduct himself as the Minister for Commonwealth Games, as we are still waiting for a budget for that event to be released as well.

Hon. E. C. CARBINES (Geelong) — I am very pleased to speak on behalf of the government in relation to this matter this morning, because what an absolute beat-up this is by the honourable member opposite! There was never any genuine chance of Melbourne hosting the 2005 World Athletics Championships — no chance at all — and it is an absolute beat-up by the Honourable Ian Cover to even suggest there was a genuine chance. It is political posturing on his part and he knows that. London lost the rights last year to host the 2005 World Athletics Championships. England was desperately trying to secure a venue to host the event but it could not host it in London. It was trying to transfer it to Sheffield but unfortunately for England the International Association of Athletics Federations was not happy with that location and so ruled England out of the picture.

The Victorian Major Events Company and Athletics Australia took the opportunity to have a look at whether or not it was worth our while even discussing the possibility of staging the 2005 World Athletic Championships in Melbourne. It is interesting to note that the International Association of Athletics Federations has already negotiated with the European Broadcasting Union to stage the next four world outdoor championships in Europe or a city in a European time zone.

Therefore, the Victorian Major Events Company and Athletics Australia decided it was not worth pursuing the 2005 World Athletics Championships for Melbourne. Not only that, but any attempt would take the focus away from the real work required in staging the 2006 Commonwealth Games in Melbourne. Any effort put into the bid would be detrimental to the staging of the Commonwealth Games.

The government is concentrating proudly on hosting the 2006 Commonwealth Games in Melbourne. Enormous effort has been put in already to make sure Melbourne and Victoria are ready to host those games and I am sure all honourable members look forward to the opportunity of Victoria being showcased around the world when it hosts the 2006 Commonwealth Games. Victoria and Melbourne will be looked at by not just commonwealth nations, but all nations around the world.

In the lead-up to the commonwealth games the government and its departments will be busy ensuring our venues are ready. The Minister for Sport and Recreation referred this morning to what is being done to upgrade the Melbourne Sports and Aquatic Centre so it can host the swimming events of the 2006 Commonwealth Games. Similar works will be done at other stadiums and there is the vexed question of the commonwealth games village to finalise.

The motion moved by the Honourable Ian Cover is a beat-up. He is desperate to increase the number of times he speaks in this place! An article in the *Geelong Advertiser* referred to the honourable member as being tight-lipped and known for not contributing in this house for the past six years. At the end of the day there was never any real prospect of Melbourne hosting the 2005 World Athletics Championships. This motion is an attempt — not a good one — at political posturing by the honourable member. He has not proved anything this morning. It is a desperate attempt to raise his profile and get some entries into *Hansard*. Better luck next time!

Motion agreed to.

Electricity: charges

Fisheries Co-Management Council: appointments

Hon. C. A. FURLETTI (Templestowe) — I move:

> That the Council take note of the answers given by the Minister for Energy and Resources to questions without notice asked by the Honourables C. A. Furletti and C. A. Strong relating to the electricity industry and the Honourable P. R. Davis relating to the Environment Conservation Council.

In this budget week when the Minister for Energy and Resources was given the opportunity to expand on the government's vision for the future in the energy portfolio in referring to the document entitled *Building Tomorrow's Businesses Today*, which was tabled with great ceremony and with the government vaunting its achievements and its future, the minister chose not to refer to the government's vision in the document I referred to. More specifically, she did not take the opportunity to give the house an outline of her responsibilities and to vaunt the government's initiatives outlined in the budget yesterday. That confirms the thrust of the questions put by members of the opposition — namely, that the government has no vision for Victoria's energy future and no plan in place and that the budget is devoid of incentives to ensure that Victoria's energy base is secured.

The minister in her answers today confirmed that the government in general and she in particular is devoid of any initiative and forward planning for possibly one of the most significant areas upon which Victoria's economy and industry is based.

The government has no vision now and has done nothing in the past two years. The minister referred to the introduction of full retail contestability earlier this year, but I recall that was delayed by a year and as such it put the brakes on the market functions that were intended to continue the implementation and the maximum effect of the reform of the electricity industry in the state and the introduction of strong market forces to ensure reliability, sustainability and reasonable prices for Victorian energy. Those elements saw Victoria catapulted from the rust-bucket state the Cain and Kirner governments left it in to the foremost state in Australia.

The minister is isolated in the ministerial council which she promoted because New South Wales and Queensland, with their numbers and strength in voting, are able to disregard or pay little heed to the initiatives which she proposes. In particular, it is clear the proposed one regulator issue is not on. It is clear that the minister's submissions in seeking to have Queensland and New South Wales participate not only in the concept but the spirit of a national electricity market are falling on deaf ears.

Victoria's future is based on a reliable and sustainable electricity base load that will be put under real pressure over the next five or six years, yet the government is doing nothing to address that urgent issue. The industry now has more than half its infrastructure and assets on the market. It is possible Victoria could see a government-owned corporation from another state as a major player, yet the government has indicated it will take no action which would prevent the market forces initiated in the mid-1990s having effect without undue influence.

This government has done nothing, is doing nothing and — from the answers given by the minister today — will do nothing in the future!

Hon. G. D. ROMANES (Melbourne) — The opposition is out of touch in its implied criticism of the Minister for Energy and Resources advocating a single regulator for the national electricity market. The minister has shown vision and leadership in putting forward that proposal. It has raised the interest of the members of the national electricity market ministerial forum and has a number of third-party endorsements, including the Electricity Supply Association of

Australia. In the 6 May newsletter of the association the Business Council of Australia is mentioned as being a supporter of a single national regulator and contends in the article that the overlapping and conflicting roles of electricity and gas regulation are inefficient and impose enormous compliance burdens on the industry.

In the newsletter there is support from Loy Yang Power, which has told the Council of Australian Governments panel that the single most important issue to be addressed in the review is the fact that the national electricity market currently lacks leadership because no single body is responsible for policy formulation and development. Those are third-party endorsements from leading players in the electricity supply industry.

I direct the attention of honourable members to an article in the *Australian* of 25 April this year by Nigel Wilson in which he refers to the issuing of a national report card on the energy industry by Barry Jones, executive director of the Australian Petroleum Production and Exploration Association, following its annual meeting in Adelaide.

His report card on the various energy provider states across Australia rates Victoria as an A-grade performer, with his only criticism that industry regulation was not heavy-handed enough. That does not demonstrate any lack of support for the proposal being put forward by the Minister for Energy and Resources.

We continue to hear whingeing and carping from members of the opposition, who are protesting continually about the action taken by the Bracks Labor government in the interest of Victorian consumers by a range of measures put in place to protect consumers and reject, for example, the large prices that were sought by electricity retailers.

As the Minister for Energy and Resources mentioned in her response to questions earlier today, this government will do whatever it needs to do to improve the security and reliability of the supply and affordability of electricity and other sources of energy in this state. Compare that with what the Kennett government did when it privatised the electricity assets of this state and abandoned country and regional electricity consumers to an open-slather market. The Kennett government sold off the state's electricity industry without any plan to encourage new investment in power stations to keep prices down, and created a divide between city and country prices by breaking up Victoria's network into two country and three city networks.

It needed this government to this year reject an average electricity price rise and put in place the special power payment to ensure that the average increase Victorians would pay was no higher than 4.7 per cent across the board, which has meant an average saving of $89 over the year for average country customers and additional assistance for small business and farm customers on high-consumption tariffs. So that is protecting the people of Victoria.

Hon. PHILIP DAVIS (Gippsland) — I am somewhat reluctant to participate in this take-note motion because I do so with the concern that I should share with the house about the performance of the Minister for Energy and Resources. In two and a half years I do not think that I have seen the minister perform so inadequately in the house.

On a question this morning about abalone management plans from my honourable colleague Mr Peter Hall, the minister elucidated her answer to the question by referring to the government's response on marine parks, which will be presented to the Parliament shortly.

My question this morning was specifically in the context of marine parks. It was about the expiration of the term of appointment in March of this year of the Fisheries Co-Management Council and the fact that there has not yet been a reappointment or an appointment of a new council.

Consequently for the last two months while the gestation of the government's response to the marine park recommendations of the Environment Conservation Council has been proceeding apace with the release of the government's draft bill for public exposure and with much dialogue in the community and between government and opposition, the government is taking no advice because it is unable to take advice from a peak body created in this state to give government advice on fisheries management issues.

Hon. P. R. Hall interjected.

Hon. PHILIP DAVIS — Mr Hall says that it is an appalling situation. I would say that it is a disgrace — just as this minister's response was to my question this morning when she denied in her remarks that she had referred to the marine parks report. She actually made a statement which was untrue.

I gave the minister the courtesy with a supplementary question of an opportunity to respond more coherently as a matter of course, but again she flustered around without giving an adequate response to the fact that she is the minister responsible for fisheries management with a body created in statute to give the government and the minister advice at a peak level on behalf of all

stakeholders in fisheries management in this state and that the Fisheries Co-Management Council has not been in place for two months. It seems, according to the response that the minister finally gave after some opportunity to do so, that she has confirmed that no such appointments have been made and that they may be made in due course but in fact she has some problems making the appointments.

The problem is that the minister has not addressed the issue which was properly referred to in the 2000–01 annual report of the Fisheries Co-Management Council, which has been tabled in this place. I note that at page 8, under the heading 'Advice given to the minister', one of the matters was:

> Membership of and succession planning for the Fisheries Co-Management Council.

That is in the report of the last financial year, so where has the minister been? Has she been out to lunch? Where has she been for the last little while? She certainly has not been out fishing; she has not been taking advice from fishermen. Indeed, she has pointedly refused to meet with fishermen in regard to these matters.

I have incessant complaints from fishing industry stakeholders who cannot get a meeting with the minister responsible for fisheries in this state. Worse still, she has been negligent in her ministerial duties in relation to the appointment of the peak body to provide advice to the government on fisheries matters in this state at the most critical time in the history of fisheries management and at a time when the government is about to implement a marine parks proposal which will exclude commercial and recreational fishing from many areas of the state.

Motion agreed to.

Fishing: abalone

Hon. P. R. HALL (Gippsland) — I move:

> That the Council take note of the answer given by the Minister for Energy and Resources to a question without notice asked by the Honourable P. R. Hall relating to fisheries management.

Right from the outset I want to say that the National Party very strongly supports the concept of fisheries management plans. It is our belief that fisheries sustainability depends on well-considered management policies. We do not support the propaganda that is being floated by this government that marine parks will protect fishing stocks and ensure sustainability. That is an absolute load of rubbish. We have seen the propaganda from the government — the pretty pictures in the media of fish swimming around — which says the government is protecting fisheries sustainability by the declaration of marine national parks. That is a lot of rot! I think the minister went part of the way towards conceding that in her answer this morning by saying that fisheries management is a key issue and a priority for this government. The National Party agrees that it needs to be. We say very strongly that the key to sustainability within the fishing industry is the development of well-managed fisheries plans, and marine parks in themselves will not ensure that sustainability.

My question this morning referred to the abalone fishery. As the minister said in an answer to this place when the house was last sitting, the Victorian abalone fishery management plan was:

> … the first fishery management plan to be released for a commercial fishery under the Fisheries Act 1995.

They were the words used by the minister in this house. It so happens that abalone is also Victoria's most valuable fishery. The minister has also put on the record that the landed catch value of this particular fishery alone is worth around $70 million. It is an important fishery for the state of Victoria. We could equally ask: where are all the management plans for the other fisheries in Victoria? This is the first commercial one.

We in the National Party say that there needs to be well-developed management plans for all fisheries. We could ask where they are. Although today's question referred to abalone, it could well apply to all fisheries, and the National Party emphasises and stresses the need for the development of management plans for all fisheries.

There is absolutely no doubt that marine parks will impact on the abalone fishery, as they will on all other fisheries in Victoria, and it is stupid of the government to suggest that they will not in some way. They will, and they will impact significantly on both commercial fisheries and recreational fisheries in our coastal areas.

By interjection, the Honourable John McQuilten supported that view. He said that there would be a 7 per cent reduction in the quota available in the eastern division of the abalone fishery. I am not going to concede that that is correct; I think there is going to be a greater impact. But even if you take Mr McQuilten's view that there is going to be a 7 per cent impact on the cost of abalone licences themselves which have a market value of something like $6 million at the moment, 7 per cent of $6 million is $420 000! That is the impact it is going to have on particular

licence-holders in the abalone fishery. Where is the compensation for the guys who are going to be affected? There is absolutely none in the government's proposals for marine national parks. Absolutely none!

According to the Honourable John McQuilten, these people are going to suffer a loss of at least $420 000 in the capital value of their licences. I think it is going to be much more, and not 1 cent of compensation is being made available to this particular fishery. I say that is an absolute disgrace. The minister might say, 'If they lose some of their fishing grounds through marine parks they can go elsewhere'. Go elsewhere! The government has just developed a management plan that will ensure sustainability. If there were somewhere else for them to go to take abalone they would be there now! There is nowhere else to go, and the abalone licence-holders in this state are going to lose quota and are not going to be compensated. That is the simple fact of the matter, and the National Party says that is an absolute disgrace.

I want to make a last point about the management plan. It makes scant reference to marine parks. There are 50 words on page 35 that talk about enforcement in marine national parks. For a plan to be put on the table for the Parliament to look at and consider with no reference to marine national parks is an absolute disgrace!

Motion agreed to.

BUDGET PAPERS, 2002–03

Hon. C. C. BROAD (Minister for Energy and Resources) — By leave, I move:

That there be laid before this house a copy of the following 2002–03 budget papers.

(a) Treasurer's speech (budget paper no. 1);

(b) Budget statement (budget paper no. 2);

(c) Budget estimates (budget paper no. 3); and

(d) Victorian budget overview.

Motion agreed to.

Laid on table.

Ordered to be considered next day on motion of Hon. C. C. BROAD (Minister for Energy and Resources).

PAPERS

Laid on table by Clerk:

Statutory Rule under the following Act of Parliament:

Subordinate Legislation Act 1994 — No. 30/2002.

Subordinate Legislation Act 1994 — Minister's exception certificate under section 8(4) in respect of Statutory Rule No. 30/2002.

SUMMARY OFFENCES (SPRAY CANS) BILL

Second reading

Debate resumed from 24 April; motion of Hon. N. B. LUCAS (Eumemmerring).

Hon. GAVIN JENNINGS (Melbourne) — I rise on behalf of the government to discuss this private members bill, moved by the Honourable Neil Lucas to deal with summary offences, in particular those relating to the use of spray cans in our community.

On behalf of the government I spoke with the parties in the chamber earlier today to request that they join the government in referring this matter to the appropriate parliamentary committee rather than proceeding to vote on the second reading of this bill today. I look forward with anticipation to members of the Liberal Party and National Party seeing reason, perhaps, at the end of this debate and joining the government in agreeing to refer this matter to the appropriate parliamentary committee.

As part of my contribution I move a reasoned amendment along those lines to the enable that referral to take place. Therefore, I move:

That all the words after 'That' be omitted with the view of inserting in place thereof 'this house declines to read this bill a second time until its provisions are referred to the Drugs and Crime Prevention Committee of this Parliament for inquiry and a report made to the house'.

For the benefit of those members of the Victorian community who want to understand what my referral motion is about, since 18 April 2001, following a reference, there has been an inquiry on this important matter being undertaken for the Parliament and the people of Victoria. The Drugs and Crime Prevention Committee is inquiring into the issue of substance abuse and the incidence of the use of spray cans in our community, and the abuse of inhalants by younger members of the Victorian community. The government, which gave the committee that reference, has been eagerly anticipating the outcome of that inquiry.

In my contribution I will indicate that on any number of occasions from that time on the view of the government has been consistently that we would like the whole of Parliament to go forward on this important initiative and that the major parties in the Parliament that represent all the constituents right across the state should come together to identify an appropriate, comprehensive approach to this most unfortunate practice that bedevils the lives of young people and their family members who deal with the consequences of this behaviour.

I reiterate that call today. I hope the opposition parties will join the government in saying, 'Yes, we want to get on top of this issue; yes, we want to provide the appropriate legislative framework to deal with the issue; yes, we want to look at the preventive health measures and preventive actions that our community may take; yes, we want to look at the regime that applies in residential care settings in Victoria; and yes, we want to look at the protocols that apply to police treatment of these issues. We want to deal with all those matters together to make a real difference in preventing this most unfortunate form of addictive behaviour in our community'.

The government has already acted in a number of those areas. Following the referral to the appropriate committee of this Parliament, a number of actions were taken to try to address those issues. I will outline briefly for honourable members the range of activities that have been undertaken. The government has introduced a number of service initiatives, which include 11 youth home-based withdrawal services; we have tripled the residential withdrawal beds for children and young people during the last two years; we have added 70 youth alcohol and drug outreach workers across the state; and we have seen five new specialist alcohol treatment workers support young people and staff in residential care facilities.

We are working with teachers, parents, the police, workers in residential care and young people to address this problem.

We have contacted residential care agencies to provide them with appropriate protocols and procedures to deal with these matters and provide support to those community organisations that deal with this issue on a daily basis.

The government is working constructively with Victorian shop traders to ensure they know how to deal with these issues and the method by which they may appropriately withhold sales to young people if they believe spray cans will be misused. We have asked the Prime Minister to join with the Victorian Parliament in a national approach to address this question.

The government has entered into a range of activities, which I would counterpoise with the proposition in the second-reading speech which asserts that the government has taken no action. In fact the second-reading speech asserts that because no action is taking place the Liberal Party moved this pre-emptive private member's bill to tackle the issue in isolation of a comprehensive approach. Because that accusation is clearly made in a provocative way in the second-reading speech, I will take the opportunity to respond in some detail on the various measures the government has taken since this issue gained some prominence over the last summer.

The government is responding in an urgent and comprehensive fashion and believes it will identify appropriate programs and the legislative basis to deal with the issue. We are fully committed to achieving those ends. As the first part of my evidence of the approach taken by the government as recently as February this year, I refer to two 'Dear John' letters written by the Premier: one to the Honourable John Thwaites, the Minister for Health in another place, and the other to the Prime Minister, the Honourable John Howard. In the first letter to the Minister for Health the Premier wrote on 11 February:

> I am writing to ask that you arrange for urgent scientific advice on the feasibility of using additives to make commonly abused inhalants less attractive to use.
>
> …
>
> Could you please commission some urgent scientific advice that can be fed into the parliamentary committee's deliberations on this matter. It would be appropriate for the public health division within rural and regional health and aged care services to coordinate its presentation to the government and the parliamentary committee.
>
> I will also write to the Prime Minister to ask that he make the resources of the Commonwealth Scientific and Industrial Research Organisation and the National Occupational Health and Safety Commission available to assist in this task.

On the same day, 11 February, the Premier wrote to the Prime Minister:

> The recent public debate about inhalation of volatile substances raises the fundamental question of how governments and industry can reduce the opportunities for abuse of substances found in ordinary consumer products — especially abuse by young children.
>
> …
>
> I am writing to request your cooperation in investigating the feasibility of using additives to make commonly abused inhalants less attractive to use. My government is currently in the process of commissioning some coordinated, high-level scientific advice on this issue.

> Specifically I request the assistance of the Commonwealth Scientific and Industrial Research Organisation and the National Occupational Health and Safety Commission as we undertake this important task.

That was urgent and direct action taken by the Premier, and was supported by a number of initiatives that have been implemented by the Victorian government.

Hon. B. C. Boardman — Will you quote the Prime Minister's response?

Hon. GAVIN JENNINGS — In the spirit of bipartisanship I will respond to the interjection from the Honourable Cameron Boardman, because the only inhibiting factor I have in putting that response on the public record is that I have not got it with me. I am happy to acknowledge the Prime Minister's positive response to the Premier's letter. In fact, the tone of my contribution this morning will as much as possible identify a bipartisan approach. I will give some credit where credit is due to the contributions of Mr Boardman on this issue, which may make him uncomfortable during a certain part of my contribution, but to those members of the Liberal Party who have taken an enlightened and considered approach to this question I say all strength to them.

In relation to the government's programs that I was going to identify, it is important that the Victorian community recognises that the government has placed an emphasis on providing services to young people who have been bedevilled by this insidious practice. The first of the government's chroming treatment and youth outreach programs has seen an increase to 84 in the number of alcohol and drug treatment services across the state; the introduction of 58 new youth outreach positions located across Victoria; 11 new youth home-based withdrawal services; 70 youth alcohol and drug outreach workers are available across the state; the opening in the northern region of the metropolitan area of an 8-bed rehabilitation facility with 7 more beds opening later this year; the introduction of 2 new alcohol and drug accommodation services in the northern and western regions; and an increase from 24 to 32 in the number of residential withdrawal beds for children and young people over the past two budgets.

The government has introduced a program to deal with what it describes as the emerging hot spots of community concern, including issues particularly related to community public health matters of which inhalant abuse is one factor which has been identified. This is a $1.7 million program over the next 18 months which is designed to enhance the capacity of local communities to respond to chroming and other drug issues. The program has specifically led to a grant being provided to fund a full-time position to deal with drug and alcohol problems in the Frankston municipality.

Material has been prepared to support chroming education in schools. The Department of Education and Training has developed a program called FACE — which stands for fresh air clean environment and which in part responds to volatile solvent abuse — to assist schools to address the issue more effectively. This resource will be distributed to Victorian schools shortly. It supplements the work of the school-focused youth service, a joint initiative of the Department of Human Services and the Department of Education and Training, and is designed to introduce early intervention programs for young people around a range of issues dealing with drug and alcohol abuse.

A program in parent drug education has been developed. It includes a component called 'Creating conversations', which is consistent with the advertising campaign undertaken by the federal government about alcohol and drug abuse. It is designed to support better dialogue between parents and their children to make sure that it is a two-way street in terms of understanding the pressures that young people feel within their daily lives or their need to experiment with inhalants and other drugs and alcohol.

We see that as one of a range of services appropriate to be provided to parents. We have also funded a family drug help line to assist parents in times of crisis or when they need to receive some timely advice on how to deal with these emerging issues.

At present we are working with the Department of Human Services and the police to develop appropriate protocols to deal with enforcement issues around the use and abuse of inhalants and other volatile substances. As recently as this week the Chief Magistrate of the Children's Court has referred to the existing powers of police to intervene under the heads of power of the Children and Young Persons Act in cases where they believe the abuse of those substances may take place. The government is working to ensure the Department of Human Services and the police understand their legal obligations and rights to enforce that legislation.

Since this issue came to prominence over last summer the Department of Human Services has issued guidelines to the community service organisations that provide residential care to young people in Victoria. It has provided them with appropriate guidelines to ensure they comply with the program requirements the government has put in place and that the appropriate

protocols and procedures are followed within those residential care settings.

The government will be introducing — it is actually now under way — within the Department of Human Services a solvent modification feasibility study that is designed to look at various approaches that may be undertaken to add substances such as bittering agents to volatile substances and to decide whether that may play a role in mitigating against this practice. The government is looking at ways it can target particular products that have been identified as a problem, and is looking at various options such as trying to provide for smaller nozzles in spray cans or single-dose nozzles that will act as limiting mechanisms to the volume of substances that may be inhaled.

