PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

18 April 2002

(extract from Book 3)

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By authority of the Victorian Government Printer

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THURSDAY, 18 APRIL 2002

Thursday, 18 April 2002

The PRESIDENT (Hon. B. A. Chamberlain) took the chair at 10.03 a.m. and read the prayer.

JEWISH CARE (VICTORIA) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

CRIMES (DNA DATABASE) BILL

Council's amendments and Assembly's amendments

Returned from Assembly with message agreeing to some amendments, disagreeing with other amendments and seeking concurrence with further Assembly amendments.

Ordered to be considered later this day.

QUESTIONS WITHOUT NOTICE

Youth: suicide prevention

Hon. I. J. COVER (Geelong) — I raise with the Minister for Youth Affairs the difficult issue of youth suicide. Historically youth suicide has always been tackled in a bipartisan manner, and I trust that might continue to be the case.

I refer the minister to the World Health Organisation and the Australian Institute of Suicide Prevention and Research data which reveals that, tragically, Australia has one of the highest rates of youth suicide in the developed world. In Victoria it shows that 15 to 24-year-old suicides have tripled since the 1960s. I ask the minister what measures the government has undertaken to tackle this very serious social issue on behalf of Victoria's youth community.

Hon. M. M. GOULD (Minister for Youth Affairs) — I thank the honourable member for his acknowledgment that this is an all-party issue. It is a matter of concern for the Victorian community at large. I noted the article in the paper recently about the massive increase in youth suicide.

Obviously the Bracks government wants to do all it can to reduce considerably if not stop totally youth suicide in our community. A number of programs in place across a number of departments are specifically designed to help prevent youth suicide. That is most notably so for the Department of Human Services, but it is also the case for several other departments as well.

Within the Office for Youth programs such as Freeza and the youth development programs all play a part in encouraging and supporting the wellbeing of young people in their daily lives. Youth programs are encouraging involvement in schools and organisations like the Country Fire Authority, the Red Cross and Victoria Police, which provide activities for young people outside of school to get them interested in things so they have a will to live and to enjoy life. That is very important.

This government not only looks at the issues and concerns of young people but promotes the positive aspects of young people's lives by encouraging them to participate in programs and events such as last week's National Youth Week, when many young people were able to focus more on what they wanted to do. We are celebrating the achievements of young people and we are working with a number of departments to address the tragic statistics on youth suicide.

Hon. I. J. COVER (Geelong) — I welcome the response of the Minister for Youth Affairs and commend the programs she mentioned. By way of supplementary question I ask: will the government take the opportunity in the forthcoming state budget to further enhance funding available to youth suicide prevention, intervention and postvention programs?

Hon. M. M. GOULD (Minister for Youth Affairs) — As I indicated in my previous response, the main department area of the government that looks specifically at youth suicide is the Department of Human Services, and the ministers who are involved in that department, particularly the Minister for Health, are, like the rest of the government, concerned about it and will take appropriate action.

Commonwealth Games: athlete funding

Hon. E. C. CARBINES (Geelong) — Can the Minister for Sport and Recreation inform the house of the steps the Bracks government has taken to ensure that Victorian athletes have access to world-leading support structures to help them prepare for the upcoming Commonwealth Games in the city of my birth, Manchester?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for her question. I am pleased to inform the house that the government will be providing a $1.5 million funding boost to the Victorian Institute of Sport (VIS). This

funding boost will help athletes maximise their potential in the lead-up to major — —

Hon. E. G. Stoney — On a point of order, Mr President, I believe the minister has pre-empted Parliament. This item was on the 6 o'clock ABC news and the 7 o'clock ABC news and the information is widely available to the public. I do not believe we should waste the time of the Parliament hearing it.

The PRESIDENT — Order! The Chair has been asked to rule on this issue before. What I have said is that certainly if the information is publicly available then it should not be the subject matter of a question. However, if the minister wants to add more to the information and will not repeat what is already in the marketplace but tell us something that is not in the marketplace, then he is entitled to respond.

Hon. J. M. MADDEN — I thank you for that ruling, Mr President. We appreciate that the news is often about 10-second grabs, and no doubt I will speak for longer than 10 seconds on this issue.

This funding will go an extremely long way in providing support to the VIS in the lead-up to major international events, particularly the Manchester Commonwealth Games this year, the 2004 Commonwealth Youth Games in Bendigo, and the 2006 Commonwealth Games here in Melbourne. Honourable members would appreciate that to ensure that you have athletes on the podium four, five or six years out, we need to give them that support now. Unfortunately whilst we have that strategic thinking, sometimes the opposition shows its lack of strategic thinking, particularly in the long term. Now, that was not on the news this morning, was it?

I also reinforce that this funding will go an extremely long way to enable the VIS to retain its coaches and its technical staff and to improve sports medicine, diet and sports science services for the athletes. One of the outcomes of the Sydney Olympic Games is that the world appreciates what an outstanding sporting culture not only this country but this state has. In promoting that focus there is also a great demand not only for our athletes, but for services that come out of the VIS and the coaching staff accordingly. As well as that, it will assist in meeting the ever-increasing cost of travel required for athletes to venture to international competitions.

One of the issues that I am very excited about in terms of this funding is that it will also be used to forge links between the VIS and regional sports academies. In particular, two sports academies have been identified already, the first being the Bendigo Bank Academy of Sport, which of course is in Bendigo. These will be allocated funding in the order of $90 000 to ensure that it continues to thrive and flourish. There will also be funding dedicated to the Edison Mission Energy Gippsland Academy of Sport, which is in Gippsland. Again, $100 000 of this funding will ensure that the VIS is able to market to existing academies and plan for future additional ventures in relation to these sports academies.

This is fantastic news. I especially compliment, and no doubt the opposition would appreciate this as well, the outstanding work of the chief executive officer of the VIS, Frank Pyke, and his board who are incredibly dedicated and continue to support and encourage the VIS. I also compliment the chairman, Steve Moneghetti, for his outstanding contribution. He has worked tirelessly on behalf of the VIS, not only as a participant, board member and ambassador but also as its chairman. This is tremendously good news, and we look forward to seeing Victorians on the podium in international events in years to come.

Youth: suicide prevention

Hon. M. T. LUCKINS (Waverley) — I direct my question to the Minister for Youth Affairs and refer her to the report of the Victorian Suicide Prevention Task Force which was delivered to government in June 1997 and received bipartisan political support in Parliament at that time. Will the minister inform the chamber of the status of this report and its recommendations under this government? Does it continue to represent the Victorian government's central policy on youth suicide, or has it been amended, superseded or replaced?

Hon. M. M. GOULD (Minister for Youth Affairs) — If the honourable member had listened to my response to a previous question she would know that I indicated that the government is concerned about the youth suicide rate and all issues associated with it, but I also indicated that the prime responsibility for youth suicide is with the Minister for Health under the Department of Human Services. Obviously, as the Minister for Youth Affairs I take an interest in this issue and I am concerned about it, but the primary responsibility for youth suicide issues belongs to the Minister for Health and I am happy to refer the honourable member's question to the minister.

Hon. M. T. LUCKINS (Waverley) — I have a supplementary question. I am very relieved, as we all are on this side of the house, that the government is concerned about youth suicide. My question was quite specific. I was referring to the Victorian Youth Suicide

Prevention Task Force report of 1997, and I asked the minister to advise the chamber of specific initiatives. Are there any initiatives for youth suicide specifically auspiced or managed by the Office for Youth, for which the minister is responsible, or does a policy vacuum exist in her office on this very important — crucial — issue for all Victorians?

Hon. M. M. GOULD (Minister for Youth Affairs) — So much for bipartisan support from the opposition; it just went out the door! As I said, the primary responsibility for youth suicide programs and preventive programs falls under the responsibility of the Minister for Health and the Department of Human Services, and those programs and support services come from within the Department of Human Services. I will refer the honourable member's question to the minister.

National Youth Week

Hon. G. D. ROMANES (Melbourne) — Will the Minister for Youth Affairs provide the house with more information regarding the events of National Youth Week?