The government has developed a traders pack for retailers. It will provide particularly those retailers who sell spray paints and gas lighter refills — they who are the prime focus of the campaign — with support on how to deal with the issues. We intend to establish a consultative committee with representatives of the retail sector to work through an appropriate code of practice. The pack that has been developed will include an accompanying letter informing retailers of their responsibilities in selling inhalants and outlining the content of the traders pack, a fact sheet about inhalant abuse, a stricter response for retailers dealing with requests for inhalants, advice on point-of-sale practices and contact numbers for retailers to call for further advice. As I said earlier, these will be particularly provided for those retailers who deal with paint products and gas lighter refills. The emphasis of the program will be honed onto the retail sector and municipal areas identified as hot spots across the Victorian community.

That is consistent with the government's intention to develop a code of practice and to work with retailers to cover information about where to best store solvents within their shops; where to display information about solvents; how to handle requesting identification from young people and how to manage customers. The government is making a great deal of effort and is paying great care and attention to this important issue through a range of activities across residential care settings and the retail sector and through appropriate protocols within the Department of Human Services and the police to try to deal with the issue comprehensively.

In the last year the government has funded a number of additional specific initiatives to deal with the issue. I briefly outline those to the house. We have established five specialist alcohol and drug treatment worker positions to support young people who live in residential care. That specific team will support residential care workers in their dealings with young people in their care. We have asked the Turning Point Drug and Alcohol Centre to develop additional chroming treatment and management guidelines. That body is well known within the community for being not only a leading treatment agency within Victoria of alcohol and drug abuse but also an important referral agency that provides advice to the rest of the sector. In a sense, the government turned to Turning Point to provide that important body of advice for the remainder of the sector. Turning Point is providing a service on behalf of the Department of Human Services to workers within the residential care setting across the state.

The Department of Human Services has funded the Australian Drug Foundation to produce a pamphlet on inhalants. It will provide general information such as what inhalants are, what are their effects and what to do in an emergency. The pamphlet will be distributed widely throughout the Victorian community to parents and health professionals. They are statewide projects.

Then there are a number of specific regional projects that have been funded through the Victorian Law Enforcement Drug Fund. They include a Victoria Police project in Swan Hill known as the Kids and Chroming project. It is designed to combat the growing problems of inhalant abuse in the area. Another project under the Darebin council is called Can It. It has similar aims to those of the Swan Hill project. Another project which has been auspiced by the Salvation Army in partnership with the Knox, Boroondara, Monash, Maroondah, Manningham, Whitehorse and Yarra Ranges municipalities is known as Breathing Easy.

As I have indicated to the house, urgent and acute responses from the government this year have resulted in action by the Premier and the Minister for Health in requesting commonwealth assistance. Urgent action has been taken by providing a better network of support services and in dealing with the appropriate protocols of the Department of Human Services and the police. The government has undertaken the urgent and acute preparation of material to support the retail sector in dealing with the issue. The government is undertaking a vast range of preventative measures to try to get on top of this issue.

That all occurs within the rubric of the referral to the parliamentary committee. It has been the government's view not to sit on its hands but to carve out urgent action over the last year since the referral was made. The government has eagerly awaited the outcome of

the committee's deliberations. The government is very concerned about the pre-emptive nature of this private member's bill and was concerned about it when it was foreshadowed by the Leader of the Opposition in the other place in February this year.

The knee-jerk reaction reflected in the statement put out into the public domain by the Leader of the Opposition in the other place started ringing alarm bells in the government's consideration of these important matters. On 26 February 2002 the Attorney-General wrote of this concern to Mr Boardman, chairman of the Drugs and Crime Prevention Committee. That letter states:

> I refer to the press release of the Leader of the Opposition which states an intention to introduce into Parliament a private member's bill to prohibit the sale of spray paint to minors in an attempt to address the problem of chroming by young people.

He reminds Mr Boardman of the original terms of reference provided to the committee when it commenced its work on 18 April 2001. The committee was requested to:

1. examine factors contributing to the inhalation of volatile substances;

2. review the adequacy of existing strategies for dealing with the inhalation of volatile substances;

3. consider best practice strategies to address the issue of inhalation of volatile substances, including education and voluntary initiatives;

4. consider options to reduce the incidence of inhalation of volatile substances and identify factors in order to prevent first-time inhalation of volatile substances.

The letter continues:

> In conducting the inquiry, the committee is to have regard to:
>
> (a) approaches taken to this issue in other Australian and overseas jurisdictions;
>
> (b) such other legislation, reports and materials as are relevant to the inquiry.
>
> As the proposed private member's bill falls squarely within the existing comprehensive terms of reference, I request that the committee give detailed consideration to the proposed prohibition of the sale of spray paint to minors in the preparation of its report. I understand that the committee will be tabling its final report in the autumn session of Parliament this year.

He concludes:

> I look forward to the committee's favourable response in bipartisan support of the reduction of inhalation of volatile substances by young Victorians.

That is a basic proposition that I echoed today. I am happy to say that I consider the letter from the Attorney-General to the committee to be totally appropriate and totally consistent with the view that the government has had for over a year. It is a position that I repeat today.

The unfortunate thing is that the Attorney-General presumably was not aware when he wrote that correspondence on 26 February — because the in-built assumption in the correspondence was that the committee was going to report by this year's autumn session of Parliament — that on 25 February Mr Boardman had written to the Attorney-General — the letters probably crossed in the postal system — requesting an extension of the work of the committee to June 2002, to which the Attorney-General and the government subsequently agreed.

In his response on 28 February the Attorney-General placed some degree of urgency on the committee to deal with these important issues. He states that he is pleased to say that cabinet would need to consider the extension of the time, which was subsequently agreed to, and adds:

> Please note, however, that in the interests of young people who are inhaling volatile substances and the development of appropriate responses, it is imperative that your report be finalised as soon as possible.

That is the spirit the government has consistently maintained in dealing with this issue, and it is the position that I repeat today. I implore members of the Liberal and National parties to go the final distance in satisfying the brief that was given to Parliament's committee to deal with that matter and not to proceed and force this bill prematurely through the upper house today.

If I have not been able to convince the Parliament of that today, may I make a couple of additional points on how the bill may operate.

I would be very concerned if the assumptions that underlie this bill are that it is possible to isolate and make an effective change without addressing the comprehensive set of measures that I have reported to the house and on which as I understand it the committee has been working. The committee should give timely consideration to this piece of legislation in light of appropriate responses in not only an Australian but a global context. This is one of those rare occasions when I would be happy to support the committee scanning the horizon for best practice because it is appropriate for me to do so in dealing with this issue. All too often parliamentary committees bring

themselves into disrepute or attract scepticism among the community on the basis of what are seen to be overseas junkets or exploration activities that do not weigh up in the considerations at the end of their inquiry. That is not my expectation here. My expectation is that the committee has worked very well and that it has scanned the horizons of Australian and international jurisdictions in dealing with this matter. I have some degree of confidence that this committee will add to the understanding of Parliament and will provide recommendations to deal with this matter in an appropriate fashion.

However, the in-built assumption in this piece of legislation that there will be a blanket ban on the sale of spray cans to minors falls well short of having any sense, in the first instance, of how the various spray cans or inhalants may be defined within the regulation. Certainly no mechanism is identified in this private member's bill which indicates how that may take place. The bill is supremely silent on the question. That it is silent on any understanding of how this piece of legislation, if it were to pass through Parliament, would be enacted is quite extraordinary. If the opposition applied the standard that it often applies to government legislation this bill would be in its committee stage for an extremely long time. The bill provides no capacity to determine what other substances will be roped in with this legislation; there is no process to determine what is listed under the regulations; there is no process for dealing with the enforcement regime.

Are we to assume that if a person under the age of 18 goes into a supermarket to buy some spray starch or fly spray or cooking oil, as the Leader of the Government has interjected, or any number of a whole range of relatively benign products, that the person at the checkout would reject that purchase? No consideration of the implementation of this piece of legislation has been made evident by the proponents of the bill. The bill is profoundly silent on those questions, as it is on the enforcement of the regime that would apply not only in but outside shops. As a young person is walking back home with his or her shopping bag he or she may be pulled up by the police without any due regard to the appropriate protocols and procedures that underpin the enforcement of this legislation.

The bill is negligent in its current form and that is why the government, apart from maintaining its constant position of waiting for the recommendation of the committee, considers that the current form of the legislation is severely deficient in the way in which it would be enforced.

Members of the opposition may know something about this — and I rope Mr Boardman into this category. He may have some deal of difficulty entering into the debate in Parliament this morning, primarily because his knowledge base surely takes him out of kilter with what underpins this piece of legislation. He would be walking a tightrope in terms of how on earth he could support the opposition's legislation and maintain his credibility in relation to this issue on the basis of the ethics of his position. His difficulties may be compounded by the fact that he may be pre-empting the consideration of his — —

Hon. B. C. Boardman — On a point of order, Mr Acting President, clearly this debate does not involve my personal position on this legislation. I dispute what the honourable member is implying and I hope he intends producing some evidence to outline what my position may or may not be. In the absence of that evidence, I request that you bring him back in line with what the debate is about, which does not concern my personal position at all.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The matter raised by Mr Boardman is a matter for debate, and as the debate progresses I am sure there will be opportunities to respond.

Hon. GAVIN JENNINGS — Thank you for your assistance, Mr Acting President.

The issue I was about to raise is that the pre-empting of the consideration of the committee's report is an extremely serious matter, and that is the other aspect of the tightrope that Mr Boardman may be forced to walk today. In terms of his personal position, I look forward to his trapeze act later this morning in relation to those matters.

Hon. N. B. Lucas — It will be this afternoon, I think; it is nearly midday.

Hon. GAVIN JENNINGS — I advise Mr Lucas that I look forward to somebody who knows something about this matter speaking on it on behalf of the Liberal Party. It will be very good to hear somebody from the Liberal Party who knows what they are talking about speaking about this bill.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! Mr Lucas is not in his place.

Hon. GAVIN JENNINGS — And he may be out of his depth. I draw the attention of the house to some laudable comments that have been put on the public

record by Mr Boardman in relation to these matters. In response to a volatile substance abuse (VSA) initiative of his local council he issued a press release on 24 January this year entitled 'Council initiative on chroming welcomed but issue is more complex', in which Mr Boardman stated:

> It must be noted however, that the committee has received direct evidence from various agencies both within Australia and internationally suggesting that limiting the sale or production of products associated with VSA does not lead to any noticeable reduction in VSA activities.

That was not just a one-off comment from Mr Boardman, as he said something else which I commend him for saying. The *Frankston Independent* of 29 January this year reports as follows:

> 'Limiting the sale of products used by young people for chroming was shown to be of little value', Mr Boardman said. 'The committee has received direct evidence from agencies within Australia and overseas showing that limiting sale or production does not lead to any noticeable reductions in activity', he said.

Mr Boardman has spent a bit of time on this issue. Mr Boardman and his committee have done some quality work on behalf of the Parliament and the people of Victoria — in fact, this is one of those occasions on which I give credit where credit is due — but that is not always the case. In his contribution to the adjournment debate last night Mr Boardman referred to visitors from outer space, which one might have thought was contributed to by substance abuse. However, on the issue before us he knows what he is talking about and he is making a contribution to the quality of Victorian life.

The position of his leader in the other place has varied over time. When in government the Leader of the Opposition, the honourable member for Portland, did not have the luxury of operating in glorious denial of the facts, the truth or the appropriate responses of government. He was burdened by his knowledge and responsibilities in August of 1997 when he wrote as Minister for Community Services to the drug awareness relief movement saying:

> As you are no doubt aware, there are many household products which contain intoxicants. A control strategy which deals with all such products is extremely difficult to conceive and acting on a limited number of products may simply change young people's practices.

When he was the appropriate minister within the Kennett government dealing with this issue the honourable member for Portland appeared to have an understanding of the complexity of the issue and to be supportive of the position the government is currently adopting — that is, that you have to conduct a full appraisal of the range of support programs and the legislative framework that applies in Victoria. When in government you cannot operate in blissful ignorance of either the existence of those programs or the appropriateness of legislative reform. It is when you are enjoying the wonderful luxury of being in opposition that you can do a substantial backflip on your principal position. You can act as if you are completely ignorant of the substantive body of evidence that is out there in the public domain, which people like Mr Boardman and his committee are dealing with and have been dealing with on behalf of the Parliament for the past year.

For the sake of the completeness of the appropriate Parliamentary response, I continue to urge the Liberal Party and the National Party in this place to say, 'Okay, we understand the urgency of this issue. We understand that urgent action needs to be undertaken. We understand that the government has embarked upon a range of support services and protocols for the duty of care that applies to young people within the retail sector. We understand the basis of the research that underpins this field and we understand that an important consideration of this matter is being undertaken by a parliamentary committee'. We may then have a dawning recognition as a result of the light of the debate this morning of the total impracticality of the implementation of this legislation, which is severely deficient in how it defines inhalants and supremely deficient in the enforcement regime that would have blanket application in blissful ignorance of any effects it might have while imposing draconian sanctions on a whole range of young people within this state.

I implore opposition parties to support my reasoned amendment by saying, 'Yes, we recognise that there may be an inappropriate legislative framework. Let the committee complete its work'. The committee is due to complete its work in June of this year — just one month away.

I will end up on an upbeat note, because I hope that people who contribute to this debate will join me in a spirit of optimism rather than pessimism about how we can effectively intervene in the lives of young people to support them and to reduce the incidence of volatile substance abuse in this state. The only evidence I will drop into this discussion at the last moment is some evidence that has been compiled over a longitudinal study from 1992 to 1999 undertaken within the Victorian education system, which indicates that while there has been an increase in the prevalence of experimentation with substance abuse for those in year 7 within the Victorian school system, the good news is that there has been a reduction over that same period of time in the prevalence of experimentation

among those in year 11. The evidence suggests that the experimentation that young people are entering into, which is risking their own health and their — —

Hon. K. M. Smith — Risking their lives.

Hon. GAVIN JENNINGS — Risking their health and their lives; I totally agree with Mr Smith. This is a dangerous and acute issue which the Victorian community should do something about and which this government is prepared to do and is doing a lot about. The evidence from that study — which we hope will be corroborated over time — suggests that young people themselves are rejecting experimentation with substance abuse as they go through their adolescence and that while it is a major problem for those in the early years of secondary school, by the time they get to the later years of secondary school they themselves are rejecting it as inappropriate behaviour.

That is the positive note I end on and what I think we should take encouragement from. As a Parliament we should work together on this matter. I implore all honourable members to support the reasoned amendment and to send this underdeveloped piece of legislation to the appropriate parliamentary committee so that it can give appropriate consideration to its effectiveness.

I urge honourable members to support the reasoned amendment.

Hon. P. A. KATSAMBANIS (Monash) — I support the bill and oppose the reasoned amendment moved by the Honourable Gavin Jennings. The Summary Offences (Spray Cans) Bill is a simple but very important bill in the context of protecting young Victorians and sending a strong message to our community that Victorians will not tolerate volatile substance abuse.

The bill aims to prohibit the sale of spray cans containing paint to people under the age of 18 years. The bill has been brought in because of the government's repeated failure to act on this critical issue. It is a bill that in many ways shames the government, because it highlights that there are representatives in the Parliament of Victoria who will take quick and immediate action to address an urgent issue; that there are people in the Parliament of Victoria who will not buck-pass, duckshove or refer matters to committees to take appropriate action when that action is necessary now.

When one considers the immense harm that can be caused, often to vulnerable young people who are at an age when they are not fully informed, from volatile substances abuse, the ordinary person would agree that it is not time to sit on one's hands or have long prognostications, but a time to act quickly and decisively and remove the danger wherever possible. The bill will send a very strong message to the community that members of the Parliament of Victoria are concerned at protecting our young people who may cause themselves serious harm or in many cases death or irreversible damage to their bodies.

I commend the Leader of the Opposition and the Honourable Neil Lucas for having the guts and integrity to bring forward this bill rather than pussyfooting around as the government has done.

It is disingenuous for Mr Jennings to argue in this place, as he has done in his reasoned amendment, that the bill should not be read a second time until its provisions are referred to the Drugs and Crime Prevention Committee. In his contribution the honourable member suggested the provisions had already been referred to the committee. He referred to a letter from the Attorney-General on 26 February addressed to the chairman of the Drugs and Crime Prevention Committee, the Honourable Cameron Boardman, requesting the committee inquire into these issues. It is not a matter of waiting until the provisions have been referred to the committee, because they have already been referred to it. I know the committee is doing a good job in looking at all the evidence in this difficult area where there is not a lot of scientific proof and evidence available, but it is examining the evidence available to make the right choice for Victoria. Does Parliament have to wait for the committee's report? Mr Jennings says yes, it should. I take it that he is putting to the people of Victoria that the Parliament should wait and do nothing about the inhalation of volatile substances until the Drugs and Crime Prevention Committee has reported to this Parliament. Is that what the honourable member is suggesting?

Hon. Gavin Jennings — You were not present in the chamber for my whole contribution.

Hon. P. A. KATSAMBANIS — I was present during the whole of the honourable member's contribution and I listened intently and heard the honourable member say that there has been an urgent and acute response by the government — a direct quote — in the area of inhalation of volatile substances. So, according to Mr Jennings, the government is not waiting for the report of the Drugs and Crime Prevention Committee, but is acting urgently and acutely. That is a good thing. It is an issue that requires urgent action and response. Unfortunately the government has not gone far enough. It is not prepared

to take the big step of banning the sale of spray cans to persons under 18 years. It has introduced programs and talked about it at a national level. The government is great at talkfest and referring matters to committees, but it is not so good at acting. When Mr Jennings talks about urgent and acute responses I would have thought one of the most urgent and acute responses would be to embrace the proposals of the opposition.

I do not want to ascribe motives to people unless I have firm evidence. Unlike Mr Jennings, I will not cast aspersions on the views of various people. By its actions the government should be questioned about its legitimacy in this area. Why is it taking this step and deferring the banning of the sale of spray cans to persons under 18 years when we know there is a difficult situation about the inhalation of volatile substances by young people?

Mr Jennings says we need urgent action, and this is urgent and appropriate action. I will tell the house why the government is not acting: because it was too slow to act and it does not want to be seen piggybacking on a suggestion by the opposition.

It is too proud to admit it was slow off the mark or that it did not have the right answers and as a result it is now using a series of political manoeuvres that will continue to harm young Victorians. Rather than protecting young people, the government is trying to put a political spin on its own inaction. It is trying to come up with an excuse as to why it has not acted for so long. Need I recount the mess the government was in in January this year, when it was revealed the then minister sat on her hands and did nothing about reports of this very dangerous practice? Need I reveal — I do not want to steal the thunder of others in this debate — that the government was caught with its pants down in a serious issue relating to the health of young Victorians? It had the evidence at its disposal that this practice was going on, yet it did nothing. Now, to protect the failed and incompetent minister and to cover up its own inaction and inability to deal with a serious social problem, the government is continuing to duckshove the problem. It is continuing to land it at the feet of a bipartisan parliamentary committee. The Drugs and Crime Prevention Committee is doing a good job and is being asked to look at all the evidence. It is a long process, but why should Parliament wait when honourable members know what needs to be done?

I admit that that is not the sole solution. Simply banning the sale of spray can paint to under-18s will not in itself fully solve the problem; there are addicted kids out there today — there are kids who, despite the illegality, might get their hands on products. But a ban will send the right message and will protect thousands of Victorian kids who will not be able to get their hands on spray paint because it will be illegal for them to do so.

If this government is really serious about addressing the issue of inhalation of volatile substances it would back this bill. It would come in here as we have, in all honesty, and say to the Victorian public, 'We know that this on its own will not be the sole solution, and, yes, we will wait for the Drugs and Crime Prevention Committee to gather together all the evidence from around the world and from interstate. By stopping access to spray can paint we will go a long way to saving thousands of kids from getting their hands on a potentially lethal substance; we will save those kids from frying their brains and potentially killing themselves. It might not save all of them, but we will save a damned sight more than we would if we just sat on our hands'. But that is what this government is doing. Unfortunately it wants to cover up the failings of an incompetent minister and its own inaction at the expense of young Victorians.

It is reprehensible for a government that has before it in this house a bill that is about doing the right thing and what the public of Victoria expects the government to do in this important area to ignore it for political purposes.

Hon. K. M. Smith interjected.

Hon. P. A. KATSAMBANIS — Unfortunately this government is to be condemned by its actions and by its intention to not support this bill today. This is a good bill because it provides an immediate response to an urgent problem in our society. We will not put this bill in place and forget about the issue of inhalation of volatile substances. We will not simply pretend this bill solves the whole problem, but it is an important circuit-breaker. It will stop young people having ready access to a potentially lethal substance.

As legislators and as parents, which most of us in this place are, we can hold our heads high and say, 'We've taken some urgent action'. It is urgent action that Mr Jennings was talking about but is not prepared to take on because this government is all talk, all spin, no substance, no action.

It is almost impossible for someone of my generation to comprehend why young people today are choosing to inhale spray paint. Back when I was a teenager I recall instances being reported of people inhaling glue. It was an epidemic back in the late 1970s and early 1980s. Another epidemic related to the sniffing of liquid paper,

the old correction fluid, and the regulatory response was to change the additives in those products. By the time that happened, how many kids brains were fried? How many people today are still suffering as a consequence?

I could name some people I know and whom I saw in that period who now suffer as a result mainly of the inhalation of model glue that was then sold in plastic bags. It took ages before that imported glue could not be sold in plastic bags. Even after that stopped in the reputable stores, other disreputable stores continued to sell it in that packaging. Unfortunately I still see out in the street today people suffering severe mental health problems as a result of the inhalation of that glue.

I do not want today's generation to suffer those problems. The inhalation of spray paint is a new thing, but it follows the pattern of some kids wanting to experiment with volatile substances to get a quick high. They are, unfortunately, of an age where they do not consider the long-term consequences of those actions. Even if the consequences were known through extensive research by professionals the kids are more focused on the immediate than the long term — much to their own detriment.

If we can send a strong message to young kids — and some of them are pre-teenage — that this stuff is banned or illegal then at least the society is telling them, 'It's bad for you'. But the message right now is, 'Oh, well, it's a legal substance; it's out there. You can get it at a $2 shop — you can walk in and buy a can for $2. It must be okay — nothing wrong with it. Go ahead and do it'. That is the message that a lot of young kids are getting from their peers and sometimes from older kids. They are being lured into doing something to their massive long-term detriment and, as Mr Smith interjected earlier, to their potential death.

It is not something to which we should acquiesce; it is not something that we should sit back about and meekly accept. It is something that we should act upon.