Hon. M. M. GOULD (Minister for Youth Affairs) — On a happier note, it was National Youth Week last week which, as honourable members will be aware, is a program that is run in conjunction with the commonwealth, state, territory and local governments, and is an initiative that gives young people the opportunity to express their ideas and views and to act on issues that affect their lives — and to have some fun. The Bracks government fully supports National Youth Week, which is obviously in stark contrast to the previous government. All it did was consider young people as a problem. This government knows better and is working hard to support and promote the enormous talents, energy and enthusiasm of young people.

During National Youth Week I was pleased to attend a number of events across metropolitan Melbourne, including the Spanish and Latin Arts Fest and the launch of the history of Muso network. I also attended Young, Diverse and Successful, an event which was coordinated through the City of Hume. About 60 young people attended, many of whom were Muslim women. It was difficult for them to participate and get involved in a program because of their cultural diversity and because of the events in the USA last year. The City of Hume worked very hard with their community leaders to encourage their children to attend and participate in this public event. One young Muslim woman who attended is a great soccer player and she gave hints to other young people. There was a competition and she was able to beat the boys in knocking the soccer ball around. That was what youth week was all about.

Some 250 events took place across Victoria. As I said, these events provide the wider community with the opportunity to listen to young people and to celebrate their many achievements. Some opposition members had indicated that they would be attending a couple of the events I attended. They had sent acceptances to the organisers but unfortunately did not come. They did not even send their apologies. This was disappointing because the young people who organised the events and sent out the invitations had prepared speeches acknowledging the dignitaries who were to attend. It was unfortunate that a couple of opposition members did not rock up. I know a couple of members from this place had indicated their attendance but they did not turn up.

National Youth Week was a great opportunity for adults in particular to listen to and learn from young people. It was an opportunity for young people to get together, have some fun and get some focus. In contrast to the previous government, the Bracks government is there for young people. We have a vision and a plan for their future. We are turning things around compared with what the opposition did for young people when it was in government.

Electricity: wind farms

Hon. P. R. HALL (Gippsland) — My question to the Minister for Energy and Resources concerns planning guidelines for wind farms. Will the minister give an assurance that no new wind farms will be given planning approval until such time as the planning guidelines are finalised?

Hon. C. C. BROAD (Minister for Energy and Resources) — I can indicate to the honourable member that the Bracks government strongly supports the continuing development of wind farms. Victoria has a strong potential for wind farms as a source of renewable energy, which is a strong plank in Victoria's energy policy under the Bracks government. The government recognises that there is scope for improving the application of planning processes, both for local communities as well as potential developers of wind farm proposals. That is the reason we have put in place a process to develop guidelines to assist both local communities and proponents in working through those processes.

We have made it very clear that it is not the government's intention that there should be any delay in dealing with proposals which are currently working

their way through planning processes. There are a number, and they will not be affected by this. The government's desire is to further improve the processes that are in place. However, we do not see any need to delay or defer proposals which are currently under consideration.

Hon. P. R. HALL (Gippsland) — I have a supplementary question. Given the minister's comment that the government sees no need to delay any of those particular projects while those guidelines are being finalised, is she concerned about the number of projects that are being rushed through prior to the completion of the guidelines, and does this not make a mockery of the whole process of developing guidelines?

Hon. C. C. BROAD (Minister for Energy and Resources) — I am not the minister responsible for planning. However, the advice I have received in relation to proposals currently working their way through planning processes is that any description of those proposals being rushed through those processes is laughable. I would suggest the proposals are being subjected to intense scrutiny through those processes and they are not being hurried in any way.

Enviro business leaders forum

Hon. R. F. SMITH (Chelsea) — Will the Minister for Energy and Resources advise the house of the Bracks government's action in supporting the development of sustainable industries in Victoria?

Hon. C. C. BROAD (Minister for Energy and Resources) — I thank the honourable member for his interest in sustainability in Victoria, and it is very appropriate that this question follows the previous question.