I commend legitimate retailers like Mitre 10, a company that has introduced in its stores a policy not to sell spray can paint to people under 18 years of age. As someone involved in the legal process, firstly as a lawyer and now as a legislator, I am also concerned about legislative protection for those honest and reputable retailers if they were to be sued for discrimination on the basis of age. They have no legislative protection for what they are doing, even though they are doing the right thing. They are trying to protect the community they live in and they are doing something about it, but we are leaving them to the whims of the discrimination laws. We are leaving them open to punishment rather than acting to legislate to protect our kids and to protect the honest and honourable retailers who are trying to do the right thing. I commend those people, but I also want to give them full legislative protection for taking their courageous actions. They have put the health and safety of young people in our community ahead of profit, and it is time this government put the health and safety of young people in our community ahead of petty politics and the protection of an incompetent minister.

This bill will have a primary benefit of stopping the sale of spray can paint from legitimate retailers to persons under 18 and sending a strong message to those under 18 that this stuff is illegal for a reason: it is damned dangerous! The legislation says in black and white: 'It is dangerous stuff and that is why you cannot have it'.

In my opinion there is also an ancillary benefit — that is, it will lead to a large reduction of graffiti in our community. We already know through significant studies that most graffiti is done by people under 18, and the ready availability of spray can paint is one of the leading factors in the prevalence of graffiti. If other honourable members were to come to my electorate — to Prahran, to St Kilda, to Elwood or to Malvern — they could look at almost any vertical structure and understand that the people in my community are living in a graffiti hell. There are no other words that can possibly describe it. Private property, public property, playgrounds, schools, football ovals, homes, businesses, fences, and cars — even cars! — are being graffitied on a regular basis in my electorate, and I know it happens in other areas.

Yesterday we heard people from the City of Casey talking about banning the sale of spray can paint in their municipality. They know it is a problem because of its use for the purposes of graffiti as well as for the purposes of inhalation. Those councillors are trying to do the right thing by their community — that is, protect their young people and protect assets that are being vandalised. But in their endeavours to do the right thing they are highlighting the problems caused by the inaction of the government. To ban the sale of a product within one municipality in an urban area does not really solve the problem; it moves it a little bit. I am sure the kids in the City of Casey will still be able to catch the train to the City of Dandenong, pop into a $2 shop, load up with spray can paint of all varieties and all colours and go back to the City of Casey to inhale it or to graffiti or, in some cases, to do both things.

Although people in the City of Casey are doing the right thing, this is not a local government issue. Cleaning up graffiti is certainly a local government issue. I think it is also a state government issue, but we can deal with that on another day. The banning of spray can paints will be most effective if it is done Victoria-wide so kids cannot get on a train and pick up the cans in the next municipality. It also creates distrust of the law in young people that sees them become law-breakers. If something is legal in one area but is not legal down the street a couple of kilometres, kids start questioning who has got it right. Is the City of Casey right or is the City of Dandenong right? If we have a law across Victoria banning the sale of spray can paint to persons under 18, we will be sending an unequivocal message: 'We do not tolerate the sale of spray can paint to people under 18'.

As I said, passing this legislation will achieve the primary benefit of stopping kids from inhaling spray can paint. The ancillary benefit will be stopping the scourge of graffiti that is completely overtaking our suburbs and, I dare say, our country towns. Stopping that scourge from spreading is also a good thing, but it will not be the only thing that stops graffiti, and I can accept that. There are other measures that need to be put in place, a major one being an immediate clean-up of the mess. But that is an issue for another day. It is an ancillary benefit and I point it out because it is going to be of benefit to people in my community and will certainly be of benefit to people in the City of Casey and in other cities and municipalities who are suffering the same problem of living in graffiti hell. They live with petty vandals who spray almost any vertical structure with paint, at great expense to both the public purse and to private individuals. Stopping that will also be a positive thing.

In relation to this bill, I notice that the Scrutiny of Acts and Regulations Committee has made a report in its *Alert Digest* No. 4 of 2002, which was tabled in this place yesterday. The report raises concerns about new section 16A and the definition of 'spray can'. This report states that this is colloquially known as a Henry VIII clause and, as such, may inappropriately delegate legislative power within the meaning of section 4D(a)(iv) of the Parliamentary Committees Act 1968.

I read with interest the committee's report and I also looked at the legislation carefully. As many honourable members will know, I served on the Scrutiny of Acts and Regulations Committee during the life of the previous government. The work of that committee is extraordinarily important to the functioning of our Parliament. I take great interest in its reports. I have to say that in this case, however, I strongly disagree with the report of the committee.

Since this report was tabled the opposition has sought independent expert advice. We are now satisfied that clause 4, which inserts new section 16A into the Summary Offences Act and defines a spray can, is appropriate. We were concerned that clause 4 might be a Henry VIII clause in that it was inappropriately delegating legislative power. As I said, the opposition has sought independent advice and has come to the firm conclusion that it is not the case that the clause is appropriate. I will spend only a few minutes explaining why.

The proposed definitions include:

> "spray can" means a spray can containing paint or a substance described by regulations made under section 16F.

That cannot be changed by regulation. The spray cans that are proposed to be banned are those that contain paint — that is clear — or any other substance that might be prescribed by regulations. That is appropriate. There are hundreds of examples of legislation in this state that does that: defines something in reference to one particular thing and then says other things can be added to it by regulation later.

As I said, opposition members have sought independent expert advice in this area and are now satisfied that the concerns of the Scrutiny of Acts and Regulations Committee can be satisfactorily answered and that this clause is not an inappropriate delegation of legislative power but rather an appropriate form of words that creates regulatory power — that is true — but any regulations made under this head of power will come back to this chamber through the Scrutiny of Acts and Regulations Committee. If the exercise of the regulatory power is in any way inappropriate, either house of this Parliament will have the opportunity when the regulation is made to consider it; and if either house considers it inappropriate it can disallow it. That is appropriate and I hope that answers the queries of the Scrutiny of Acts and Regulations Committee.

I am also aware that the Honourable Neil Lucas, who introduced this bill and delivered the second-reading speech, has written to the chairman of the Scrutiny of Acts and Regulations Committee informing her of our view that upon having received further expert independent advice we are satisfied that the bill meets all the requirements and does not inappropriately delegate legislative power.

There is no doubt at all in my mind or in the minds of other opposition members that we cannot sit on our

hands and do nothing about the inhalation of volatile substances. Chroming is an epidemic among young people in our society, and as legislators it is incumbent upon us to take appropriate action and send very strong messages.

I accept that even with the banning of spray can paint sales to under-18s some children will still get their hands on it. That is the same for other substances we have banned for sale to under-18s. Sales of cigarettes and alcohol to under-18s are banned, and unfortunately children still get their hands on those substances, but the vast majority of them do not and they will not be able to get them through legal means for sale in legal stores because by and large small business people in Victoria are honest and honourable.

I have inquired with retailers of paint in my electorate and they have made it very clear to me that in what would be termed the legitimate paint stores and hardware stores very few sales of spray can paint are made to under-18s. The simple reason for that is that spray paint is usually very high-quality gloss paint, used mainly by home renovators and only occasionally by tradespeople. As a student I used to work with a painter and I know it is extraordinarily rare for tradespeople to use spray paint at all. It is mainly used by home renovators. The paint sold in paint and hardware stores is expensive. The majority of spray cans of paint are purchased at the local $2 store. It is imported in vast bulk quantities and sold for $2 or $3 a can. It is in those stores that children get access to it. Passing this bill will stop those sales to children under the age of 18.

If it does not — and I notice the Minister for Small Business giggling away there — that is a condemnation of the inspectorate of the consumer affairs office. If there is a need to fix that up, let us do that too.

As far as I am concerned the bill has the support of the vast majority of Victorians. It sends a strong message that we will not tolerate inhalation of volatile substances. Yes, we need to do more than simply pass the bill. We all await with great interest the report of the Drugs and Crime Prevention Committee, which will hopefully give us an all-encompassing policy on introducing measures to fight the inhalation and other abuses of volatile substances within our community. That strategy will incorporate education, harm minimisation and health and therapeutic measures for those who are suffering as a result of inhalation of substance abuse.

The first step is to ban the sale of spray can paint to under-18s. The Liberal opposition announced that policy, and because the government was not prepared to act it has introduced this bill to this place. I know the National Party sees the sense of this legislation, and I hope the government will also see that this is good legislation and will pass it in order to protect young Victorians in this extremely difficult area. If this bill saves one life it will have achieved its purpose.

The PRESIDENT — Order! The Deputy Leader of the National Party.

Hon. T. C. Theophanous — Mr President, I was on my feet, and as you did not call me I wish to raise a point of order.

The PRESIDENT — Order! I saw the Deputy Leader of the National Party as being slightly ahead of you, but if you have a point of order — —

Hon. T. C. Theophanous — I can assure you, Mr President, I was on my feet. I would like to pursue a point of order.

Mr President, I am sure you were made aware that this issue was going to be raised, and that is why you are sitting in the chair.

Hon. W. I. Smith — What is the point of order?

Hon. T. C. Theophanous — The point of order is that the speaking order in this chamber has been the subject of debate between the opposition and the government in private discussions, and we cannot reach agreement on it. Mr President, I know that in the past you have referred to the fact that your preferred course of action in dealing with this issue is for the parties to come to an agreement and to present you with a speaking order. We were initially told by the Opposition Whip that such an agreement had been reached. However, on investigation no agreement has been reached in relation to the speaking order on this bill.

The government's strong view is that the speaking order ought be subject to the rules which appear in *May* on page 373. I will quote from that section where it says:

> When two or more members rise to speak the Speaker has complete discretion over whom to call, though he will generally call alternately backbench members from either side of the house.

It states further that the order should be on the basis of:

> … those whom he adjudges to be supporters or opponents of the question.

The Chair can make a judgment about that. If the honourable member wants to say she is speaking in opposition to the question at hand, then I am happy to allow her to speak, but I do not think that is the case.

Mr President, this is a longstanding tradition, and I urge you to consider this matter very carefully. Although *May* says you have complete discretion, the words 'he will generally call' suggest to me that the general position that should be adopted by the Chair as a matter of course ought to be that the house hears from a speaker in support and then a speaker in opposition to the motion before the Chair.

Mr President, this is a very important issue concerning your rulings. I urge you to consider that if the order were based simply on the numbers in the house — and in the majority of cases the government has the numbers in the house, particularly in the lower house — the government might consequently claim it has a greater right to speak because it has additional numbers.

I do not believe that rule is the appropriate rule to apply. I believe that generally the Chair should accept the rule of hearing from alternate members from each side of the house. The opposition should be prepared to accept that ruling where the order of speakers is one in favour and then one against the question before the house. I believe that that is what is encapsulated in *May*; that is the spirit of what *May* is suggesting.

If the Chair moves away from a long-held precedent, not just in this house but in all houses of Parliament, then I suggest it is taking this house in a direction that is totally inappropriate and we will need to resist that.

I want to make one final point, Mr President. In the event that you seek to make your ruling on the basis of whom you saw first, I put it to you clearly that this was discussed before and that the whip and the clerks were asked to bring you into the chamber in order to make this ruling. I do not believe that it would be appropriate for you to make the ruling on the basis of whom you saw first, given that you were forewarned in relation to this point of order. I suggest the ruling should be made on the basis of what appears in *May* and on your view about the speaking order in this house.

Hon. E. J. Powell — On the point of order, Mr President, the National Party is a separate party, and as such I am the lead speaker for the National Party on this issue. We have before the house a bill and also a reasoned amendment moved by the government. At this stage no decision has been announced about which way the National Party will speak, and this house needs to know what its view is on this bill and the reasoned amendment before it goes on to the rest of the debate.

Hon. T. C. Theophanous — Further on the point of order, Mr President, it is appropriate in these circumstances for you to simply ask the honourable members, where more than one member has risen to his or her feet, on which side of the question they will be speaking. It is done in other houses. For the National Party to get up and pretend they do not have a position on this and to try to be ambiguous is simply misleading.

Hon. E. J. Powell — Further on the point of order, Mr President, I did not say that we did not have a position; what I said was that the house has not heard our position. Therefore, for debate to continue after this the house needs to know which way we are going. I ask the honourable member to withdraw.

The PRESIDENT — Order! Mr Theophanous should not put words into the honourable member's mouth that she did not state, and she certainly did not state that the National Party did not have a position, which is what the honourable member said she said.

Hon. T. C. Theophanous — I do not have a problem, Mr President. If the honourable member has got a position on this I am happy for her to state it, and I am happy for her to say, prior to her speaking, what her position is. However, if I have said something that she takes exception to — I do not know what — then I am happy to withdraw it.

The PRESIDENT — Order! On the issue raised by Mr Theophanous's point of order, this is not the first time that he has raised the issue; he raised it also on 20 March this year.

However, even as at 20 March last, after I had been in the Chair for nine and a half years, this issue had not been raised in my time in the Chair because the speaking order has never been a matter for Presiding Officers; it is for the whips to arrange and present a list of speakers to the Chair. That is the way it should work and I encourage the whips to talk to each other and give the Chair a list.

On the relevance of the quotation from *Erskine May*, the house must realise the limited nature of the occasions on which we go to *Erskine May*. We go to *Erskine May* when there is no standing order specifically dealing with an issue; alternately, if there is no prior ruling on the issue and/or if it helps us to explain what seems to be some ambiguity in a practice. We should not go to *Erskine May*, as the honourable member suggests, as the first port of call; it is the last

port of call. In this case I do not believe the house has to resort to *Erskine May*.

I want to see a solution to this issue. I do not want the situation arising constantly. We have not had a difficulty, and I am not quite sure why Mr Theophanous has not raised the issue on previous occasions. As I said at some length on page 99 of *Hansard* of 20 March last, this issue has traditionally been one of agreement between the parties. That is why there has not been a problem — because the parties have agreed. Again I urge the whips in each case to give the Chair a list. The flexibility in the system is what has made it work because, for instance, quite often the house will have a debate such as the present one.

Let us assume it is a government measure: the Liberal Party gives a view and usually I then ask the Deputy Leader of the Government whether the government wants to wait until the house hears from the National Party first or whether the government wants to go next. That is how it is kept flexible. Sometimes the party on one side or the other says to me, 'Joe or Mary will speak in this debate, but they are not ready yet; they want to hear the debate. Can you put them down the list?' or, 'Can we hear more opposition or government members?'. The flexibility of the system is highly desirable. If you try to lock something in concrete the house becomes hidebound by that inflexibility.

I am suggesting that in a case such as this the house should hear the views of the three party spokespersons. Then, regardless of whether it is clear before or after, having heard the spokespersons for the three parties, if it is clear that there is opposition to the measure and if it is what the parties want, the house will then go from the ayes to the noes. All that means is that we will have on the public record the views of the three separate parties in this chamber. If we take the position of Mr Theophanous and if it is clear after its contribution that the National Party intends to support the opposition's private member's bill, from there on I would say, 'We have heard the pros, now we will hear the cons'. That is a fair way of assessing the views of the three parties in the house, at the same time giving the alternative treatment that the Honourable Mr Theophanous is calling for.

I return to what I said before: I thank Mr Theophanous for raising the matter. In some ways I am repeating but also adding to what I said last time. I prefer the parties to reach agreement on it and give the Chair a list of the speaking order. Alternatively, the house hears the three parties, then it goes to speakers for and against.

Hon. T. C. Theophanous — On a further point of order — —

The PRESIDENT — Order! Is it another point of order?

Hon. T. C. Theophanous — Yes, it is. I would like you, Mr President — —

Hon. Bill Forwood — We get only 3 hours a week!

Hon. T. C. Theophanous — You didn't give it to us when we were in opposition.

The PRESIDENT — Order! I have disposed of the point of order. If Mr Theophanous has a new matter to raise by way of a point of order he should do so, but he cannot reopen that point of order.

Hon. T. C. Theophanous — All I am asking, Mr President, is for clarification of whether that is a ruling from the Chair that the house can expect to quote as a ruling in all future matters in relation to debate in this place. I urge you, Mr President, to return to the house with a considered view in relation to this matter and on which occasions your 1-1-1 principle is to be applied, at what points and in which debates.

The PRESIDENT — Order! I will consider the printed version of my ruling and see whether I need to add anything to it.

I call the Deputy Leader of the National Party.

Hon. E. J. POWELL (North Eastern) — It is disappointing that the Mr Theophanous has diminished the debate on this important issue by discussing the speaking order and the fact that he is not on next. That is most disappointing because this is an important issue.

I am pleased to place on record for Mr Theophanous and the house that the National Party will not oppose the bill now before the house introduced by the Liberal Party, and it will not support the reasoned amendment moved by the Honourable Gavin Jennings. One reason for our opposition to his amendment is that the Honourable Gavin Jennings said the bill should be referred, in the words of the reasoned amendment:

> … to the Drugs and Crime Prevention Committee of this Parliament for inquiry and a report made to the house.

He further stated that the report would be due around June. One of the issues that made the National Party come to its decision is that the government does not have a good history of making quick decisions about parliamentary committee reports. I cite an example: yesterday the house debated the Building and

Construction Industry Security of Payment Bill, which introduced recommendations from a task force that presented its report to Parliament in February 2001. The debate occurred only yesterday — that is, nearly 15 months from when the report was presented to the house until its implementation through a bill.

On this issue the concerns of the Liberal and National parties are that the community is saying, 'We want action now — not in 12 or 15 months — so that no young person will be killed or suffer brain damage because of chroming'. If that happened, the community would condemn the government and Parliament for not acting quickly.

Hon. P. R. Hall — Urgent action.

Hon. E. J. POWELL — As the Honourable Peter Hall says, we need urgent action, and we need it now. That is what the community expects, which is why the National Party supports the bill but not the reasoned amendment moved by the government, which is really a stalling issue. The government thinks that whenever an issue is in doubt it should be sent to a committee. The issue should be dealt with now, and the National Party will support the bill.

The bill was introduced by the Liberal Party because of the increasing incidence of substance abuse through the use of spray cans, which is called chroming. As the Honourable Peter Katsambanis said, chroming is on the increase. Unfortunately, due to media interest in this issue I suspect the incidence of chroming will increase even more as people experiment with what the effects will be from sniffing bags that contain spray paint.

Sitting suspended 12.58 p.m. until 2.03 p.m.

Hon. E. J. POWELL — I am happy to continue to speak on this important bill on behalf of the National Party and to again put on record how disappointing it was earlier today that the Honourable Theo Theophanous wasted a lot of time talking about the speaking order rather than the impact this bill will have.

As I said earlier, the National Party will not oppose the bill and will not support the reasoned amendment of the government put forward by the Honourable Gavin Jennings.

In January this year the community was made very much aware through the media that chroming or paint sniffing was carried out at Berry Street Victoria, which is a state-funded welfare agency. It was also disappointing to see Berry Street dragged through the papers because it is a reputable organisation and it helps many people. The young people who turn up at Berry Street's doorstep are often the most damaged young people we see in this state. They are usually wards of the state and have come from horrific backgrounds and no other organisation wants them, so as I said, it was disappointing to see a respected organisation like Berry Street lose some of its reputation as it went through the media.

Berry Street Victoria acknowledged that it supervised young people while they chromed. I refer to an article in the *Herald Sun* of Friday, 25 January this year, by Nicky Protyniak which states:

> The head of Berry Street Victoria yesterday confirmed staff had official instructions to watch as children sniffed paint.
>
> Chief executive Sandie de Wolfe also backed former employee Chris Scandolera's claims, revealed in the *Herald Sun*, that an unofficial policy of supervised chroming existed in 1999.
>
> Ms de Wolfe said the welfare agency's policy of monitoring chroming, introduced 18 months ago, involved workers watching as children sniffed paint and other substances from plastic bags.
>
> 'Our policy has always been … if it is really not possible to take the cans away, that staff members would monitor the situation. That means being there to assist if and when necessary', she said.
>
> 'We have staff there all the time'.

The article continues:

> When asked whether this meant staff were present and watching while children actually inhaled paint fumes, she replied: 'Yes'.
>
> Ms de Wolfe said the Department of Human Services was aware of the practice from the beginning and it was detailed in a best practice document approved by community services minister Christine Campbell.
>
> 'Everything was included — chroming and monitoring', she said.

Over the next few weeks the scandal was played out right across the media. As I said, the reputation of Berry Street was in some way marred by the scandal.

Some of the issues were: did the former Minister for Community Services know? If she did not know, when did she find out? Did she support what the organisation was doing? If she did not, what was she going to do about it?

Some of the other issues were: did the Premier know? If he did not know, when was he advised? The other issues that were played out in the newspapers over a number of weeks were whether the Premier supported the situation and, if he did not support it, what would he do about it. Finally the Premier announced that either

the supervision of chroming at Berry Street residences would stop or government support for Berry Street would stop.

Berry Street put out a discussion paper, which I believe all honourable members would have received. The paper defended Berry Street's policy but it also tried to set the record straight. Detailing Berry Street's work with troubled young people the paper states:

> … we care for a large proportion of the most difficult 'wards of the state' of Victoria. These include some of the most damaged, abused and disadvantaged young people to enter the child protection system. We have up to 500 children and young people in our care at any time, about 100 of whom may reside in our supervised residential accommodation units spread across Victoria.

The paper gives a bit of the history of the organisation. It states that Berry Street has operated in the field of child and family welfare for more than 120 years and has some of the most experienced and respected professionals in the Australian family services sector. The discussion paper continues:

> On a daily basis, these workers assist difficult and traumatised young people who have been severely damaged and abused.
>
> A high proportion of these young people come to us as a 'last resort', having either been through, or been rejected by other agencies. Beyond Berry Street Victoria, there are very few places for these people to go.

On the issue of chroming the paper states that Berry Street Victoria does not operate and has never operated sniffing rooms. I think it was put in one of the press releases that the organisation was operating sniffing rooms, and Berry Street put out a circular to make sure that the real truth is out there in the public arena.

The paper also states that:

> Berry Street Victoria does not condone or support the taking of drugs of any kind and its stated aim is to ensure that young people in its care either become or remain drug free.

In stating why it had to look at the policy of supervising young people who were chroming and how harmful that is, it states:

> … from time to time, a young person may simply refuse to stop chroming and this behaviour can often involve physical violence, usually directed toward their carers, our staff.
>
> In these extreme and rare cases, our workers are faced with two choices:
>
> (1) To forbid the young person from inhaling on its premises …

And that person will leave and the carers are not sure what then happens to the person — they could get into more serious trouble and could actually come to much more physical harm.

The second option is:

> To permit the chrome to be inhaled at the residential unit, and only in the presence of a professional carer, so that the young person can be monitored while being provided with proper physical care and constantly … reminded and advised that his or her actions are dangerous, undesirable and should cease.

The paper states further:

> Following discussions with the state Minister for Community Services on 22 January 2002 our practice as outlined in point 2 above —

which was the program of permitting them to stay on the premises and be monitored —

> will cease …

in line with government or community opinion and that it:

> … will not operate without the full support of the Victorian government.

Berry Street is now going to work towards finding alternative solutions for those young people in situations of crisis, and its circular states that it will work with the community to make sure that there is some support for the successful programs it provides.

The community has sent a very strong message to the government on the issue of supervised chroming. In a telephone vote-line survey conducted in the *Herald Sun* of 23 January this year the question asked was, 'Should government workers be overseeing children sniffing glue or paint?'. A total of 999 calls were made to the vote-line: 54 — or 5.4 per cent of the people voting — said yes, and a staggering 945 — or 94.6 per cent — said no. That sends a very clear message to the government and to other organisations that may think that the practice of supervision of substance abuse will be accepted in the community. It sends the very strong message that this practice is certainly not accepted, and the National Party is asking the organisations and the government to look at other ways of ensuring that our young people are protected.

As I said earlier, it is a shame that the reputation of Berry Street Victoria has been damaged. I met with the manager of the Berry Street Shepparton branch, Mrs Anita Pell, on 4 February this year. I have had a very good relationship with Berry Street in Shepparton for many years, and Mrs Pell came to see me to talk about the issue of chroming. When I asked her, 'Is chroming going on in Berry Street in Shepparton?', her answer was 'No'. The Shepparton branch has no people

chroming on its premises, and it has had only about two or three doing so in the last three years but it has been able to get the substance from them.

The supervision of young people chroming came about because it is said that if young persons are chroming on your premises and you do not monitor them they will go away and chrome under a bridge or in public toilets, where they would be very much at risk. I told Mrs Pell that I agree with the policy of Berry Street in Shepparton that young people chroming on their premises had to cease. I certainly do not agree with supervised chroming as I believe it sends the wrong message to our young people — that is, if somebody is looking after you when you chrome, you can do so safely.

It is the same with most harm minimisation processes: if you tell somebody that what they are doing is not safe and you then show them another way of doing it that is safe, the message you are sending is that there are certain safe ways of doing that thing. The government has to make sure that that message does not get out into the community.

Mrs Pell told me that unfortunately, with all the media hype on this issue, Berry Street will see an increased incidence of chroming in young people and therefore of family breakdown, mental illness and all those sorts of things that come about when young people are desperate about the way their lives are going and seeking some solace. If they are not happy with their lives some will sniff glue, drink alcohol or take drugs, and it is important that we find out the reason they are doing those things and address those issues rather than doing what we are doing at the moment, which is using bandaid solutions. However, I agree that this bill is one way of moving forward.

Chroming is a symptom of wide-ranging problems for adolescents. This bill is the first step towards making it illegal for people under 18 years of age to buy spray cans. A government member has said that minors could get adults to buy spray cans for them for chroming. That is true, but then an adult who buys a spray can for a young person is condoning the sniffing of the fumes from that can by the young person. The National Party maintains that such people would not be responsible adults and would be leading those young people on a path to destruction, and responsibility for those young people continuing their bad habits would be in the hands of those adults.

One of the issues that needs to be looked at is why our young people need to sniff glue, paint, or petrol, take drugs or drink alcohol. Hopefully one of the recommendations of the report by the Drugs and Crime Prevention Committee will be early intervention. We have to make sure that we can identify this behaviour much earlier in the lives of young people. We need to work with them to make sure that they have assistance available to them when they need it and not when it is too late after they have been thrown out of school or thrown out by their families and are on the streets where there is no help available for them and where they become the prey of people who want to see them moving into harmful and destructive practices.

Mrs Pell from the Berry Street branch at Shepparton talked to me about a number of the programs the workers there are looking forward to instigating. One of them will be a great early intervention program which the government will hopefully support — I believe it will. They want to implement a short course in some schools to teach young people how to look after young children. The idea is to provide a program which teaches younger people how to look after themselves, their younger siblings and other younger members of their family. At the end of the program they will be given a certificate that shows they are able to babysit — in effect, it will be a babysitting course. Those conducting the course will try to teach young people the right way to raise children and to identify problems with younger children. The program will teach them the skills of looking after younger children and they will learn effective parenting skills. Some of those young people have come from homes where the parents do not have good parenting skills and as a result the children have low self-esteem and feelings of worthlessness.

The program initiated by Berry Street is one we should be looking at implementing because we need to get to our young people at a much earlier age so they understand that what is happening in their lives may not be normal and so they can bring it to the attention of those people in the community who can help them and remove them from an environment that could be harmful to them. As I said, Berry Street will be looking to the government for funding for that program. I will certainly be supporting it and I hope the government will support it as well.

I was also made aware of the importance of early intervention in terms of the cost factor. Research shows that for every $1 spent on early intervention, $7 is saved in the future. That $7 saving could go into crime reduction or our court systems. If we do not pick up these young people at an early age, they will move on and become a much greater burden on society and become very costly for the community.

The purpose of this bill is to limit the sale to minors of spray cans containing paint or certain other substances, in order to reduce the incidence of substance abuse, or more particularly chroming, which has been in the news media lately.

The effects of chroming can be devastating. An article in the *Age* of Friday, 25 January this year, describes chroming. For those who do not know what it is and what its effects are, I will read from the article:

> 'Chroming' is the inhaling of spray can fumes that contain one of a group of fast-acting drugs known as inhalants, which have similar effects to alcohol. Users feel uninhibited and excited, then drowsy. The effects usually wear off within an hour.
>
> Like alcohol, inhalants are depressants. They slow down brain activity and the central nervous system and inhibit the messages between the brain and the body.
>
> Inhalants are popular with teenagers because products containing inhalants are cheap, accessible and legal.

The Honourable Peter Katsambanis spoke in his contribution to the debate about how easy it is to go down to a $2 store and buy spray cans; hopefully this bill will be able to prohibit under-age people from doing that.

The article goes on:

> In 1998, a national drug strategy survey of high school students found 32 per cent of 12-year-olds and 15 per cent of 17-year-olds had used inhalants.
>
> Accidents are a major risk because users often behave recklessly and dangerously.
>
> Side effects include flu-like symptoms, sickness, diarrhoea, nosebleeds, bloodshot eyes and sores around the mouth. Longer-term users may lose weight, have tremors and may be unable to think clearly.
>
> Prolonged use can also cause anaemia, depression, irritability and damage to the brain, kidneys and liver.
>
> A small number of people have died from using inhalants.
>
> Inhalants are also found in glue, aerosol cans, petrol, and in cleaning and correction fluids.

While doing some research for the bill I came across an article in the *Herald Sun* of 22 January. I put it on the record because it is a letter from a mother whose daughter is slowly dying. It is a poignant reminder that it is not just those children who are on the streets who are abusing their bodies, but it is also children from decent families. Once they start inhaling these substances they get hooked, and have a high. However, as soon as the high wears off they have another fix. Using spray cans is a cheap way to have a high rather than using drugs or alcohol. They are easily accessible, and hopefully the bill will make them less accessible. I refer to a letter from Anne to the state Drugs and Crime Prevention Committee. The letter states:

> My daughter is slowly dying.
>
> Her memory is fading, her sight, hearing, lungs, kidneys, bone marrow and liver are being damaged.
>
> Her blood oxygen is being depleted and this can directly induce heart failure. This can also cause death from suffocation by displacing oxygen in the lungs and then the central nervous system, causing breathing to cease.
>
> Her personality has changed. Her system is slowly being poisoned.
>
> She buys a can of paint legally from a store, sprays it into a plastic bag and breathes the fumes deeply into her lungs.
>
> She doesn't notice the paint stains on her mouth and hands. I do.
>
> My beautiful daughter is a chromer.
>
> The girl I gave birth to 16 years ago is killing herself.
>
> And I cannot stop her. Help is too far away, hands are tied, this practice is not illegal.
>
> I can no longer sit back and allow this practice of our youth to continue.
>
> I would like to have it made hard for these children to destroy their lives or kill themselves. As the law stands at the moment it is not illegal for cans of paint to be sold to minors.
>
> According to authorities, it is not a drug.
>
> But she has all the hallmarks of a drug addict; no longer at school, roams the streets day and night, is in trouble with the law, is destroying our family.
>
> Everything is locked up so it doesn't 'vanish'. She has no respect for herself, others or their property.
>
> I have been on an endless merry-go-round for 18 months trying to find assistance for my daughter.

Anybody who wants to vote against the bill should think of this mother's anguish. Honourable members should vote for a bill that makes it a lot harder to access spray cans that people can get so readily, yet are so harmful to them.

Clause 4 inserts proposed sections 16A to 16F entitled 'Sale of Spray Cans to Minors' into the Summary Offences Act. Proposed section 16A is a definitions clause. Proposed section 16B refers to the notices that need to be displayed at premises where spray cans are sold. Proposed section 16B(1) states:

> A notice containing the following words must be displayed in a prominent position in premises from which spray cans are sold:

The words on the sign are:

> It is unlawful to sell certain spray cans to persons under 18. Persons may be required to produce evidence of age when purchasing certain spray cans.

It is important for people who own premises where spray cans are sold to have the sign displayed in a prominent position so that anyone coming into their premises can see the sign and know it is an offence for a person under the age of 18 years to purchase certain spray cans. If the notice is not displayed in a prominent position a person who is under 18 years cannot be charged, because if the sign is not in place it is a defence for the minor who buys the spray can to say that he or she was not aware it was an offence. It is also a defence for the shop owner if the minor produces false evidence of age. For example, if the person entering the store is 16 years of age but produces a forged drivers licence which appears to be a legitimate drivers licence, the store owner can claim that as a defence in selling the spray can.

Proposed section 16C makes it an offence to sell a spray can to a person under 18 years and provides for a penalty of 15 units.

Proposed section 16D makes it an offence for a person under 18 years to purchase a spray can and provides for a penalty of five units. Proposed section 16E outlines the powers of authorised persons, and an authorised person may be a member of the police force, to enforce this law. It inserts strict conditions of what a person can and cannot do in enforcing the law. For example, a person cannot use bad language to enter the premises. Photographs may be taken for evidence, but the authorised persons cannot intimidate the shop owner. The proposed section outlines the enforcement provisions that an authorised officer must adhere to. Proposed section 16F is a regulations clause.

The bill is a first step in what the National Party believes will be a long process. We need to make sure young people are restrained from this habit that they have got into and are kept out of harm's way. The community will not look kindly on the government or the Parliament if over the period that we are waiting for a report from the Drugs and Crime Prevention Committee a number of young people suffer brain damage or even die. It is not right to sit on our hands and do nothing because we are aware this incidence is increasing.

The Honourable Peter Katsambanis referred to the issue of graffiti. Councils across Victoria are trying to grapple with graffiti in their municipalities. It is costly to them and they do not have the muscle to ban it, so this bill contains provisions that will help councils to restrict people buying spray cans for the purposes of graffiti. I congratulate the Liberal Party and I put on the record the National Party support for the bill.

Hon. T. C. THEOPHANOUS (Jika Jika) — I think it is a shame this house has had to have a debate about the order of the speakers. Had the opposition been reasonable and allowed a one-for-one exchange — —

Hon. M. T. Luckins — On a point of order, Mr President, I ask you to bring the honourable member back to the bill.

Hon. T. C. THEOPHANOUS — On the point of order, Mr President, my preamble is in response to a comment made by the Honourable Jeanette Powell in relation to this very issue. I intend to make my point and then move on to the bill.

The PRESIDENT — Order! There is no point of order.

Hon. T. C. THEOPHANOUS — The government would have been happy to reach agreement in accordance with the wishes of the President, and as was expected when the National Party spokesman spoke on the bill, she indicated the National Party was in favour of the legislation. One of the last comments made by the Honourable Jeanette Powell referred to the government sitting on its hands. It is the height of hypocrisy for the Honourable Jeanette Powell to say that when she was a member of the previous government which, for seven years, sat on its hands. If the honourable member wants to talk about or bring some emotion into this debate by saying, 'What about the young kids who would be affected by the government' — according to the opposition — 'sitting on its hands?', I put to the National Party and the Liberal Party: how many children's lives were destroyed as a result of them sitting on their hands for seven years?

Hon. E. J. Powell — On a point of order, Mr President, the honourable member says that the former government sat on its hands. Most of the programs such as the Freeza program and committees to assist young people were introduced by the former government, which indicates that it was thinking about the issue of drugs and substance abuse for young people.

The PRESIDENT — Order! There is no point of order. It is a point of debate.

Hon. B. C. Boardman — At least she got it on the record.

Hon. T. C. THEOPHANOUS — I am happy that the Honourable Jeanette Powell has put that on the record because the former government did sit on its hand for seven years.

In a recent examination, the Victorian schools survey data, which interviews Victorian school student records, showed that there was a 10 per cent increase between 1992 and 1999 in inhalant experimentation. At least opposition members should be brought to account and take responsibility for the fact that there was an increase of 10 per cent in the number of children who were affected by this unfortunate practice.

The previous government sat on its hands and did not introduce this form of legislation — it did not talk about it; it did not think about it; it did not intend to do it; it did not establish a committee to examine it; it did absolutely nothing. It shows that this is nothing but a political stunt by the Leader of the Opposition in the other place, who was attempting to capitalise on the unfortunate situation that many of our children are currently experiencing.

In response to the Honourable Jeanette Powell, I ask: does she seriously think that the 16-year-old girl she talked about in the house would not be able to access the spray cans in the event that the legislation was passed? Does she seriously think that girl would not be able to find somebody to give those cans to her? Has any thought been given to the prospect that if legislation is passed without all the associated structures and systems that are required to be put into place, it would simply create a new business for those who are 18-plus going around buying the spray cans and then on-selling them to kids who are younger than 18? Why would that not occur? The truth is that it would occur. Unless there were other systems put in place to ensure that that kind of thing did not take place then an initiative such as this may have little effect.

The Honourable Cameron Boardman finds himself in a difficult situation. He has in some sense acted honourably by seeking to find solutions on the committee that he chairs, and I know he believes that ultimately there must be a bipartisan approach to this issue and that the recommendations of his committee will be important in establishing that bipartisan approach because committees such as those are designed to find solutions to this kind of difficult problem.

I know Mr Boardman must have found himself in a very difficult position. Personally, I think he was not given due consideration by the Leader of the Opposition, Dr Napthine. I know Mr Boardman will say that he agrees with the proposal. However, as can be seen by comments that have already been referred to in this place, he has questioned whether the issue is much more complex than simply banning the sale of the products.

I quote again from the media release of 24 January in which Mr Boardman says:

> It must be noted however, that the committee has received direct evidence from various agencies both within Australia and internationally suggesting that limiting the sale or production of products associated with VSA does not lead to any noticeable reduction in VSA activities.

That is an honest statement based on information provided to the committee. I presume the committee would consider that information, along with other information that it is gathering, in preparing a considered way forward for this difficult issue. He reiterates the point again in the *Frankston Independent* on 29 January:

> The committee has received direct evidence from agencies within Australia and overseas showing that limiting sale or production does not lead to any noticeable reductions in activity.

Mr Boardman is asking his committee to look at the evidence. Contrast that to his leader, the Leader of the Opposition in the other place, who had this to say back when he was the Minister for Community Services to the Drug Awareness Relief Movement on 13 August 1997:

> As you are no doubt aware, there are many household products which contain intoxicants. A control strategy which deals with all such products is extremely difficult to conceive and acting on a limited number of products may simply change young people's practices.

Having made a statement in 1997, he sponsors a bill which does precisely what he was suggesting should not be done. The Leader of the Opposition in the other place is, for short-term political reasons, prepared to play with our children's safety and future. I believe he was genuine when he made that statement. This is simply a sign of his desperation. A desperate leader does not make appropriate or well-considered decisions, and this is an example of it.

The Honourable Cameron Boardman should continue with his work on the committee and find bipartisan solutions that will help to overcome this intractable problem by dealing with it in a complex number of ways and with a variety of strategies. Unlike the approach on the committee which has been taken by Mr Boardman, Mr Katsambanis in this place made wild, emotional and inaccurate statements, as he always does. He never makes an argument in this place which

is considered. He made a statement that this was about saving thousands of kids, or words to that effect. There is absolutely no evidence for that. If anyone in this house thought that this measure on its own would save thousands of kids from getting involved in this practice, then they are living in the same cloud-cuckoo-land as Mr Katsambanis.

This is a difficult, complex and intractable problem. Anybody can come into this place and respond emotionally and talk about the child and parent who are faced with this kind of thing. We have all seen parents and their desperation when their children are involved with drugs of any type. It is silly to try to suggest that there are members in this house who do not want to see that problem addressed, who do not want to minimise the drug taking by our young people in the community.

Of course we all want to bring that outcome about, and we want to do it on a bipartisan basis. That is why we established a committee headed by a member of the opposition.

It is easy to come in here and bring up examples of people who are suffering, but unfortunately these examples were present for the seven years in which the previous government was in power and it did nothing about them.

The purpose of this bill is to limit the sale of spray cans containing paint and other substances to minors to reduce the incidence of substance abuse, but unfortunately the bill is vague and uncertain. At no point within the bill has there been an appropriate outline of what the other substances are meant to represent. We all know that there are, tragically, chroming deaths on record that have resulted from using a spray can of vegetable oil, so the problem is obviously not just limited to paints.

It is an example where, and I am sure Mr Boardman would know through the evidence that has been presented to his committee, the simple targeting of paint as the only source is incorrect because there are other sources which are just as dangerous and through which people have lost their lives. This legislation, just on that point alone, is poorly thought out.

But consider this: there may be other more effective ways of resolving this issue rather than this simple knee-jerk approach. For example, other types of propellants are now available for paint sprays that are safe, or at least that do not cause the sort of damage that the current propellants in spray cans do.

By way of analogy I point out that when the community became aware of the problems with chlorofluorocarbons and how they affect the environment and the ozone layer we did not go about passing a piece of legislation disallowing people from having a refrigerator. We passed legislation that would ensure that that particular product could not be used in producing refrigerators. That has been a very effective worldwide solution.

We would be much more likely to get a comprehensive and effective outcome if we were able to look at those sorts of issues and if the committee which has been established were able to make recommendations to the Parliament about ways of improving the current regime to allow less access to these kinds of products.

Let me make one thing clear, because it is important to make this point: while the government is not supporting this particular piece of legislation it is interested in taking action following the report that will be brought down by the parliamentary committee. Moreover, in the interim, in case it is not clearly understood by the opposition, the government does not and will not under any circumstances support the practice in organisations which are funded in some way or other by the government.

Hon. M. T. Luckins — You don't now.

Hon. T. C. THEOPHANOUS — We will not support that, that is correct. We are not supporting it at all.

Hon. M. T. Luckins — You did in the past.

Hon. T. C. THEOPHANOUS — We do not support that, and I want to put it on the record that we are not in any way supporting the practice in any organisation, including Berry Street. We are opposed to that and we continue to be opposed to it.

We have taken action. We have stopped it in all of the places that are government funded and provide assistance in this area.

We also have made a number of other responses. It is not as though we simply sat on our hands waiting for the committee to bring down its report; we have also taken a variety of actions. We have written to all of the agencies advising them that programs of supervised chroming are not permissible. We have referred the issue, including the proposal for a ban on the sale of spray paint cans, to the Drugs and Crime Prevention Committee for examination.

The government has provided service initiatives which include 11 youth home-based withdrawal services; the tripling of residential withdrawal beds for children and

young people; the provision of 70 youth alcohol and drug outreach workers across the state; and five new specialist alcohol and treatment workers to support young people and staff in residential care. We are working with teachers, parents, the police, workers in residential care and young people to address the problem. These are the tough things that are happening out there. They are complex things; things that matter! We are working with traders to ensure that they know they can withhold sale of spray cans if they believe they will be misused. We have already taken initiatives, including those in relation to the points of sale of these spray cans.

We have asked the Prime Minister to utilise national research capacity at the Commonwealth Scientific and Industrial Research Organisation (CSIRO) to investigate options such as using additives to make commonly abused inhalants less attractive to use. We are looking for solutions, and we are doing that by establishing the committee and by introducing a range of programs that are funded at a level which the previous government was not prepared to do. We are looking for solutions by working with teachers, with police, with people working in the area of residential care, with young people and with traders themselves.

These are the practical things this government is doing in order to bring about an outcome. And what is the outcome we are seeking? A reduction in the level of abuse of these substances from the record levels that were achieved as a result of inaction by the previous government, under which, as I have already indicated to the house, the level of usage went up by 10 per cent over its seven years in office. As I said, we have also asked the Prime Minister to look at bringing in all of the resources of the CSIRO to try and find a technical solution to the problem. Quite frankly, a technical solution sounds probably the most effective to me in terms of these particular products.

Contrast the difference between what the opposition has done and what this government is doing. The government has been involved in a series of strategies to try and find solutions that matter and to find ways that will prevent or reduce the harm that is caused as a result of these practices by young people. In addition to that, we have said that we want the committee to come up with a recommendation for further action, including legislative action if it is required.

That is what the government has done, but the Leader of the Opposition, Dr Napthine, has thrown out the window all of his previous statements about the complexity of the issue and how a simple approach like this bill is not going to work. He has done so to gain a short-term political advantage by trying to stir up people's emotions when the last thing we need in this community on this issue is a political football with strong emotions and accusations going from one side of the house to the other. We need solutions supported by both sides of the house.

The government is introducing more initiatives. One of the initiatives is funding five specialist alcohol and drug treatment worker positions to support young people with drug problems, including chroming, and those positions are within the residential care area. Those workers operate in secure welfare and department regions. Chroming treatment and management guidelines and principles are being developed with the children and young people, and it is expected that these guidelines and principles will be completed by July 2002.

The government has programs in relation to Koori chroming. There are also a number of projects in regional Victoria designed to address this issue with more than $105 000 being provided through the Victorian Law Enforcement Drug Fund. These are just some of the actions which the current government is taking to address this important issue.

Sensible members of the opposition might think the request being put forward in the form of a reasoned amendment for this to be considered by the committee so it can examine the issue and appropriate courses of action and recommend something on a bipartisan basis is not unreasonable. But I fear that the job of the chairperson of that committee has been made more difficult by this action because what that person faces is a politicised committee, courtesy of the Leader of the Opposition, and one which may not be able to come back with a united position. I hope that does not occur and that the people on that committee have the courage to ignore the short-term political stunt that is occurring today and to — —

Hon. N. B. Lucas interjected.

Hon. T. C. THEOPHANOUS — Don't you interrupt, Mr Lucas. The way you run committees, you would be better off in a Star Chamber than in your committee, I can tell you that!

Hon. N. B. Lucas interjected.

Hon. T. C. THEOPHANOUS — I do not think your committee has ever brought down a unanimous report, has it, Mr Lucas?

Honourable members interjecting.

The DEPUTY PRESIDENT — Order! Back to the relevant bill.

Hon. T. C. THEOPHANOUS — Let me conclude my remarks. What I say is this — —

An honourable member interjected.

Hon. T. C. THEOPHANOUS — I am tempted to keep going but I really wanted to try to hear whether there was any further speaker on the opposition side wanting to put a point of view. The chairman of the committee might want to put a point of view, although I am sure he will be aware that he will not be able to discuss any of the issues the committee has deliberated on. He would have to be very circumspect, and I am sure he would be.