Hon. C. A. Furletti — You are not going to talk about wind power, are you?

Hon. C. C. BROAD — I might get around to it.

I had the pleasure last week of presenting the opening address to the Enviro 2002 Business Leaders Forum in Melbourne. I am pleased to say that forum attracted a broad range of not only national but international business representatives, as well as speakers presenting the case for building environmental sustainability into our business practices, operations and corporate thinking.

The Bracks government is continuing to act to build sustainability into everything it does as a state government. At the Enviro 2002 conference I was pleased to outline a range of initiatives aimed at developing Victoria as a centre for sustainability as well as to get feedback about progress that has been made from the business sector. Increasing the development and use of renewable energy sources, including wind power, recycling and effective waste and water management, are key areas that will provide balanced environmental, social as well as economic results for the state.

The Bracks government strongly encourages Victorian manufacturers to build sustainability as a key factor into all their operations, and it was very clear at the Enviro 2002 conference that this way of thinking is rapidly being embraced by the state's business leaders. The Bracks government has already released a strategic audit of the environmental management and renewable energy industries and currently a strategic plan for the sector is being formulated to ensure that we realise those opportunities. To help Victorian business reach world-class standards in sustainable energy use, to reduce costs and to improve productivity, the Victorian government's Sustainable Energy Authority — an election commitment delivered on by the Bracks government — has developed programs targeted at building this capacity within business in these areas.

The Victorian greenhouse strategy which will be released in the near future by the Bracks government will deliver its plan for the future to meet the challenges posed by climate change for government, business and the broader community together. The Bracks government believes the Kyoto protocol is an appropriate vehicle for its climate response and strongly supports its ratification. Recent reports have drawn attention to the potential that non-ratification has to disadvantage the Victorian business sector by locking it out of Kyoto flexibility mechanisms. The Bracks government will continue to urge the federal Liberal government to reconsider its stance on Kyoto in the light of this potential disadvantage to Victorian business.

The Bracks government believes there is substantial potential for Australia to become a major player in renewable energy technologies, not only in this country but throughout South-East Asia. The Premier's business sustainability award will reward companies which, through innovation and sustainable practice, successfully meet the challenges of the 21st century. In short — —

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

Youth: suicide prevention

Hon. A. P. OLEXANDER (Silvan) — I again refer the Minister for Youth Affairs to the Victorian Suicide Prevention Task Force report and draw her attention to recommendation 9.1, which calls for the establishment of a cabinet subcommittee of senior government ministers to oversee implementation of the total suicide strategy and to develop ongoing policy; the appointment of a senior minister with lead responsibility for coordinating action to prevent youth suicide; the appointment of a senior adviser to support the lead minister; and the establishment of a Victorian foundation for prevention of suicide. I ask the minister: has the Bracks government acted upon and implemented this key task force recommendation?

Hon. M. M. GOULD (Minister for Youth Affairs) — As I have indicated in response to previous questions, the government is very concerned about the high rate of youth suicide that is taking place, and the ministers within the Department of Human Services have the lead responsibility to deal with youth suicide. I have had some input into that issue through the Office for Youth, but it falls within the responsibility of the Department of Human Services and the ministers in that area. They are addressing the ongoing increase in youth suicide, and the government is concerned about it. Within my portfolio area we are encouraging and supporting young people to fulfil their lives and we are assisting young people in programs that make them feel good about themselves.

With respect to youth suicide and reports that have been undertaken in previous years, that is the responsibility of ministers under the Department of Human Services.

Hon. A. P. OLEXANDER (Silvan) — I thank the minister for her answer to my question, and I welcome her assurance that the Bracks government is concerned, as we in the opposition are, about this very serious and tragic issue. I ask: will the minister undertake in a spirit of bipartisan goodwill to ensure that this implementation recommendation specifically is acted upon in time for relevant resources to be provided for in the upcoming May state budget?