Hon. Bill Forwood — On a point of order, Mr Theophanous just suggested that he was interested in whether there were any other speakers who are interested in this debate. Really! We have wasted a quarter of an hour of this chamber's time while Mr Theophanous had a debate about the order of speakers, and I make the point in particular that he knew who was on the speakers list and the order of it. It is an outrage to suggest at the end of his contribution that he would be interested to know if there are other speakers on the issue from our side, when he knows full well there are — yet he has taken up a quarter of an hour of this chamber's time debating the order of speakers!

The DEPUTY PRESIDENT — Order! There is no point of order and I request that Mr Theophanous conclude his contribution, which he indicated he was doing.

Hon. T. C. THEOPHANOUS — What an outburst! It is a sign of absolute desperation on the opposition benches. Opposition members have totally lost the plot. They are not behaving as an opposition. My suggestion earlier about speakers was simply to make the point that there is not a lot of time left and I know there are other speakers on the opposition side who might want to make a contribution.

To conclude my remarks, I do not consider that a case about the facts has been presented by the opposition. Opposition members have not established a case that the legislation would make any difference at all. Their leader is on the record as saying when in opposition that it would not make any difference. The chairperson of the committee is on record as saying it would not make any difference. They have no case, not even one based on any evidence whatsoever. They have no international studies — no evidence at all. Indeed, the evidence that is there suggests the reverse.

Instead, in a cheap political stunt they have attempted to use families and children suffering out there. For the seven years while they were in government they did absolutely nothing to address the issue. Not only did they do nothing but they were prepared to sit by and allow a 10 per cent increase in the number of young people involved in the practice without ever referring the matter to a committee, coming forward with legislation or putting policies in place that might address the issue. They stand condemned by their record and should bow their heads in shame and allow us to get on with the job and address this very important social issue.

Hon. B. C. BOARDMAN (Chelsea) — When the parliamentary Drugs and Crime Prevention Committee received this reference, as with all of the committee's past inquiries it was hoped that the issue — because of its complexities and the difficult manner in which the overall circumstances affect all members of the community — would be treated with dignity and sensitivity and, most importantly, with a degree of understanding of how sensitive members on all sides of politics will have to be in considering their views. The Drugs and Crime Prevention Committee has a proud tradition of preparing unanimous reports and making bipartisan recommendations that have been adopted by governments with those particular factors in mind.

I am still confident that aim can be met in this inquiry, although there has been an attempt today by some honourable members to use the issues for purposes other than those intended and to be quite misleading and misguided in their contributions. I do not wish to comment on that too much because, quite frankly, it is not worth it. If members want to use a debate like this to generate political points, they should examine why they are doing that. With an issue as complex and sensitive as this and which requires a carefully considered view, politics should not come into play. The matter should be totally and utterly exempt from any interference from the political process.

Nonetheless, that is what happened today. It is history; members are on the record, and I am sure their contributions will be reviewed according to their varying capacities. However, I am extremely disappointed that Mr Theophanous, for reasons that I believe are invalid, denied the opposition considerable time to contribute to the debate. Nonetheless, it has happened and we move on.

The reasoned amendment moved by the Honourable Gavin Jennings attempts to refer this legislation to the parliamentary Drugs and Crime Prevention Committee. Mr Jennings and Mr Theophanous acknowledged that the Attorney-General wrote to me in my capacity as chairman of the committee on 26 February highlighting this private member's bill and acknowledging that it fell squarely within the committee's terms of reference. I have acknowledged that letter, and obviously the committee was going to consider it, irrespective of the Attorney-General's indication to do so.

The committee is and will continue to be an independent mechanism of government; there is no denying that. The way members of the committee act and participate in the activities of the committee certainly reflects that sentiment. However, to suggest that the committee would not examine potential regulatory environments as possible alternatives for dealing with this situation would be totally misguided.

The lack of information, previous study and clear absence of comprehensive research on this issue provided the committee with a unique challenge. It had to effectively collate what little information there was and conduct independent research to determine the options. Part of that was a comprehensive examination of regulatory environments as they exist in Australia and internationally. That is probably an appropriate place to start because it is relevant to what this legislation is attempting.

The United Kingdom has been dealing with the issue of volatile substances for some years now and is a shining light on the international stage of appropriate reform and response to this issue. In 1995 it introduced the Intoxicating Substances (Supply) Act, which made it illegal to supply to minors any product or substance with the potential to intoxicate. It did not specify in any detail what those products may or may not be. It simply suggested that if a product had the qualities or possessed chemicals that could intoxicate a potential user by way of misuse then the practice of selling such a product to someone under the age of 18 was illegal.

That is very similar to section 57 of the Victorian Drugs, Poisons and Controlled Substances Act, where the definition of 'deleterious substances' includes such products as methylated spirits, solvents, glues and any other products that may be able to provide by way of misuse an intoxicating quality. Section 58 provides it to be an offence for a person to supply any other person with that product knowing that they will misuse it.

The UK legislation is similar to what we have in Victoria today. When the legislation was introduced in 1985 in the United Kingdom it was generally well received; it was seen as a step in the right direction. It was seen as a decent symbol of trying to deal with what was a complex problem. Although demographic and user profiles are somewhat different in the United Kingdom, it still was indicative of how an appropriate regulatory response might be one way of dealing with a complex issue.

The only problem was that at the time there was a shift from glues and glue-related products as the product of choice to aerosols and the butane contained in cigarette gas lighter refills. That required careful consideration from the United Kingdom government. In 1999 it introduced regulations to make it illegal to sell cigarette lighter refills to people under the age of 18 years. Their research was comprehensive. They had the structures in place to analyse the success of their legislative response and to ensure that if that response was not appropriate they had a mechanism to change it and make it more appropriate, which is what they did. They did that through regulation, which is an option available today under the proposed legislation.

Unfortunately there was a displacement factor, and the committee received evidence from Dr John Ramsey to this effect. Because of the regulatory response prohibiting the sale of those products, those young and vulnerable people who would potentially misuse cigarette lighter refills and the butane gas contained within them suddenly found they had to use other products, such as aerosols and other products that could cause them harm.

Nonetheless, on a positive note, the United Kingdom government through its comprehensive research identified that there was a decrease in mortality rates as a result of solvent misuse, so there was a positive effect albeit not acceptable in general terms to the public. Any regulatory response that can save a life or change a life needs to be noted and carefully considered.

Mr Warren Hawksley, the chair of Re-Solv, which is the umbrella organisation in the United Kingdom that deals with this issue and was established many years ago by the conservative government in response to solvent inhalation, stated that fewer deaths was certainly an outcome they were looking for, although there is more work to be done, and Mr Hawksley acknowledged that.

If it was possible to analyse a more appropriate response then certainly the United Kingdom government had the capacity to do that. That is one difficulty we have in Victoria: because of the lack of information and the non-recognition by past

governments from all sides of politics of the severity of the problem, we are in this difficult situation today. Nonetheless, any response has to be treated and considered carefully. Even if that response may not necessarily provide the best outcome, in isolation it might simply be a symbol that the community could interpret positively.

I move on to the New Zealand experience. The committee recently travelled to New Zealand and witnessed first hand some of the initiatives there. We were impressed by the extraordinary amount of cooperation that existed between government and non-government agencies on this issue. Today the solvent misuse problem in New Zealand has been virtually extinguished. Over the past 10 years there has been such a comprehensive response from all levels of government and communities that the situation has changed dramatically and solvent inhalants are a problem of the past. Tragically, and this is similar to some dependencies and consumption patterns in Australia, alcohol and other illicit substances still reign and are of dramatic concern.

An issue that exists in New Zealand that we do not have in Victoria — and it is an issue that will be carefully considered by my committee — is that of civil apprehension. This does not impose criminal sanctions; it does not ensure that any person vulnerable to substance abuse will be placed under the supervision and care of the criminal justice system. It is an alternative for police and law-makers to use as an appropriate response where necessary.

The Drugs and Crime Prevention Committee's report into public drunkenness in Victoria recommended that Victoria enact such legislation. It simply means that if a person is found to be intoxicated in any public place, irrespective of the substance resulting in that intoxication, the police have the power to take that person to a facility where they might be able to get help. In New Zealand it could be a place where they could go through some detoxification or sobering-up process or they could go to a facility that will provide them with counselling or a referral to other treatment appropriate in the circumstances. As I said, it is not substance specific. Unlike the criminalisation issues in the Summary Offences Act in Victoria which relate to drunkenness by way of alcohol, the New Zealand model is clear; it relates to all substances, and the treatment and the responses are very appropriate.

A similar situation exists in Western Australia. Committee members recently returned from Perth and an examination of the legislative regulatory process. The Protective Custody Act, which is the Western Australian equivalent of the civil apprehension model in New Zealand, once again has proved to be a valuable tool for law enforcement officials and those involved in the response to substance misuse as a possible alternative to this difficult situation.

I contrast that with what happens in the United States of America, although I need to put on record how difficult a place it is to try to research what the regulatory structures are. There are 52 different states and one specific district with totally different and sometimes confusing regulatory responses. The best example I could quote is that of Texas, where sale and possession is illegal and the definition used for those types of products is 'volatile chemicals which can affect the nervous system'. The Texas model seems to have had some success and has been promoted in the United States through an organised solvent response organisation as one which has a degree of community support. It is not in any way uniform but nonetheless it has been seen through that regulatory response as one way of curbing this issue.

South Australia has recently introduced legislation to deal with the sale of paint cans to minors because of the graffiti problem. The legislation incorporated a reference to solvent misuse because of the quite clear link with spray cans. The legislation was not intended to do that but so far it seems to have had some effect. The difficulty once again is through displacement, not so much through the actual misuse of the products but because children or young people who would usually use spray cans to paint their tags in various public locations have turned to other acts of violence and vandalism such as glass etching and so forth.

I say there are pros and cons with every regulatory response, but because of the lack of information and evaluation and because of the difficulty of establishing whether the responses are appropriate in the Victorian context it is difficult to surmise whether this legislation will work.

I have also heard from some of the members contributing to the debate today that the government has increased treatment options for young people who may be misusing solvents. I find that quite extraordinary and, notwithstanding that the government's intention might be valid, it must be noted that the only identified treatment option for people who have volatile substance dependencies is in fact the model adopted by Berry Street Victoria and subsequently endorsed as best practice by the Department of Human Services and which received so much publicity earlier this year. The government responded to the publicity by ordering Berry Street to

cease that type of practice. The committee has evidence that treatment of young people with solvent dependencies, particularly those who are in residential care, has diminished because of that government order.

The committee can in no way draw inference or conclusion from such a direction, but I can clearly place on record that it is nonsense to suggest there are appropriate treatment options and detox facilities because the scientific evidence of what is accepted as best practice in that field simply does not exist. Furthermore, there have been submissions today about education, and what a doubled-edged sword education is in such a contentious issue as solvent abuse! For vulnerable people education could in fact be a disservice. The committee has heard evidence from a number of leading researchers, both in Australia and in other parts of the world, that education if not carefully monitored and carefully devised to be appropriate in the circumstances for which it was intended could have a deleterious effect. For example, because of the stigma attached to the definition of chroming and because chroming is interpreted by young people as being a positive activity, the publicity given to and the marketing of that particular product by the media may in fact make it more attractive to vulnerable young people. Such simple issues as what words or what definitions are used, what way this particular issue is reported, might have an adverse effect.

I note that some of the contributions from government members made reference to comments I have made in the press. I stand by those comments wholeheartedly. It is my job as chairman of this committee to ensure that I represent the evidence presented to the committee in an apolitical and non-partisan manner and that I do not misrepresent the sentiments attached to whatever evidence the committee is receiving. Yes, as I have stated, we have received evidence that the regulatory response that this bill is encompassing may not be the best way of doing it; but in the absence of any alternatives it is very difficult to have another option.

In referring to some of the responses I will start with perhaps one of the most comprehensive submissions that the Drugs and Crime Prevention Committee has received. I state that these are public submissions and I am quite happy to make them available to anyone who would like to look at them. The Australian Retailers Association has very strong views on chroming, such as the view that the restriction of the sale of certain products deters legitimate sales and customers. The association's evidence states that young people have a legal right to purchase spray cans — for example, if a young person who has a bicycle wants to change the colour of that bicycle the most cost effective and best way of doing that would be to purchase a spray can and do it himself. That is a legal way of using the product and it is how it was intended to be used. The Australian Retailers Association also says that restrictions would ultimately harm retailers and manufacturers and others who have legitimate consumer rights in these issues, similar to the example that I have just given. The association states further that the restriction or sale of certain products would potentially have minimal effect in reducing the incidence of chroming and certainly does not address the underlying desire or willingness of those in the community who abuse substances to do so.

It is interesting that the Australian Retailers Association makes that point. I must stress that these are responses the association has received from its members and it makes the point because certainly there is a public inference that there are better ways of doing this. We have heard today of various preventive measures and early intervention programs that may be an alternative, but nothing works in isolation, and I am quite sure that the motivation of this legislation is to complement existing practices and strategies and not to be seen or interpreted as a means to an end.

The retailers association makes the interesting point that there is a wide range of potentially harmful products for sale in retail outlets. My committee has identified more than 250 such products. They include products from the adhesives group such as modelling glue, Kwikgrip or rubber cement. They contain chemicals such as toluene, ethyl acetate, benzene, n-hexane and xylene, all of which the evidence provided to the committee has shown to be disastrous if they are misused.

Other products are the aerosols — spray paint, hair spray and deodorant — containing such chemicals as butane, toluene and propane. Aerosols are by far the product of choice for whose who are vulnerable and would choose to misuse such a product because of its ease of access, availability and cost effectiveness and the sustained effects that constant use can have on a person who chooses such an activity. Other such products are cleaning agents, solvents, acids, food products and of course nitrates — all easily available, readily stocked on supermarket shelves and at other retail outlets. If a person wants to use these products they certainly will be made available to them.

Overwhelmingly the evidence this committee has received is that spray paints — particularly those with a metallic base, whether it be chrome, silver, gold or another metallic type of compound paint — are undoubtedly the ones that are popular both because they are an attractive colour and because they reputedly have the best effects for intoxication.

It is important to note that some of the hazards associated with the chemicals I have mentioned include suppressed immunologic function, injury to red blood cells, bone marrow injury, impairment of body functions, reproductive system toxicity, sudden sniffing death syndrome, cardiac arrest, internal burns, asphyxiation, and the list goes on. It is dramatic stuff and I am sure all members would acknowledge just how serious this situation is. But the difficulty is that because the research is not comprehensive, because little is known about the seriousness of the issue, because the demographic profiles are not well devised and the sample sets have in most cases been too small to provide realistic evidence, there is little alternative other than to consider this piece of legislation.

My contribution today in no way pre-empts the final recommendations of the Drugs and Crime Prevention Committee. The committee is analysing similar regulatory responses from other governments in Australia and internationally, and we will determine whether this one is an appropriate response. That puts me in a difficult situation, and I fully acknowledge the consequences of that, but I support the opposition's bill for one very good reason: if it can save one life or provide a deterrent to a vulnerable young person who may by reason of his situation choose volatile substance abuse to get a high or to rid himself of concerns about his circumstances or environment, then we have to at least consider it. It may not be the perfect option or the best option, but it certainly has enough validity to warrant consideration to determine whether the response is appropriate.

It is also a model that is being used throughout Australia. I refer to a submission to the committee from the Australian Retailers Association, which is in the process of devising a voluntary industry strategy similar to what exists in New South Wales in response to graffiti. That submission identifies art supply and stationery stores, paint and hardware stores, department stores, discount department stores, shoe shops, service stations and newsagents as retailers that may sell products which could cause harm. The motivation for such a strategy is to alert those retailers to the fact that those products can be misused, to provide them with some training and to educate them in the importance of deterrence so that they will not sell their products to people who may be vulnerable and may misuse them. That strategy was initially established to try to curb the prevalence of graffiti and it is now being extended and developed to deal with solvent abuse.

This idea is not new to Victoria. Early this year in response to some of the propaganda that was being distributed as a result of the mainstream media's attention to this particular issue, Mitre 10 voluntarily instructed staff in its 703 stores across Australia to stop selling potentially harmful products to minors, and Tait Timber and Hardware did the same and it seems to have worked. Our committee has witnessed in action some of the methods that some stores, particularly Bunnings, will go to to lock up those products and make them accessible only to authorised staff members, and those methods have undoubtedly had a beneficial effect.

I will conclude on the following note: when Mitre 10 decided to go down this path, one person who was approached for his opinion was the Premier, who is reported in the *Herald Sun* of Friday, 1 February as saying that there was a chance the government would legislate to ban paint sales to minors.

It is disappointing that this debate has been politicised, but it is encouraging that at least the discussion paper has generated such discussion, awareness and understanding of the facts — not in a misguided capacity — to allow our committee to understand just how difficult this task is.

Hon. D. G. HADDEN (Ballarat) — Quite simply, this bill should not be supported.

The DEPUTY PRESIDENT — Order! The time for debate has expired.

House divided on omission (members in favour vote no):

Ayes, 27

Ashman, Mr
Atkinson, Mr
Best, Mr
Birrell, Mr
Bishop, Mr
Boardman, Mr (*Teller*)
Bowden, Mr
Brideson, Mr
Coote, Mrs
Cover, Mr
Craige, Mr
Davis, Mr D. McL.
Davis, Mr P. R.
Forwood, Mr
Furletti, Mr
Hall, Mr
Hallam, Mr
Katsambanis, Mr
Lucas, Mr
Luckins, Ms
Olexander, Mr
Powell, Mrs (*Teller*)
Rich-Phillips, Mr
Smith, Mr K. M.
Smith, Ms
Stoney, Mr
Strong, Mr

Noes, 12

Broad, Ms
Carbines, Mrs (*Teller*)
Darveniza, Ms
Hadden, Ms
Jennings, Mr
McQuilten, Mr
Madden, Mr
Nguyen, Mr
Romanes, Ms
Smith, Mr R. F.
Theophanous, Mr (*Teller*)
Thomson, Ms

Pairs

Baxter, Mr	Mikakos, Ms
Ross, Dr	Gould, Ms

Amendment negatived.

Motion agreed to.

Read second time.

Hon. N. B. LUCAS (Eumemmerring) — By leave, I move:

That this bill be now read a third time.

Leave refused.

Ordered to be committed on Wednesday, 15 May.

Hon. K. M. Smith — On a point of order, Mr President, I take it that on any third reading that is done, leave has to be given by the other party, so if at any time we refuse leave the government would have to wait also?

The PRESIDENT — Order! That is so.

MEMBERS STATEMENTS

Health volunteer awards

Hon. ANDREW BRIDESON (Waverley) — I would like to congratulate Mrs Keera and Mr Bill Le Lievre of Mount Waverley. In September last year they were awarded the silver national health volunteer award for fundraising and the gold state health volunteer award. These awards were granted by the National Health and Medical Research Council. The Le Lievres started volunteering for Very Special Kids seven years ago by furnishing, decorating and obtaining furniture by donation or at cost price for the now established Very Special Kids hospice in Glenferrie Road, Malvern.

With much enthusiasm, the Le Lievres organised the first fair at the centre, raising more than $35 000 in the first year. In the past six years they have organised subsequent fairs raising more than $400 000.

The Le Lievres also established the Friends of Very Special Kids, which is a fundraising group with over 200 supporters across Victoria.

Initially, Very Special Kids supported 125 families but now supports 600. More than 1000 people have used the facility in the past 12 months. The hospice offers palliative and respite care for children suffering from progressive life-threatening illnesses such as muscular dystrophy, cystic fibrosis, genetic conditions and AIDS-related illnesses as well as cancer.

The couple, now in their 70s, have provided a wonderful role model for all, but in particular for retirees in our community.

Police: Footscray

Hon. S. M. NGUYEN (Melbourne West) — I would like to bring good news to Parliament today. The good news is about how Bracks government policy has worked to recruit more police for Victoria. I also thank the Footscray police for their work in reducing crime by 28 per cent, according to figures released last month.

Armed robberies were down 52.9 per cent, residential burglaries dropped 36.1 per cent, car theft was down 20 per cent, drug trafficking was down 29.1 per cent and possession and use of drugs was down 34 per cent. The figures are for eight months and are compared with the same period one year ago.

According to Inspector De Bruyn from Footscray police station, Footscray police numbers were 70 per cent higher than two years ago. The station now has a plain-clothes division, daily foot patrols in Highpoint and Footscray shopping centres and plans for a bicycle patrol. The new local priority policing partnerships strategy made a big difference.

The extra police and community support have helped a lot of police to do their jobs. For example, the Footscray police have organised mobile police stations — —

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

Local government: public land

Hon. B. N. ATKINSON (Koonung) — I have had correspondence from the Knox City Council and the Monash City Council in my electorate drawing my attention, and no doubt the attention of other honourable members, to the problem of adverse possession of council land. It is an issue that Parliament needs to address and perhaps affects state land as much as municipal land. In the context of the two municipalities — I am pursuing this separately with the minister — it is an issue of concern to local government where land is alienated by private citizens who have to go to considerable legal expense to obtain their legal rights to what is public land.

It is an issue of great concern and I suggest that all honourable members ought to take an interest in

adverse possession and how it affects their local municipalities. Representative local government organisations are no doubt contacting members of Parliament. From my experience in local government I know this has been an issue for many years. It is something that we ought to be tackling. I note it is not part of the legislative reform package of the government as set out in a bill likely to be introduced in the other place, according to the information we have available, but it is something honourable members ought to consider and the Parliament should look at.

Life on the Edge forum

Hon. E. J. POWELL (North Eastern) — I congratulate Soroptimist International of Shepparton for organising and hosting a very successful forum. The Life on the Edge mental health forum and expo was held last Wednesday at the Eastbank Centre in Shepparton to raise awareness of mental illness and its effect on people, their families and the community.

I particularly congratulate soroptimist member Jeanette Berry and her health committee for organising the forum. During the day people could attend workshops and learn about managing stress and how to live independently. Alcoholics Anonymous also held workshops and gave advice and information. The approximately 300 schoolchildren who attended learnt how to deal with depression in young people, which is now more prevalent in country areas. A number of stalls provided information about mental illness, but more importantly about where people with that illness could get help and support.

I was honoured to officially open the evening session of the forum, where expert speakers discussed the importance of managing their mental illness. One in five Australians will experience a mental illness, some only once in their life, but some throughout their lives and the illness is treatable. I thank Soroptimist International of Shepparton for raising awareness about this very important issue in the community.

Steve Moneghetti

Hon. D. G. HADDEN (Ballarat) — I pay tribute to one of Ballarat's local legends — I am not speaking about our esteemed Premier, Steve Bracks — in the area of sport, marathon sportsperson Steve Moneghetti, fondly and respectfully known as Mona. Steve is a fantastic ambassador for sport, particularly in running for the Ballarat district in rural and regional Victoria.

Steve Moneghetti was honoured for his Commonwealth Games achievements by carrying the Queen's baton on Anzac Day, 25 April 2002, at Melbourne, along with Robert de Castella, respectfully known as Deek, another great marathon champion. They both completed a lap at half-time at the Anzac Day Australian Football League game between Collingwood and Essendon at the Melbourne Cricket Ground. The baton contains the Queen's message to be read out at the opening ceremony of the Manchester Commonwealth Games in July 2002.