Hon. M. M. GOULD (Minister for Youth Affairs) — I am happy to refer that on to the responsible ministers within their portfolios. I know the honourable member has not necessarily been part of what happens with the making up of the budget, but I am sure his colleagues will inform him that responsible ministers within their departments go through the appropriate processes. This government is concerned about the youth suicide rates and it has put a number of strategies in place. It is the responsibility of the Department of Human Services and the ministers within that department, and I will refer the honourable member's concerns on to them.

Information and communications technology: regional infrastructure

Hon. JENNY MIKAKOS (Jika Jika) — I refer my question to the Minister for Information and Communication Technology. The growth of competition within the telecommunications market, especially within country Victoria, is being hindered by the inability of regional telcos to construct viable business cases. I ask the minister: what is being done to promote competition within regional telecommunications markets?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — I thank the honourable member for her question. The Bracks government is committed to promoting competition in regional telecommunication markets. We are not negative and carping like the opposition, we are committed to turning things around, to growing the whole of the state and to supporting rural and regional Victoria.

Even though the federal government is responsible for telecommunications, we are committed to doing all we can as a government to encourage competition in regional areas, including new infrastructure, which is vitally important to telecommunications access for country Victorians. The regional telecommunications market is not an easy one. It is pretty tough out there if you try to enter into it, and it is much tougher to sustain competition in regional areas than it is in metropolitan areas. But although it is difficult, there are some success stories out there. A prime example is that of the Bendigo community telco, which is providing vibrant competition to the telecommunications market for businesses within the Bendigo area. The Bracks government is committed to supporting this competition within the regional telecommunications market.

One of the hindrances to getting going as a regional telco is obtaining access to the kind of information needed to mount a business case, such as telecommunications traffic data. There is a lack of information available on regional and rural communications markets and, in particular, the commercial characteristics of regional and rural market segments and on regional and rural communication traffic flows and the demands that drive them. The publication of information regarding regional

communications traffic is generally held within Telstra's hands, and this information is not being made available to those who might want to enter into the market.

There are overseas examples of where this kind of information is making a difference. Information gaps do represent real market failure. For example, the United States of America has a model of public disclosure of traffic flows being used by the Federal Communications Commission. We believe there is an opportunity to use such models and for the Australian Competition and Consumer Commission or the Australian Communications Authority to take a lead role in providing an information brokerage service.

In order to reduce the risk for regional telcos that wish to establish themselves and succeed, they need access to this information. I raised these matters with the federal Minister for Communications and Information Technology, Richard Alston — who is quite sympathetic to the issues raised — to ensure that Telstra provides this kind of necessary information. I will be reiterating this need and requirement in the government's response to the telecommunications service inquiry.

We will also be covering the issues of information that can be provided and transparency in the market in the regional communications infrastructure strategy which I will be releasing shortly. The strategy is the first by a Victorian government up to this time — —

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

Access@schools program

Hon. P. A. KATSAMBANIS (Monash) — My question is also to the Minister for Information and Communication Technology. The minister is aware of the access@schools program she funds to provide Internet access for Victorians in rural and regional areas. The additional costs as a result of the Bracks government's disastrous decision to abandon the statewide contract for Internet access in schools are likely to decimate this access@schools program.

What action has the minister taken to ensure that this program will survive and that Victorians in rural and regional areas will not be denied Internet access due to this government's ineptitude?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — I think this is probably an issue to be raised in relation to the contracts for the Minister for Education Services. However, let me say that when we are talking about the costs that are being imposed by Telstra in relation to the provision of Internet access to schools they are outrageous. Telstra should adhere to a social obligation to provide services at a reasonable cost to the education of our young people, but it has not on this occasion and that is a failure. As I understand it, work is under way to look at alternative provision for schools for Internet access.

Hon. P. A. KATSAMBANIS (Monash) — As a supplementary question, the minister may not be aware of the access@schools program that she launched on 10 April this year, but it is her program. My question was specific: what is she doing to ensure that this particular program survives given these additional costs? It is quite clear that given the additional costs fewer Victorians will be able to utilise the access@schools program for less time due to additional costs. What is the minister doing to ensure that Victorians are not inappropriately denied access to a program she championed just over a week ago?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — As I said before, we believe that the program will be able to continue and that people will continue to have access under the program.