Ballarat's Steve Moneghetti ran his first marathon in 1986. He has won a complete set of commonwealth medals in the marathon, with a bronze in Edinburgh in 1986, silver in Auckland in 1990 and gold in Victoria, Canada in 1994.

Defying all odds, Steve ran against much younger competitors in the 10 000-metre track event at the Kuala Lumpur Commonwealth Games and won a bronze medal. Mona continues his valuable contribution to sport in his new role as Commonwealth Games teams liaison officer, which will involve him assisting approximately 650 Australian athletes to enjoy their Commonwealth Games experience.

As well as Mona's important Commonwealth Games role, he has also recently been appointed as the marketing public relations person for the — —

The PRESIDENT — Order! Time.

Pakenham bypass

Hon. PHILIP DAVIS (Gippsland) — I wish to make an observation about the neglect by the Treasurer to allocate funds to the Pakenham bypass. It is an absolute disgrace that the honourable member for Narracan in the other place has been running around his electorate saying that the state government was committed to the Pakenham bypass. Is it committed? It is so committed that there are no funds for the Pakenham bypass. Indeed, the only funds for a major road infrastructure project are for the Scoresby freeway, which is an important project.

It is an absolute disgrace that the government with such a rollicking surplus has ignored Gippsland, the electorate of Narracan and its local member. Every municipality in Gippsland regards this as the highest priority infrastructure project for the region, and so do the people of Gippsland.

Honourable members interjecting.

The PRESIDENT — Order! I am interested to hear the honourable member's dissertation, and I suggest other members of the house do not help him.

Hon. PHILIP DAVIS — It is a disgrace that the government has ignored Gippsland once again, and I am sure a price will be paid in the electorate of Narracan, and the honourable member for Narracan will suffer as a result because of that genuine neglect. It is about time the government did as it is claimed by the honourable member for Narracan to have done and showed us the money. Where is the money for the Pakenham bypass?

The PRESIDENT — Order! Time.

Aboriginals: placenames dictionary

Hon. E. C. CARBINES (Geelong) — Last week I had the honour of representing the Premier at the launch of the *Dictionary of Aboriginal Placenames of Victoria* in Geelong. Commissioned by the Victorian Aboriginal Corporation for Languages (VACL) and funded by the Aboriginal and Torres Strait Islander Commission, the dictionary is the result of three years of research by Dr Ian Clark and Mr Toby Heydon.

Comprising over 3300 placenames from 35 Victorian Aboriginal languages, it is a fascinating and extremely useful piece of research and was warmly received by everyone present, including elders and representatives from many of Victoria's Aboriginal communities.

I commend Sandy Atkinson, chair of VACL, for his vision, and Dr Clark and Mr Heydon for their excellent work of importance to this state.

Beveridge: war memorial

Hon. G. R. CRAIGE (Central Highlands) — On Thursday, 25 April, at 4.00 p.m. I attended the unveiling of a memorial at Beveridge. This striking black marble memorial has been erected adjacent to 60 pine trees which were planted in 1944 by young schoolchildren in memory of those who went to the Second World War.

The memorial consists of stand-alone marble blocks identifying each conflict that Australia was involved in, and lists local Beveridge personnel who served. There was only one name on the Vietnam memorial, that of Ned Pannuzo. Ned served in Vietnam from 1967 to 1968 as a private with 1ALSG.

Ned is currently the president of the Whittlesea Returned and Services League (RSL). He is a great person and a great contributor to his community. Ned spoke to another colleague, Sam de Gabrielle, about the Beveridge memorial. Sam also served in Vietnam in 1967 as a warrant officer with 85 transport platoon and 2RAR Anzac platoon. As a member of the Kilmore RSL and former president, his energy and work in the community are well respected.

The ceremony at Beveridge was moving. As a returned serviceman, having served in Vietnam and spent 20 years in the Royal Australian Navy as a medic, I wish to place on record and recognise the role of medical personnel in the navy, army and air force who have served throughout all wars. The memories of those conflicts were slightly different for those people, treating physical and psychological injuries. I say to Sam and Ned, thank you, and to all my medical colleagues, thank you.

The PRESIDENT — Order! Time.

Mineral sands: conference expo

Hon. B. W. BISHOP (North Western) — I congratulate the Sunraysia Mallee Economic Development Board, which put together a first-class 2002 Australian mineral sands conference expo. Over 200 mining industry people attended, with Senator Ian McDonald opening the proceedings. The Minister for Energy and Resources was also a speaker on that day.

The attendance was not only Australian: a number of overseas people gave added thrust to the whole proceedings. A wide range of speakers using all the latest technology in their presentations covered topics from mining, finance and transport — in fact all aspects of the industry.

A segment on the Friday was held separately for local business to come along and be fully informed on what opportunities may be available for their businesses as other projects increase in size and number. This segment was very well attended. Although it was organised for 80, 120 came along. I should add that the leader of the National Party, Peter Ryan, chaired the Friday morning session and was absolutely delighted with the interest generated.

The open area of the Sunraysia Institute of TAFE where the conference was held was filled with first-class displays, mostly local, but also by other participants such as the Chamber of Mines. The networking during the day, and particularly in the evening, was well used by all participants. I again congratulate the Sunraysia Mallee Economic Development Board and its directors, capably led by Graham Martin and ably supported by the chief executive officer, Dr Peter Crawley.

Merchant marine service: federal government policy

Hon. R. F. SMITH (Chelsea) — I rise to condemn the federal government for its inaction in supporting Maritime Union of Australia (MUA) members on the merchant ship CSL *Yarra*, which transports goods around this country. This is union bashing gone mad. The federal government stands back and allows foreign owners to replace Australian seamen with cheap foreign labour. This time it is Ukrainian sailors.

I call upon the conservatives opposite to press their colleagues in Canberra to forget their ideology and hatred of the MUA and recognise that this country needs a strong and flexible merchant marine service. We cannot allow history to repeat itself. The British left us high and dry during previous world wars when they returned their fleets to service their needs in the United Kingdom. I fear that if the federal government does not intervene sooner rather than later we will have no maritime service to service our defence requirements and other matters with regard to this country, given that we are an island trading continent. It is imperative that we maintain a merchant fleet. I fear that if the federal government ignores this issue it will be used as a Trojan Horse to attack other workers. That would be unconscionable. Members opposite must pressure their colleagues in Canberra.

RAIL CORPORATIONS (AMENDMENT) BILL

Second reading

Hon. C. C. BROAD (Minister for Energy and Resources) — I move:

That this bill be now read a second time.

The main purpose of the bill is to make provision for the improvement of the rail access regime in accordance with national competition policy guidelines. This bill makes a number of amendments to the access regime contained in the Rail Corporations Act 1996.

Honourable members may recall that, prior to the privatisation of V/Line Freight and the various passenger rail businesses in 1999, part 2A of the Rail Corporations Act was introduced. Part 2A contains a regime allowing third parties to obtain access to certain tram and train infrastructure that is owned by the state and leased to private operators. The Essential Services Commission administers the rail access regime.

The Victorian government has applied to the National Competition Council to have the Victorian rail access regime certified as an effective access regime for the purposes of the commonwealth Trade Practices Act 1974. The effect of certification will be that the Victorian rail access regime will apply to the exclusion of the general access regime contained in part IIIA of the commonwealth Trade Practices Act 1974. A state access regime can be certified as effective only if it complies with certain principles set out in the competition principles agreement.

The Rail Corporations (Amendment) Bill makes three major amendments to the Victorian rail access regime to address concerns the National Competition Council has expressed about whether the Victorian rail access regime currently complies with the competition principles agreement.

The first amendment strengthens the protection given to the confidentiality of commercial information which an access seeker must disclose to the infrastructure provider.

In December 2001 the National Competition Council published a position paper commenting on the Victorian rail access regime. In that paper the council made the point that, when an access provider also operates a business that competes with access seekers, it faces incentives to favour its own businesses. The council indicated that it generally considers that an effective access regime needs to include provisions that protect confidential access seeker information from misuse for the benefit of the access provider's affiliated businesses. The Victorian rail access regime does not currently include any provisions protecting confidential access seeker information from misuse by an access provider. Clause 5 of the bill will introduce a new division 3 to part 2A of the act to be entitled 'Information provided by access seekers' for the purpose of addressing this issue.

The Essential Services Commission may make a declaration that a particular access provider must comply with division 3. The commission may make such a declaration only if it is satisfied that the access provider is substantially involved in a business in competition with access seekers and that requiring compliance with division 3 would either not cause detriment to the access provider or that the benefit of requiring compliance with division 3 would outweigh any detriment caused.

If such a declaration is made, the access provider concerned must keep certain information provided to it by an access seeker confidential, must not use that

information to obtain a pecuniary or other advantage and must ensure that the information is not disclosed to its employees who are involved in the promotion or marketing of tram and train services which compete with those of the access seeker.

The second amendment will require infrastructure providers to keep certain information available to assist access seekers in formulating their request for access.

Section 38O of the Rail Corporations Act currently requires access providers to prepare and keep certain information. However, the Essential Services Commission can generally only verify that such information is being kept at the time an access dispute arises. In its position paper, the National Competition Council raised concerns about this lack of a process of regulatory verification in the Victorian regime. To address the council's concern, clause 7 of the bill will introduce a new section 38RA to permit the Essential Services Commission to use its current powers under the Essential Services Commission Act 2001 to obtain information for the purposes of the Victorian rail access regime, including to allow the commission to verify that an access provider is complying with its information-keeping obligations under section 38O.

In addition, clause 4 of the bill makes amendments to section 38H of the Rail Corporations Act to clarify that the Essential Services Commission can obtain information from any person who the commission has reason to believe has information that may assist the commission in making an access determination. The amendment also removes the limitation that the commission can only seek information within 20 days of a dispute arising. The amendment also clarifies the powers of the commission to make more than one request for information from any person.

The third amendment deals with the situation where an access seeker also needs access to some other part of the Victorian rail network or to interstate infrastructure in order to provide the freight or passenger service contemplated by its application for access.

On occasion a particular access seeker may need to access both a rail network that is regulated by the Victorian access regime and another rail network that is not regulated by the Victorian access regime. For example, an access seeker wishing to operate a train from certain parts of western Victoria to the port of Portland may need access to rail track leased by Freight Australia, that is subject to the Victorian access regime, and to rail track that is leased by ARTC, that is not subject to the Victorian access regime.

In its December 2001 discussion paper, the National Competition Council considered that an effective access regime should include provisions that allowed issues related to interface between networks to be handled efficiently. The Victorian access regime does not expressly include a provision dealing with this issue. Clause 4 of the bill also introduces a new provision in section 38J to provide that, where an access seeker also requires access to another network, the Essential Services Commission must, where possible, before making an access determination, consult the owner or operator of the other network and any person appointed to act as arbitrator under any access regime applying to the other network.

In addition to the three major amendments, the bill clarifies that a determination by the Essential Services Commission is not an arbitration for the purposes of the Commercial Arbitration Act 1984.

These provisions are important to ensure that the Victorian rail infrastructure regime complies with the competition principles agreement and to facilitate the certification of the Victorian regime under the Trade Practices Act 1974.

I commend the bill to the house.

Debate adjourned for Hon. G. B. ASHMAN (Koonung) on motion of Hon. Bill Forwood.

Debate adjourned until next day.

CRIMES (DNA DATABASE) BILL

Council's amendments and Assembly's amendments

Message from Assembly insisting on disagreeing with some Council amendments and insisting on making further amendments considered.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I move:

That the message be now taken into consideration.

Hon. BILL FORWOOD (Templestowe) — I move as an amendment:

That the words 'now taken into consideration' be omitted with the view of inserting in place thereof 'taken into consideration on Tuesday next'.

This is an important bill for the people of Victoria and its passage is important. The bill will arm our police with the best forensic tools, so it is important that we get it right. DNA is the fingerprinting of the 21st century. The opposition seeks to have the bill debated

not today but on Tuesday next week at this time. We have an agreement that the house will not sit tomorrow or on Friday.

In effect, the opposition seeks to delay the bill by only one day, and it does so because I understand the shadow Attorney-General has written to the Attorney-General and proposed a way through the impasse that currently exists between us in relation to the passage of the bill. The amendment is not designed to do anything other than allow the exchange of letters between the shadow Attorney-General and the Attorney-General, with the intention that the issues between us are resolved in a way that benefits the people of Victoria and, as I said, enables police to operate in the 21st century with this particular facility.

In some senses I am surprised that the message has come on for debate and that consideration of it was not just adjourned, but I am happy to have the opportunity to explain the reason that we seek to not debate it now but when we return next week.

Amendment agreed to.

Amended motion agreed to.

BUSINESS OF THE HOUSE

Adjournment

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I move:

That the Council, at its rising, adjourn until Tuesday, 14 May.

Motion agreed to.

ADJOURNMENT

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I move:

That the house do now adjourn.

Insurance: home warranty

Hon. P. R. HALL (Gippsland) — I wish to raise a matter with the Minister for Consumer Affairs in another place. It concerns home warranty insurance. The matter was brought to my attention by my constituents Paul and Gay Nijenhuis of Traralgon, who are registered builders. The decision by Dexta Corporation to pull out of the home warranty market has caused some great problems to my constituents. Their renewal for re-registration was required by the Building Practitioners Board and was due on 17 April. On 3 March they sent their application for a letter of eligibility along with their personal and financial details to the Master Builders Association of Victoria (MBAV), which acted as the insurance broker, and it was then sent on to Dexta.

Early in April they received from Dexta a letter requesting more information, to which they duly responded. A few days later Dexta announced it was no longer in the home warranty business, but after a discussion with staff at the MBAV my constituents decided to wait for the government's response. As it turned out, Dexta decided to continue providing cover and my constituents understood that that would be indefinitely.

On 2 May they received a phone call from Dexta asking for more explanation to previously answered questions, which they gave. On 3 May they received an email from the MBAV telling them that Dexta's underwriters are still pulling out of home warranty insurance as of 30 June 2002. On 4 May a letter arrived from the Building Practitioners Board with a notice to suspend their registration 60 days from the date of the letter, 29 April 2002, because it had not received a letter of eligibility regarding my constituents' insurance cover.

The problem for Mr and Mrs Nijenhuis is that they have not been able to take on any contract work since 17 April, and after speaking with the Building Practitioners Board they were simply informed that they should obtain insurance or appeal the decision within the 60-day period.

In the email they received from the Master Builders Association of Victoria Mr and Mrs Nijenhuis were informed that alternative insurers are also bogged down with a backlog and that the processing — or indeed the rejecting — of their application could take up to six weeks. So Paul and Gaye Nijenhuis are in real trouble. They have not been able to undertake building contract work with any clients or potential clients since 17 April.

My request to the Minister for Consumer Affairs is that she look into this matter, confer with the MBAV and the Building Practitioners Board about their application for insurance and try and assist Mr and Mrs Nijenhuis in sorting out this serious problem of theirs.

Budget: presentation

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — Through the Minister for Energy and Resources I draw to the attention of the Treasurer in another place an aspect of his recent presentation of the budget papers. The budget he presented yesterday contained

statements about differences in presentation between the budget papers of this year and those of previous years. A number of things have changed in the presentation of the budget papers, including the aggregation of a number of items in this year's budget that in previous years had been spelt out as individual line items relating to individual projects. This year the Treasurer has elected to aggregate those items to reduce the amount of information provided in the budget papers.

When the government came to office in October 1999 it did so on the basis of a charter signed with the Independents. Part of that charter required that in the presentation of any budget the government provide a comparable set of documents when there are changes between budget years. That charter was entered into by the then Leader of the Opposition, Steve Bracks, who is now the Premier and a former Treasurer, and the Independents. That charter includes an undertaking that has not been upheld by the government and has not been enforced by the Independents: I refer to the requirement that parallel reporting be made when there are changes to the budget papers.

I seek from the Treasurer an undertaking that he will provide parallel reporting of budget data, as was the undertaking given by the Premier when he negotiated with the Independents. That is something that is not unreasonable for honourable members of this chamber to expect.

Prince of Wales Showgrounds, Bendigo

Hon. R. A. BEST (North Western) — Through the Minister for Energy and Resources I direct to the attention of the Minister for State and Regional Development in the other place the proposed upgrade for the Prince of Wales Showgrounds to support the holding of the Australian Sheep and Wool Show in July of each year — a significant project for Bendigo.

The Prince of Wales Showgrounds have for some time needed a substantial upgrade, and plans have been presented to the government to facilitate the building of a large pavilion that would enable the Australian Sheep Breeders Association to stage this signal event at the Prince of Wales Showgrounds in Bendigo.

The event is held in July each year which, as most honourable members would be aware, is a month when inclement weather can be part of the Bendigo climate. The event is currently held in tents and marquees, which provide the type of facilities that encourage neither expansion of the event nor, indeed, people to walk from tent to tent or marquee to marquee. We need a substantial pavilion as a fixture to complement this very important show, which brings a lot of tourism and substantial tourist dollars to Bendigo. It is, as I said, a very important event.

Of particular concern to me is the announcement by the government of funding of $100 million for the upgrade of the royal Melbourne showgrounds. I support that funding because it is important that the showgrounds are upgraded. However, a positive way the government could demonstrate its support for the Australian Sheep and Wool Show in Bendigo would be to provide funding for an upgrade of the Prince of Wales Showgrounds.

I urge the minister to consider this request urgently. We are approaching a time when we will need a decision; and a good decision would provide a level of certainty for the show society and the Australian Sheep Breeders Association.

Somerville secondary college

Hon. R. H. BOWDEN (South Eastern) — Through the Minister for Energy and Resources I seek the assistance of the Minister for Education and Training with a matter of growing concern in the communities of Somerville and surrounding areas. Somerville needs a new secondary college. The matter is now attracting a high level of interest throughout the area, including a large degree of community interest. More than 900 students are bussed every day from Somerville and surrounds to different secondary colleges. Several public meetings have been held and the belief that a secondary college for Somerville is necessary — and necessary in the very near future — is widespread.

One of the early disappointments I have had with the budget is the limited amount of time we have had to analyse it, and another is the aggregation of information. I have not been able to confirm whether or not there has been any actual provision or commitment for a secondary college for Somerville.

The community, however, is united on this issue. There is no question in the minds of the significant numbers now living in the Mornington Peninsula and Somerville area that we have not only the students but the community support and interest on this matter.

I ask the Minister for Education and Training to see if it is possible to focus the department's attention and her own attention to this item, which is about equality of suitable resources for a large number of people at a critical stage of their development and for the many families who are affected by the need to bus all those hundreds of children every day out of the area. If the

minister would give focused attention at an early time to the need for provision of a Somerville secondary college that would be a good thing.

Will the Minister for Education and Training take this matter up as a priority item and meet the expectations and aspirations of a significant community on the Mornington Peninsula?

Transport: north-west freight study

Hon. B. W. BISHOP (North Western) — I refer the Minister for Transport in the other place to the north-west transport freight study. On 29 August 2000 I asked a question in the Parliament about when the north-west freight study, which was initiated by the previous government and continued by this government, would be completed. A report released at the time of my question revealed the importance of the mineral sands industry to Victoria. The report stated that the industry would create 450 direct jobs over 30 years with 1100 indirect jobs, providing $13 billion to the industry and 60 million tonnes of mineral sands. The industry says that has now gone up to $20 billion and 100 million tonnes of mineral sands.

The report also recommended road and bridge works as well as infrastructure such as converting the Mildura–Hopetoun rail line to standard gauge, constructing a new standard line gauge from Lascelles to Hopetoun and updating the Mildura–Donald broad gauge rail line to standard gauge. Those recommendations were confusing to many of us because there is no Mildura–Hopetoun rail line, and the document did not talk about dual gauging or other options that were available at the time.

I wrote to the Minister for Transport in April 2000 seeking confirmation of when the north-west freight study would be completed. I was assured the study was also looking at the scope to relocate all or part of the freight facilities from their existing location at Seventh Street in Mildura to a new location, and I welcomed the expansion of the terms of reference. I was further assured that the study was examining the feasibility of standardising the Victorian rail freight network.

In December 2000 I received information from the then acting minister that the north-west freight transport strategy steering committee had recommended that consultation on the freight strategy with the communities affected by such a study should occur when the government had reached its position after discussions with the commonwealth on rail standardisation.

These issues are long gone. Standardisation and upgrading of the Mildura line is under way, even though it will be a late finish which will present some real difficulties for those who have set up their businesses expecting the promises of an earlier finish. Will the minister advise when the north-west freight study will be completed so the important issues it was charged with reporting on can be addressed and moved on before it is too late?

Electricity: government policy

Hon. C. A. FURLETTI (Templestowe) — I refer the Minister for Energy and Resources to the current state of the electricity industry in Victoria, with numerous articles almost on a daily basis indicating the state of uncertainty and of flux that currently exists. One of the most capturing headlines recently was in the *Australian Financial Review* of 12 April titled ‘US energy giant joins $10 billion exodus’, referring to NRG Energy which has indicated it is to quit Australia and its substantial interests in Loy Yang A in Victoria. That is on top of American Electric Power quitting Citipower and United Energy quitting Pulse Energy. So there is a huge degree of uncertainty in the state with all sorts of speculation about what the condition of the retail distribution and generation of electrical energy will be in the immediate future.

Although the minister rapidly seeks to distance herself, the government’s actions in price capping through its decision in January of this year has thrown into the mix the ingredients that created the Californian energy crisis. Of concern to Victorians is the importance of maintaining a broad-based energy market with direct competition to benefit Victorians in terms of prices and reliability of resource.

What is the government doing to ensure that the free market conditions remain, that Victorians will have the best interest, and most importantly, that some state-owned corporation from either New South Wales or Queensland does not enter the Victorian market and take a large slice of Victoria’s electricity generating and retailing infrastructure?

Insurance: premiums

Hon. R. M. HALLAM (Western) — I ask the Minister for Energy and Resources to refer the Treasurer to the current arrangements relating to the fire services levy and the stamp duty on insurance premiums. More particularly, I seek a detailed breakdown of the budgeted revenue for 2002–03 for both the fire services levy imposed on insurers and the stamp duty yield that will apply to that levy in isolation;

what recovery by insurers is anticipated from policy holders over that financial year; what computations and assumptions underpin the differential struck between metropolitan and country and commercial and domestic properties respectively; and how these compare with both the equivalent figures and levels of the current year and national averages.

Public transport: eastern suburbs

Hon. B. N. ATKINSON (Koonung) — My adjournment matter is for the Minister for Transport in another place. I notice in the budget that the government has listened to the vigorous representations from eastern suburbs members in respect of a number of public transport initiatives that we have been campaigning for as a team of Liberal members in that area for some five or six years, particularly the Scoresby freeway. I notice also that as part of that package of transport initiatives the government has decided to commence the extension of the Burwood Highway tramline — a $30.5 million project that will extend that tramline from Burwood East to Vermont South, a distance of some 2.3 kilometres.

This project is not entirely supported by opposition members representing that area. We are not necessarily opposed to the project; it could well be a project that brings benefit to the community there, but we stand to be convinced. We really need to know what efforts the government has gone to to establish the demand for this particular service, that the patronage will be there and that the service will connect with other services in the area. In its budget the government has projected that there will be a $12 million operating cost over four years during the tramline extension, which means it will lose $3 million a year, therefore requiring a subsidy of about $57 692 a week just to keep it running.

The budget papers and press releases associated with the budget represent this as being the first stage of the project out to Knox City. I seek from the minister some indication of when the project is to proceed to Knox City and the basis on which the government has arrived at these statistics and established patronage levels for the service so that we can establish whether this is a good response to the community's public transport needs in this area.

Ministers: answers to questions on notice

Hon. D. McL. DAVIS (East Yarra) — I refer the attention of the Leader of the Government and other ministers in this house, including the Minister for Energy and Resources, to questions on notice. Honourable members will be aware of the government's slowness in answering many questions on notice. I have done an extensive review of questions on notice. Since 2 May 2001 I have put on notice 208 questions, of which only 13 have been answered on time; 195 have been out of time under standing order 71AA that requires questions to be answered within 30 days.

Hon. N. B. Lucas — It's a shame.

Hon. D. McL. DAVIS — You are right, Mr Lucas, it is a shame; and the Minister for Ports is in no different a position from other ministers, because 41 of the 47 questions I have asked her were late, and only 6 were answered on time.

I also draw attention to almost 90 questions that today still remain unanswered, some going back to an early period last year — some to December and October, and even earlier in some cases. It is unsuitable, and the Leader of the Government should take action in this matter. Each and every minister in this house, including the Minister for Ports, who is present now, ought to take some personal responsibility for the slowness with which questions are being answered.

Hon. Bill Forwood interjected.

Hon. D. McL. DAVIS — Exactly! The government claimed it would be transparent, open and accountable, yet when questions are asked of ministers about credit cards for ministerial advisers there is a refusal to answer. The ministers have also refused to answer questions about the names of staff in certain positions. When it comes to a whole series of other questions, whether they be about significant health issues such as legionnaire's disease contracted in public buildings — I have a series of questions relating to that significant public health issue — or other issues, the government has refused to answer them.

That is unsuitable and goes against what the government claimed when it was in opposition. It goes against what the Premier and the Leader of the Government have said on many occasions about the government's apparent commitment to openness, accountability and transparency.

Hon. B. N. Atkinson — It is contempt for the house.

Hon. D. McL. DAVIS — It is contempt for the house and is unsuitable in a whole manner of ways. It is something for which the Leader of the Government is not solely responsible as each minister in this place, including the Minister for Ports, needs to take a measure of responsibility.

I am happy to provide the minister with a reconciliation of questions that have not been answered. I look forward to her response on the matter and to a change in procedures. I flag with the ministers in this house, including the Leader of the Government and the Minister for Ports, that I will certainly take a different tack in future until there is a change in approach.

The PRESIDENT — Order! Time!

Chiltern Box-Ironbark National Park

Hon. ANDREA COOTE (Monash) — The specific matter I raise is for the attention of the Minister for Energy and Resources as the representative in this place of the Minister for Environment and Conservation in the other house. Recently I had great pleasure in visiting the forests of the Chiltern Box-Ironbark National Park with my colleague the honourable member for Benambra in the other place.

We met with a number of local people who use the forests and are passionate about them. I was impressed with how they care for and deal with the forests. I refer to the excellent Parks Victoria publication *Canopy*, which was first published under the authority of the former conservation minister, the Honourable Marie Tehan, and is issued regularly. In the April 2002 issue Mark Stone, the chief executive of Parks Victoria, states:

> The challenge for Parks Victoria in managing conservation reserves is in communicating their significance and value to the community.

He further states:

> Developing partnerships is the key to this work as the future of many reserves is dependent on effective resource utilisation, local management and a common understanding of biodiversity.

I saw some rather disgraceful examples of track management when I was there. I was concerned to see how they impacted on the local users of the forests, and most people would have been concerned about what they would have seen, too. I ask the minister: what relationship has Parks Victoria formed with the Indigo adult riding club?

Ministers: adjournment responses

Hon. ANDREW BRIDESON (Waverley) — I direct an issue to the Minister for Energy and Resources for the attention of the Minister for Transport in the other place. The issue is almost a further development of the theme extolled earlier today during the adjournment debate by the Honourable David Davis. When I went through the records of matters I have raised during the adjournment for the attention of the Minister for Transport, I discovered four outstanding matters. They are all matters I raised last year. In June I requested an update of information about the Smart Bus program, which was an initiative of the Kennett government that was to be implemented by the current government. I now seek a further update, but I would like a current, not backdated, update.

In August I raised an issue about the priority that would be given to the Deer Park bypass project. On 16 October I further requested the government take action under the black spot program to construct as soon as possible a grade-separated intersection where the Princes Highway, Police Road, Springvale Road and Centre Road meet — a very dangerous intersection that is locally known as spaghetti junction.

On 27 November I raised an issue about trams travelling from the Huntingdale railway station to Monash University. I believe the Australian Labor Party made a commitment during the federal election campaign that it would fund that transport link. I again request that information as the question was not answered.

These four outstanding issues prompted me to wonder what processes the government adopts. I seek the indulgence of the Minister for Energy and Resources to explain to the house, in responding to this issue tonight, what procedures she or other government ministers in this chamber adopt in dealing with adjournment items raised and whether there are mechanisms to ensure prompt responses.

Seal Rocks Sea Life Centre

Hon. K. M. SMITH (South Eastern) — The matter I direct to the Minister for Energy and Resources is for the attention of the Premier. I advise the Premier that his open, transparent and accountable government is a farce and a lie, and has never been anything different. His ministers have conspired with the honourable member for Gippsland West in the other place, Susan Davies, with regard to what has occurred at Seal Rocks on Phillip Island. The damage they have caused to the owners of Seal Rocks and its shareholders has been an absolute disgrace. Susan Davies has been in it up to her neck.

People would be aware that there has been an ongoing hearing at a tribunal that has cost the developer — and probably the government — anything up to $20 million to try to allow him to continue doing his work — which is looking after tourists, who have been going to Phillip

Island for a long time. Today I am highlighting the dirty rotten tricks played by the government about the fence that is being built around Ventnor Road that will allow that road to Seal Rocks to stay open.

We know the government will have to pay out a huge amount of money to the developer for his future loss of earnings. Over the next 50 or 60 years that will need to be paid for what he will lose in business from his development at Seal Rocks. Before any of the tribunal hearings commenced the developer offered to erect a penguin-proof fence along Ventnor Road to allow access to his establishment. The government knocked him back. Why? Because it wants to drive him out of the Seal Rocks development and out of business — and the Minister for Energy and Resources who is in the house knows all about it, too — so that the nature park reserve board can come in, get the development free of charge and then run it. They are setting it up.

The tribunal chairman may look at the costs that have been paid to the developer so that people can get access to the development at night, when they can have people in their fine dining room and be able to enjoy probably one of best sites on Phillip Island, but they have denied access to this man over a long time. The court is about to make a decision about this issue, and it will probably reduce the amount of money that will be paid to this particular person on the basis that now he is being allowed access to the Seals Rocks development. It is a disgrace, and the minister can tell the Premier that we are well aware of the rotten, dirty tricks that are being played by the government on Seal Rocks — —

The PRESIDENT — Order! Time!

Pakenham bypass

Hon. N. B. LUCAS (Eumemmerring) — The matter I ask the Minister for Energy and Resources to direct to the attention of the Minister for Transport in the other place concerns the Pakenham bypass.

I am not only concerned but outraged that there is no mention of the Pakenham bypass in the 2002–03 budget. Before the last state election the Minister for Transport went to Pakenham, where he made a lot of statements about the Pakenham bypass and implied that he was saying, 'Yes, if you elect the Labor Party federally you'll get the Pakenham bypass'.

I assume because Mr Howard won the election that the state government is now going to say, 'You are not going to have the Pakenham bypass', because when you look at the budget you see there is no money there — not a cent — for the Pakenham bypass. But we all know that in 1998 the federal government promised $30 million for this development. The money has been sitting on the table. It has been confirmed and reconfirmed by the federal Treasurer that the money is available, yet this wonky government has not taken up that $30 million from the federal government — $30 million which, if matched by this state government, would allow $60 million worth of works to be undertaken in 2002–03.

The situation is that all of this traffic is going along the main highway through Officer. A fellow was killed there the other day. There are accidents all the time at the corner where the pedestrian lights are. We have a bandaid solution — a detection loop for traffic — which is not working. The danger continues daily.

Similarly all the traffic goes along the highway through the township of Pakenham, and Pakenham people do not want all that traffic on the highway. They want a freeway; they deserve a freeway. They were basically promised a freeway by this minister, and yet not a cent has been provided in this budget for the freeway. The people of Pakenham have been left out of all of the state government's considerations.

Basically the Minister for Transport is saying, 'Let them wait'. The state government is saying, 'We have no interest at all in the submissions of Cardinia shire'. There are people in the community there who have petitioned for this. The Shire of Cardinia has put up a great program justifying the need for the freeway, yet the state government has let all of those calls for a logical, reasonable project fall on deaf ears. This is a disgrace. The honourable member for Gippsland West has been part of it, and I blame her for it as well.

I ask the minister to have a rethink, to review the budget and consider the surplus available and to allocate $30 million from the state government which, with the federal government's commitment of $30 million, will allow $60 million worth of work to be undertaken in this coming financial year.

Tertiary education and training: private providers

Hon. C. A. STRONG (Higinbotham) — I raise with the Minister for Energy and Resources an issue to be referred to the Minister for Education and Training in the other place. It deals with the accreditation of private education providers, particularly in the engineering area.

I draw attention to the Association of Professional Engineers, Scientists and Managers of Australia, commonly abbreviated to APESMA, which has for

many years been offering an MBA in technology management. In fact APESMA is one of the biggest suppliers of MBAs in Australia. In July 2001 APESMA applied to expand its offerings to a Master of Business Administration and a graduate certificate of e-business. In late 2001 the higher education division conducted a panel, as it is required to do, and I understand APESMA has been advised that a recommendation from that panel has been given to the minister. APESMA now awaits quite anxiously the formal advice of the accreditation application so it can proceed to offer that subject.

Further, the Australian Road Engineering Education Association, commonly known as AREEA, has in association with the road industry developed two programs, a Master of Engineering (Pavements) and a Master of Technology (Pavements). In October 2001 it applied for accreditation of those two programs and as yet it is still waiting for advice on that.

It is worth saying that both APESMA and AREEA provide their courses through distance education and work out of Victoria. Providing education programs at postgraduate and MBA levels is a major industry for Victoria. My plea to the minister is that she expedite these matters for the status of both the engineering industry and the Victorian education industry and try to get back to these people with what she intends to do with the accreditations. Particularly in the case of APESMA, which has gone through the panel process, it is really only a matter of formality that she write back and advise it of the result.

Electricity: Basslink

Hon. PHILIP DAVIS (Gippsland) — I raise a matter for the attention of the Minister for Energy and Resources. It will perhaps surprise her to know that I am interested in Basslink!

I thank the minister for her prompt response of 21 April to my written request of 4 April and my adjournment question of 16 April inviting the minister to join in an inspection of the proposed Basslink routes alignment. The minister has declined, as she has declined all invitations, to engage in any discussion on the Basslink issue with Gippsland citizens. This shows a remarkable reticence, perhaps even a failure of ministerial responsibility, given the critical role that the Minister for Energy and Resources will play in the government's decisions about Basslink.

Given the minister's reluctance to inspect the route, I have invited — and he has accepted — the shadow minister for natural resources and energy to inspect the Basslink route. Will the minister reconsider her refusal to accommodate Gippsland citizens and attend the inspection of the proposed route for Basslink with the shadow minister and me?

Industrial relations: Latrobe Valley

Hon. BILL FORWOOD (Templestowe) — I raise with the Minister for Energy and Resources a matter to do with industrial relations in the Latrobe Valley. The minister would be aware, as are most Victorians, that currently there are problems with both Hazelwood and Yallourn. What is of real importance is that these issues are resolved so that we can have some confidence in the security of supply.

I am pretty sure that at the moment the reputation for industrial relations down there is as low as it has been in a long time, and it would be good if something could be done to help improve that situation. We in Victoria are in danger of losing electricity if these things continue. We have generators that are losing revenue; contractors who are suffering penalties because they cannot work and employees suffering through lack of pay.

The minister would be well aware that the unions in the valley have always been federally affiliated, so this is not an issue of state powers; this is an issue of will. We on this side of the house believe that in circumstances such as this where there are significant problems of an industrial relations nature in the valley the government should act. There is more than one way that the government could act. The minister herself as Minister for Energy and Resources could facilitate some actions down there seeking to help resolve these issues. She could refer the issue to the new Minister for Industrial Relations, the Honourable John Lenders in the other place, whom I have not heard wandering around saying that he is an honest broker — perhaps he cares about outcomes and may care to intervene as well.

The issue at the end of the day, though, is that if the government has the will it can influence outcomes. It should have the will in relation to the electricity dispute problems in the Latrobe Valley, and it should make sure that all participants understand the importance of resolving this matter. I ask the minister if she could see her way clear to act on behalf of the people of Victoria.

Responses

Hon. C. C. BROAD (Minister for Energy and Resources) — The Honourable Peter Hall raised for the attention of the Minister for Consumer Affairs certain matters concerning his constituents. He requested that

the minister confer with the Master Builders Association and others regarding his constituents' plight, and I will refer that request to the minister.

The Honourable Gordon Rich-Phillips requested that the Treasurer in the other place provide an undertaking in relation to certain presentation and reporting matters relating to information in the budget papers, and I will refer that request to the Treasurer.

The Honourable Ron Best requested that the Minister for State and Regional Development in the other place consider funding of an upgrade at the showgrounds at Bendigo, and I will refer that request to the minister.

The Honourable Ron Bowden requested that the Minister for Education and Training in the other place consider funding a secondary college at Somerville as a priority, and I will refer that request to the minister.

The Honourable Barry Bishop requested that the Minister for Transport in the other place advise him of the timing of completion of the north-west freight study, and I will refer that request to the minister.

The Honourable Carlo Furletti raised certain matters for my attention, and I can indicate to him that the government has ensured through the investigation by the Essential Services Commission into the setting of pricing that the impact of increases in wholesale electricity prices has been fully accounted for. In relation to the matter of changes of ownership which he has raised, I find it somewhat astounding, quite frankly, coming from the party responsible for the privatisation of the state's electricity industry, that he is now seeking to prevent certain changes of ownership in relation to that privatised industry.

The Honourable Roger Hallam requested that the Treasurer provide certain information to him regarding the fire services levy, stamp duties and certain other information, and I will refer that request to the Treasurer.

The Honourable Bruce Atkinson requested that the Minister for Transport in the other place provide him with information concerning timing, patronage studies and other information in relation to the tram line extension to Knox city, and I will refer that request to the minister.

The Honourable David Davis made a request to the Leader of the Government and me in relation to answers to questions on notice, and I will refer his request to the Leader of the Government. In relation to those outstanding answers to questions on notice relating to my portfolios, I will certainly undertake to provide answers to those questions on notice in as timely a fashion as is possible, as always.

The matter of the relationship between Parks Victoria and a certain riding club raised by the Honourable Andrea Coote is a matter for the attention of the Minister for Environment and Conservation in the other place, and I will refer that request to the minister.

The Honourable Andrew Brideson requested the Minister for Transport in the other place to respond to him in relation to a number of matters he has indicated he has outstanding with the minister. I will refer these matters to the attention of the Minister for Transport and urge him to respond as soon as practicable to the Honourable Andrew Brideson.

The Honourable Ken Smith made a number of statements for the attention of the Premier, and I expect that they will receive due consideration by the Premier.

The Honourable Neil Lucas requested the Minister for Transport in the other place to commit funding of $30 million in the coming financial year — —

Hon. N. B. Lucas — That is a minimum.

Hon. C. C. BROAD — The reference was to a minimum of $30 million for the Pakenham bypass, and I will refer that request to the minister.

The Honourable Chris Strong requested the Minister for Education and Training in the other place to respond to him in relation to expediting matters relating to accreditation of private providers, and I will refer that request to the minister.

In response to the Honourable Philip Davis and his reiteration of his invitation to examine the proposed route of the Basslink project, it is my understanding that the panel is now considering its recommendations in relation to these matters. As such, my responsibilities to which he refers are not yet in point; at the point at which my responsibilities in relation to routes do come to the fore, I will certainly be taking any consultations and any responsibilities that I may need to exercise very seriously indeed. However, at this point these are matters for the panel that has been appointed for the purpose, as he well knows.

In response to the Honourable Bill Forwood regarding certain industrial relation issues which he referred to, as he is well aware, I am not the Minister for Industrial Relations. There is no security-of-supply issue which might have been inferred from his raising of that issue. It is my understanding that, fortunately, there were not any adverse consequences arising from the Hazelwood

incident, that Workcover has been involved and that those matters are being addressed. In relation to Yallourn, those are matters that are before the Australian Industrial Relations Commission.

Motion agreed to.

House adjourned 4.53 p.m.

QUESTIONS ON NOTICE

Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Council.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.

Tuesday, 7 May 2002

Transport: incentive structures

2686. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What is the Government doing to introduce 'incentive structures' to Victorian and Melbourne transport users as described in the Infrastructure Planning Council Interim Report.

(b) What 'price signals' is the Government implementing to address the incentive systems in transport in Victoria.

ANSWER:

I refer the Honourable Member to the Premier's media release of Thursday 18th October 2001, "Building on the Bracks Government's Vision for Infrastructure", which can be found on the www.vic.gov.au web site.

Transport: wage increases

2696. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of the $2.409 million increase in wages as described in the 2001–02 Financial Report for the State of Victoria, showing the department's invoices and the staffing classifications impacted.

ANSWER:

The increase expenditure of $2.409 million for salary and salary related expenses during the 2000/2001 financial year primarily related to the impact of two salary increases awarded to public servants.

Transport: Department of Infrastructure — road services

2713. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of road services for which the Department of Infrastructure was responsible in 2001 which were not the responsibility of Vicroads, giving a breakdown of the $808 million spent on road services.

ANSWER:

The road services for which the Department of Infrastructure was responsible in 2001 which were not the responsibility of Vicroads are:

– Docklink Road Extension
– Docklands North South Road

Output Group	Output	$M
Support for Local Government	Grants Funding for Public & other Local Government Services	6.6
Balanced Planning & Environment System	Environment Strategies & Initiatives	1.8
Regional & Rural Transport Infrastructure	Major Regional Road Projects	83.6
	Regional Arterial Road Links	67.5
	Regional Road Network Maintenance	134.5
		285.6
Metropolitan Transport Infrastructure	Major Metropolitan Road Projects	89.1
	Metropolitan Arterial Road Links	110.8
	Metropolitan Road Network Maintenance	136.5
		336.4
Transport Safety and Accessibility	Accessible Transport Initiatives	2.8
	Accident Black spots	32.6
	Traffic & Road Use Management Improvements	25.2
	Vehicle and Driver Regulation	77.7
	Road Safety Initiatives and Regulation	40.3
		178.6
	TOTAL	**809.0**

Industrial relations: Building Industry Consultative Council

2717. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Industrial Relations): Further to the answer to Question No. 2372, given in this House on 20 November 2001:

(a) What was the total funding allocated from the Industrial Relations Victoria budget for the Building Industry Consultative Council (BICC) in 2000-2001 and what is the anticipated allocation for 2001–02.

(b) What is the total payment received by the Chairman of the BICC for work undertaken in relation to the role of Chair of the Consultative Council in 2000-2001 and what is the anticipated allocation for 2001–02.

(c) Do the other members of the BICC receive a fee for service; if so, what is that fee.

ANSWER:

I am informed as follows:

(a) There has not been a budget allocation made for the BICC in either 2000-2001 or in 2001-2002.

(b) In 2000-2001, the Chairman received $1320, including GST. In 2001/2002, the Chairman has received $330, including GST. It is anticipated that he will earn a further $495 including GST during 2001-2002.

(c) No other members of the BICC receive any fee for service payments.

Industrial relations: Building Industry Consultative Committee

2718. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Industrial Relations): Will Mr John Van Camp remain a member of the

Building Industry Consultative Committee despite his recent change in occupation; if not, by who will he be replaced and when.

ANSWER:

I am informed as follows:

Mr Tom Watson, Secretary of the CFMEU/FEDFA has replaced Mr John Van Camp.

State and regional development: Bonlac closure

2725. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for State and Regional Development): Further to the answer to Question No. 1921, given in this House on 16 August 2001:

(a) Has the investigation into the economic opportunities within Corner Inlet been completed; if so, what were the recommendations of the investigation; if not, when will the investigation be completed.

(b) From which funding program did the $19,575 grant come.

ANSWER:

I am informed as follows:

The investigation has been completed. The recommendations related to approaches that the Council could take to attract potential new investment opportunities that have been identified in the report. As details of the recommendations are of a commercial nature, I am unable to provide further information.

The grant was provided through the Regional Economic Development Program.

State and regional development: one-stop shop pilot

2726. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for State and Regional Development): Further to the answer to Question No. 2337, given in this House on 20 November 2001:

(a) What are the locations being considered for the One Stop Shop pilot program.

(b) When will an announcement be made on the pilot locations.

ANSWER:

I am informed as follows:

A short list of appropriate locations for the One Stop Shop pilot program is currently being developed in consultation with all key stakeholders.

It is anticipated that a formal announcement on the locations will be made in the last quarter of the 2001/2002 financial year.

State and regional development: rural community development networks

2727. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for State and Regional Development): Further to the answer to Question No. 1929, given in this House on 16 August 2001:

(a) Have any Rural Community Development Networks been established so far in 2001-2002; if so, where are they located.

(b) What is the role and purpose of the Development Networks.

ANSWER:

I am informed as follows:

Rural Community Development Networks have been established by Rural Community Development Officers who are situated at ten regional locations around the State.

The role and purpose of the networks is to exchange, share and disseminate information related to rural communities.

State and regional development: Living Regions, Living Suburbs program

2729. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for State and Regional Development): In relation to the Living Regions, Living Suburbs program funding in 2000–01:

(a) What project(s) was the City of Ballarat's $100,000 grant, referred to on p 102 of the Department of State and Regional Development Annual Report for 2000–01, allocated to.

(b) What project(s) was The Victorian Country Press Association Ltd's $35,000 grant, referred to on p 103 of the Department of State and Regional Development Annual Report for 2000–01, allocated to.

(c) What project(s) was the Department of Education, Employment and Training's $1,400,000 grant, referred to on p 102 of the Department of State and Regional Development Annual Report for 2000–01, allocated to.

(d) What project(s) was Tourism Victoria's $496,500 grant, referred to on p 103 of the Department of State and Regional Development Annual Report for 2000–01, allocated to.

ANSWER:

I am informed as follows:

The City of Ballarat project referred to on page 102 of the 2000-2001 Annual Report is the Ballarat Televillage.

The $35,000 payment to The Victorian Country Press Association Ltd is to be used towards the cost of funding a study to assess the feasibility of a business model for putting country newspapers online through a single portal.

The $1,400,000 payment to the Department of Education, Employment and Training related to a project to provide schools with IT hardware and software to assist in bridging the digital divide. It contributes to the Connecting Victoria policy commitment to build a learning society and to assist schools to properly resource the IT needs of all their students and local communities.

The $496,500 payment to Tourism Victoria related to the attached projects.

Attachment

– 2000 Mansfield High Country Festival
– 2000 Puffing Billy Centenary
– 2000 90 Mile Beach Country & Folk Festival
– 2001 Echuca Riverboat, Jazz, Wine & Food Festival

– 2001 Ararat Jailhouse Rock & Roll Festival
– 2001 Beechworth Harvest Picnic Festival
– 2001 Mallacoota Festival of the Southern Ocean
– 2001 Mildura Wentworth Arts Festival
– 2001 Rye Beach National Sandsculpting Champs
– 2001 Macedon Opera by the Lake
– 2001 Ballarat Organs of the Goldfields
– 2001 Queenscliff's Carnival of Words
– 2001 Whittlesea Country Music Festival
– 2001 Yackandandah Folk Festival
– 2001 Australian Grand Prix Rally
– 2000 World Jet Spring Championships
– 2001 Southern 80 Waterski Race
– 2001 Albury-Wodonga Festival of Sport
– 2001 Mountain Bay Country Music Festival
– 2001 Wangaratta Festival of Jazz
– 2000 Queenscliff Music Festival
– 2001 Kangaroo Hoppet
– 2001 Ballarat Begonia Festival
– 2001 Regional Victoria Longest Lunches
– 2001 World 125cc, 250cc & 500cc Motorcross Championships
– Bairnsdale All Australian Line Dancing Championships
– Bendigo Easter Fair
– Bright Autumn Festival
– Broadford Motorcross Festival
– Casterton Working Dog Festival
– Celebration of Song and Bendigo Gospel Music Festival
– Central Goldfields South Pacific Veteran Cycling Classic
– Lavandula Regional Autumn Harvest Festival
– Maldon Jazz, Food & Wine Festival
– Mildura International Balloon Fiesta
– Morwell Celebration of Roses
– Mount Beauty Music Muster
– Red Cliff's Folk Festival
– St Arnaud Festival
– Sunraysia Jazz, Food & Wine Festival
– The E.C. Griffith Cup
– 2001 Stawell Gift
– 2001 Grampians Gourmet Weekend
– 2001 Seymour Alternative Farm Expo

– 2001 Yarra Valley Horse Racing Carnival
– 2001 National Celtic Festival
– 2001 Shepparton Arts Festival
– 2001 Skilled International Cycling Series
– 2001 Warrnambool Summer Racing Carnival.

State and regional development: Living Regions, Living Suburbs program

2730. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for State and Regional Development): What is the reason for the discrepancy between the grant of $100,000 to the Pyrenees Shire Council under the Living Regions, Living Suburbs program in 2000–01, referred to on p 103 of the report of the Department of State and Regional Development for 2000–01 and the media release of the Minister for State and Regional Development on 15 December 2000 of an allocation of $200,000.

ANSWER:

I am informed as follows:

The grant amount approved was $200,000 as reflected in the media release. The Annual Report refers to payments made and in this case a first instalment of $100,000 was made in 2000–2001.

State and regional development: Living Regions, Living Suburbs program

2731. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for State and Regional Development): Further to the answer to Question No. 2328, given in this House on 20 November 2001, regarding the Living Regions, Living Suburbs program:

(a) Who are the 8 organisations that have had funding approved, but are not listed in the report of the Department of State and Regional Development for 2000–01, because payment has not been made.

(b) When will payment be made to these organisations.

(c) What project(s) is each of these 8 organisations receiving funding for.

(d) Will the funds be re-allocated under this Program if an approved applicant does not meet the conditions of their legal agreements for funding.

(e) What is the legal agreement entered into to receive payment under this program.

ANSWER:

I am informed as follows:

My response to Question No 2328 referred to individual projects. There are in fact 9 organisations that had funding approved but were not listed in the 2000-2001 Annual Report (note that the Tourism Victoria payment listed in the 2000-01 Annual Report was not for an individual project, and hence was not included as one of the organisations in my earlier response - see my response to Question No 2729).

The 9 organisations and their projects are:
– Vision Australia Foundation – Mirridong Community Facility
– Department of Natural Resources and Environment – Toorongo Falls
– Murrindindi Shire Council – Kinglake District Services Centre
– Phillip Island Nature Park Inc – Phillip Island Nature Park Upgrade

– Walhalla Tourist Railway Committee of Management Inc – Walhalla Goldfields Railway Bridges 2 & 3 Reconstruction
– Campaspe Shire Council – Echuca Central Business District Redevelopment
– Cardinia Shire Council – Cockatoo Village Square
– Mornington Shire Council – Hastings Civic Hub and Anzac Plaza
– Woolum Bellum Koori Open Door Education School – Kurnai College Information Technology Access Centre

Payment will be made to these organisations when the contract conditions have been met by each organisation. If an applicant does not meet the legal agreement conditions, the grant monies committed against that project will be utilised on other projects.

All applicants that receive a grant approval of $50,000 or more are required to enter into a legal agreement that stipulates the terms and conditions relating to that individual project. All applicants that receive a grant approval for an amount less than $50,000 are required to sign a Terms and Conditions document that details the requirements of that particular project.

Environment and conservation: Department of Natural Resources and Environment — budget allocation

2737. THE HON. G. K. RICH-PHILLIPS — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Environment and Conservation): In relation to the Department of Natural Resources and Environment:

(a) What was the total department budget allocation in 1999-2000 and what was the total amount that had not been expended at the end of the financial period 1999-2000.

(b) What was the total department budget allocation in 2000–01 and what was the total amount that had not been expended at the end of the financial period 2000–01.

ANSWER:

I am informed that:

	$'000
(a) The Department of Natural Resources and Environment's 1999-2000 Total Parliamentary Authority Budget Allocation.	827,865
Total amount not expended	61,313

The major reasons contributing to the Department not expending its full budget allocation were:

– Machinery of Government adjustments for budget transferred to another Department.
– Lower than anticipated wildfire suppress activity.
– Delays to the implementation of a number of initiatives due to the length of the State election process and the Government changeover.
– Delays in some capital investment projects due to processes to finalise planning permits and complete environmental impact statements.
– Funding from the commonwealth and other external providers was delayed due to timing issues associated with approval processes.

(b) The Department of Natural Resources and Environment's 2000-2001 Total Parliamentary Authority Budget Allocation	885,955
Total amount not expended	83,245

The major reasons contributing to the Department not expending its full budget allocation were:

- Lower than anticipated wildfire suppress activity.
- Delays in some capital investment projects relating to improved community consultation processes and difficulty in locating a suitable CBD site.
- Funding from the commonwealth and other external providers was delayed due to timing issues associated with approval processes.

The Honourable Minister is also advised that a summary of the Department's compliance with Annual Parliamentary Appropriations was included in the Department's 2001 Annual Report. The appropriate table was provided on page 100.

Small business: committee membership

2747. THE HON. W. I. SMITH — To ask the Honourable the Minister for Small Business:

(a) Who are the members of the following committees: (i) Small Business Advisory Committee; (ii) Infrastructure Planning Council; (iii) Manufacturing Industry Consultative Council; and (iv) Ethnic Enterprise Advisory Council.

(b) How many times have these committees met.

ANSWER:

I am informed as follows:

Small Business Advisory Council Members

Mr Alan Wein (Chair)
Ms Lynda Bertoli
Dr John Breen
Mr Owen Brown
Ms Jeannie Chapman
Mr Alan Giles
Mr John Gilmour
Ms Irene Goonan
Ms Virginia Jackson
Mr John Maroulis
Ms Tracey Matthies
Ms Barbara Murdoch
Mr Peter Nicholls
Ms Jenny Stonier
Ms Joan Sturton-Gill
Mr Walter Vertriest
Ms Jodie Willmer
Mr Doug Wright

The Small Business Advisory Council has met 9 times.

Ethnic Enterprise Advisory Council Members

Hon Kaye Darveniza MP (Chair)
Mr Abdul Ayan
Mr Michael Bula
Ms Anthea Dacy
Mr Alexis Esposto
Mr Joe Fonseka
Ms Eva Hussain
Mr Kai Ping Jin
Mr Henry La Motta
Mr Anthony Le
Mr Albert Lee
Mr John Manos
Dr Henry Pinskier
Mr Ibrahim Sahin
Mr Damian Tang
Ms Maria Tarrant
Ms Helene Teichmann
Ms Norlia Yusof

The Ethnic Enterprise Advisory Council has met twice.

Regarding the Infrastructure Planning Council, the Honourable Member's question falls outside my portfolio responsibilities. The Honourable Member should direct her question to the Premier.

Regarding the Manufacturing Industry Consultative Council, the Honourable Member's question also falls outside my portfolio responsibilities. The Honourable Member should direct her question to the Minister for Manufacturing Industry.

Small business: Young Achievement Australia

2748. THE HON. W. I. SMITH — To ask the Honourable the Minister for Small Business: In relation to the business skills program "Young Achievement Australia":

(a) How many grants have been funded.

(b) How many recipients of the grant have started their own business.

(c) What are the targets for the program.

(d) What are the criteria for assessing the program.

ANSWER:

I am informed as follows:

(a) In 2001, the Victorian Government approved a grant to Young Achievement Australia (YAA), making it the principal Victorian sponsor of the program. This funding was used to sponsor eight new regional programs and two Koori programs.

In 2002, a further grant to YAA has been approved providing support for eight regional and three Koori programs, making it again the principal Victorian sponsor.

(b) YAA does not keep records of the number of participants who might have later started their own business.

(c) The targets are to extend business skills opportunities to as many participants as possible from regional Victoria, in particular disadvantaged youths and indigenous groups.

(d) The assessment criteria adopted by the Government are based on the:

1. number of youths participating in the program;

2. number of regional programs provided through government assistance; and

3. success of Victorian entrants at the national presentation.

Small business: women's resource policy unit

2749. THE HON. W. I. SMITH — To ask the Honourable the Minister for Small Business: In relation to the Women's Resource Policy Unit:

(a) What is the total budget for the unit.

(b) What resources are allocated to the unit.

(c) What are the objectives of the unit.

(d) What criteria will be used to evaluate the programs.

ANSWER:

I am informed as follows:

(a) The Department has not allocated a specific budget for the Unit.

(b) The Department estimates that the work of the unit utilises approximately one full-time equivalent staff per year.

(c) The Women's Resource Policy Unit is a point of coordination located within the Department of Innovation, Industry and Regional Development. The Unit ensures that where issues relating to women arise, integrated analysis and advice is provided to various divisions of the Department and Ministers.

(d) The Unit's success will be judged on its role in facilitating access by women to the Department's range of programs. In this regard, it has undertaken a scoping study to measure the current data on women's participation in DIIRD programs. The findings from this study will inform the development of mechanisms to encourage more women to use the Department's services. The Unit's role was articulated in "Showcasing Women in Small Business", the Government's Strategy for assisting women in small business, launched in March 2002.

Information and communication technology: Victorian E-commerce Early Movers assistance

2750. THE HON. W. I. SMITH — To ask the Honourable the Minister for Information and Communication Technology: In relation to Victorian E-commerce Early Movers Assistance (VEEM):

(a) How many councils are involved in the program.

(b) What is the total expenditure of the program.

(c) How many programs are in regional Victoria.

(d) What measurable benefits have resulted from the programs.

(e) What are the criteria for assessing the program.

ANSWER:

I am informed as follows:

(a) In June 2000, the Government announced that 39 Victorian councils would share funding under the Victorian E-commerce Early Mover Assistance scheme.

(b) The councils share $1.5 million under the scheme.

(c) The 39 councils are represented in 23 distinct projects. These comprise 18 projects undertaken by individual councils and five group projects. 15 projects were undertaken in regional Victoria. On a metropolitan/regional area split, 13 metropolitan city councils and 26 regional shire councils received funding.

(d) VEEM is currently being evaluated to determine measurable benefits from individual projects.

(e) VEEM will be evaluated against the achievement of the Program's goals and objectives, which relate to enhancing the economic development role of local government councils through their development of projects aimed at facilitating the up-take of e-commerce by Victorian businesses.

Information and communication technology: ICT task force

2751. THE HON. W. I. SMITH — To ask the Honourable the Minister for Information and Communication Technology:

(a) Who are the members of the Information, Communities and Technology task force.

(b) What are the objectives of the task force.

ANSWER:

I am informed as follows:

(a) The Information and Communications Technologies Advisory Group (ICTAG) members were Dr Terry Cutler (Chair) – Cutler and Co, Hugh Bradlow – Telstra, Mara Bun – Allen Consulting Group, Ric Clark – Ericsson Asia Pacific Labs, Professor Kerry Cox – University of Ballarat, Virginia Eke – IT Management Consultant, Ian Goddard – Hubbub, John Gwyther – TUSC Computer Systems, Phil Kerrigan – Fujitsu, The Hon Norman Lacy – Information Technology Contract and Recruitment Association, Associate Professor Terry Laidler – CIRCIT (RMIT), Adam Lancman – Infogrames (Asia Pacific), Lex McArthur – Australian Distributed Incubator, Lynley Marshall – ABC New Media and Professor Phillip Steele – IT Faculty Monash University.

(b) (ICTAG) was established to advise the Government on the development of an ICT Industry Plan for Victoria. The plan, *Growing Tomorrow's Industries Today*, was launched by the Minister for State and Regional Development in November 2001.

Information and communication technology: e-commerce information centre

2753. THE HON. W. I. SMITH — To ask the Honourable the Minister for Information and Communication Technology: In relation to the E-Commerce Information Centre:

(a) What is the total budget for the centre.

(b) What resources have been allocated for the centre.

(c) What are the objectives of the centre.

(d) What criteria will be used to evaluate the programs.

ANSWER:

I am informed as follows:

(a) The E-commerce Information centre is part of the Victorian Government's e-commerce strategy – *Victoria's E-commerce Advantage***.** The Government announced in April 2001 that up to $10 million had been allocated to this strategy.

(b) Resources allocated to the E-commerce Information Centre are drawn from those allocated to the Innovation and Policy Output Group in the 2001-02 Budget Estimates.

(c) The E-commerce Information Centre will be a one-stop online gateway to practical and realistic information about doing e-commerce in Victoria, and will be implemented by the Department of Innovation, Industry and Regional Development.

(d) Criteria to be used to evaluate the centre are yet to be finalised but are likely to be consistent with that of similar programs, for example, useability, traffic, user sessions and page views.

Information and communication technology: ICT achievers program

2755. THE HON. W. I. SMITH — To ask the Honourable the Minister for Information and Communication Technology: In relation to the Information and Communication Technology Achievers Program:

(a) What is the total budget for the program.

(b) What resources have been allocated for the program.

(c) What are the objectives of the program.

(d) How many staff have been allocated to the program.

(e) What are the criteria for application to this program.

(f) How many schools are involved in the program.

(g) Which schools are involved in the program.

(h) What criteria will be used to evaluate the programs.

ANSWER:

I am informed as follows:

(a) In December 2001, the Government launched the $500,000 ICT Achievers Program, which is being implemented in conjunction with the Department of Education and Training.

(b) Resources allocated to the program are drawn from those allocated to the Innovation and Policy Output Group in the 2001-02 Budget Estimates.

(c) The ICT Achievers Program is a pilot program that will enhance ICT curriculum in schools with the aim of developing students' ICT skills and enabling them to apply these skills within an industry setting.

(d) Staffing resources allocated to the program are drawn from those allocated to the Innovation and Policy Output Group in the 2001-02 Budget Estimates.

(e) Applications for the ICT Achievers Program were invited from all Victorian Government secondary schools. The closing date was 17 December 2001. To be eligible for funding, schools were required to demonstrate their commitment to completing all aspects of the program, including teacher development, student based enterprise activities, student ICT skill development and project work.

(f) In February 2002, the Government announced the 50 successful Victorian Government schools to pilot the ICT Achievers Program.

(g) The successful schools are listed in Attachment A.

(h) Evaluation of the ICT Achievers Program will take place through surveys of:

- participating students and teachers to ascertain whether the Program has strengthened their commitment to developing and applying ICT skills; and
- mentors to ascertain whether they would wish to continue to support the Program in the future.

ATTACHMENT A

Schools to receive funding through the ICT Achievers Program

Ararat Community College
Bellarine Secondary College
Langwarrin Secondary School
Lorne P-12 College

Box Hill High School
Brauer College
Brighton Secondary School
Brunswick Secondary School
Camperdown College
Cobram Secondary School
Copperfield College
Corryong Secondary School
Croydon Community College
Dandenong High School
Doncaster Secondary School
Dromana Secondary School
Echuca High School
Fawkner Secondary School
Flora Hill College
Footscray City College
Forest Hill College
Glen Eira College
Golden Square Secondary School
Hawkesdale P-12 College
Hawthorn Secondary School
Hillcrest Secondary School
Kyabram Secondary School
Macleod College
Maffra Secondary School
Melbourne High School
Mentone Girls Secondary School
Mitchell Secondary School
Mornington Secondary College
Mount Waverley Secondary School
Niddrie Secondary School
Norlane High School
Norwood Secondary School
Peter Lalor College
Sebastopol Secondary School
Springvale Secondary School
Swifts Creek Secondary School
Sydney Road Community School
The Grange P-12 College
Thornbury Darebin College
Upfield Secondary School
Upper Yarra Secondary School
Upwey High Secondary School
Warrandyte High School
Western Heights College
Western Port Secondary School

Small business: Council of Small Business

2758. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business: How many times have the Council of Small Business representatives met with each Government Minister in 1999, 2000 and 2001, respectively.

ANSWER:

I am informed as follows:

The Small Business Advisory Council met for the first time in 2000; it met three times in that year and five times in 2001. Meetings of the Council are normally attended by me as Minister for Small Business.

Small business: predatory trading practices

2759. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business: What strategies has the Government developed as a safety net to protect small businesses against predatory trading practices.

ANSWER:

I am informed as follows:

Primary legislative responsibility for trade practices rests with the Federal Government and is administered under the *Trade Practices Act*.

However, as the Member is aware, the Victorian Parliament passed the *Fair Trading (Unconscionable Conduct) Act* in 2001. This legislation, which essentially incorporates section 51AC of the Commonwealth's *Trade Practices*

Act 1974, introduces a wider concept of unconscionable conduct, and allows dispute resolution within the Victorian Civil and Administrative Tribunal (VCAT). Additionally, the provisions of the Act apply fully to unincorporated traders, making it open to a wider range of businesses than those covered by the Federal legislation.

Small business: unfair trading practices

2760. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business: What strategies has the Government developed to ensure that small businesses do not suffer from unfair trading practices.

ANSWER:

I am informed as follows:

Primary legislative responsibility for trade practices rests with the Federal Government and is administered under the *Trade Practices Act*.

However, as the Member is aware, the Victorian Parliament passed the *Fair Trading (Unconscionable Conduct) Act* in 2001. This legislation, which essentially incorporates section 51AC of the Commonwealth's *Trade Practices Act* 1974, introduces a wider concept of unconscionable conduct, and allows dispute resolution within the Victorian Civil and Administrative Tribunal (VCAT). Additionally, the provisions of the Act apply fully to unincorporated traders, making it open to a wider range of businesses than those covered by the Federal legislation.

Small business: unfair trading practices

2765. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business: What strategies has the Government developed to ensure that medium size businesses do not suffer from unfair trading practices.

ANSWER:

I am informed as follows:

Primary legislative responsibility for trade practices rests with the Federal Government and is administered under the *Trade Practices Act*.

However, as the Member is aware, the Victorian Parliament passed the *Fair Trading (Unconscionable Conduct) Act* in 2001. This legislation, which essentially incorporates section 51AC of the Commonwealth's *Trade Practices Act* 1974, introduces a wider concept of unconscionable conduct, and allows dispute resolution within the Victorian Civil and Administrative Tribunal (VCAT). Additionally, the provisions of the Act apply fully to unincorporated traders, making it open to a wider range of businesses than those covered by the Federal legislation.

Small business: supply needs of government departments

2766. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business: How has the Government provided more information and better services to small business about the purchasing and supply needs of Government departments and agencies.

ANSWER:

I am informed as follows:

This question falls outside my portfolio responsibilities. The member should direct her question to the Minister for Finance.

Small business: supply needs of government departments

2767. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business:

(a) What percentage of supply needs of the Department of Small Business are met by small and medium size businesses.

(b) What are these supply needs.

ANSWER:

I am informed as follows:

The Department of Innovation, Industry and Regional Development does not seek or attain data on numbers of employees in supplier businesses.

Nevertheless, the Department of Treasury and Finance conducts a seminar called "Winning Government Business" specifically designed to assist small to medium size enterprises in Victoria in accessing the government marketplace.

Education and training: Kingston — schools funding

2808. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Education Services (for the Honourable the Minister for Education): In relation to the City of Kingston:

(a) How much has been spent on schools in each year since 1995.

(b) How many students have graduated from VCE in public schools in each year since 1995.

(c) How many students have failed to complete their VCE in public schools annually since 1995.

(d) What is the average class size in public primary schools in each year since 1995.

(e) What is the average class size in public secondary schools in each year since 1995.

ANSWER:

I am informed as follows:

The information requested is not readily available and the time and resources necessary to obtain and process the information cannot be justified. The Member is invited to submit a more specific question.

Small business: supply needs of government departments

2825. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business: What percentage of supply needs of the Department of Infrastructure are met by small and medium size businesses.

ANSWER:

I am informed as follows:

The Honourable Member's question falls outside my portfolio responsibilities. The Honourable Member should direct her question to the Honourable the Minister for Transport.

Small business: supply needs of government departments

2826. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business: What percentage of supply needs of the Department of Health are met by small and medium size businesses.

ANSWER:

I am informed as follows:

The Honourable Member's question falls outside my portfolio responsibilities. The Honourable Member should direct her question to the Honourable the Minister for Health.

Small business: supply needs of government departments

2840. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business: What percentage of supply needs of the Department of Human Services are met by small and medium size businesses.

ANSWER:

I am informed as follows:

The Honourable Member's question falls outside my portfolio responsibilities. The Honourable Member should direct her question to the Honourable the Minister for Health.

Small business: supply needs of government departments

2841. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business: What percentage of supply needs of the Department of Treasury and Finance are met by small and medium size businesses.

ANSWER:

I am informed as follows:

The Honourable Member's question falls outside my portfolio responsibilities. The Honourable Member should direct her question to the Honourable the Treasurer.

MEMBERS INDEX