World Masters Games

Hon. D. G. HADDEN (Ballarat) — 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 as to how preparations for the 2002 World Masters Games are proceeding and, more particularly, the number of participants who have entered this great event?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Honourable members in the chamber may recall that I have mentioned the 2002 World Masters Games on a number of occasions. It is a mass-participation event and at this point in time in the order of 27 000 expressions of interest have been received, with 50 per cent coming from 102 countries outside Australia and New Zealand.

The most popular sports have proven to be athletics, with 4600 participants; swimming, with 2830; cycling, with 2459; and basketball, with 2015. I understand that if there are any honourable members in the chamber interested — and I know there are a few who fancy themselves as golfers — that the golf places and opportunities to play at some of the state's best golf courses are quickly running out. So, if there are

honourable members who are a bit interested in exercise and need a bit of a blow out of the system and a bit of a new focus, I suggest that they enrol in the golf event very quickly.

We have received 4000 competitor registrations to date. The games travel office indicates that a total of 1100 people have booked accommodation for the games period through the official travel company. It is expected that the 2002 World Masters Games will attract in the order of somewhere between 16 000 and 20 000 competitors. It is also estimated that the economic impact will be in the order of $32 million.

The games will bring together veterans and masters from all over the world, from ages as low as 25 years to as high as approximately 90 years. The athletes will pay their own way for accommodation, meals and sports participation fees, so if there are any interested honourable members who may wish to refer some of their constituents to participation in the 2002 World Masters Games I would encourage them to do so. They can check out the web site at www.2002worldmasters.org, or contact the games office on 8620 2002.

ANSWERS TO QUESTIONS WITHOUT NOTICE

Youth: suicide prevention

Hon. I. J. COVER (Geelong) — I move:

That the Council take note of the answers given by the Minister for Youth Affairs to questions without notice asked by the Honourables I. J. Cover, M. T. Luckins, A. P. Olexander relating to youth suicides.

As I said by way of introduction to my first question today on this subject, the issue of youth suicide is a difficult one and historically has been tackled in a bipartisan manner. We trust that that can be the approach in the future. Often we debate motions, but I think it is better that here today we have a discussion rather than a debate about such an important and challenging issue.

The reason we on this side of the chamber have sought to ask questions today and put the matter on the agenda and take note of the minister's answers is a direct result of National Youth Week being just last week, which honourable members either attended or were well aware of. We all read and heard coverage of that week.

Among the topics discussed by young people in Victoria and throughout Australia was the issue of youth suicide and, as I say, this is an opportunity to now raise it in this place so that we can go forward in tackling this most challenging issue. National Youth Week brings it to the fore, and I know honourable members on this side of the house would be well aware of a personal experience which has tragically befallen someone close to us in recent times. This again brings the issue to the fore. Everyone would have some personal experience or knowledge of a suicide, particularly the tragic circumstances surrounding youth suicide.

As I mentioned in my question without notice, suicide rates among 15 to 24-year-olds have tripled since the 1960s, which is a tragic thing to contemplate in Australia, particularly in Victoria, given the country we live in and the lifestyles we enjoy. The tragic incidence of suicide is worrying. It was commendable and pleasing to hear the minister in responding to my question go through some of the programs that are run by a number of departments, including programs that promote positive aspects of life for young people headed up by the Freeza program, which has been debated recently in this place. Given that it is a program that promotes those positive messages for young people, this would be an opportune time to once again call on the government to reinstate Freeza funding in full so that the program can continue to do the good work it does with young people and as a direct benefit perhaps play some part in reducing the rate of youth suicide.

Many factors contribute to suicide, particularly youth suicide, such as mental illness, drug and alcohol abuse and a range of social factors which include homelessness, relationship breakdown and other issues. They are the ones that need to be tackled by a number of government departments. The minister pointed out that the Department of Human Services has the main responsibility for this area. The former minister pointed out that it was a laudable approach by the government to take youth services out of the Department of Human Services, but today the issue of youth suicide has been redirected back to the Department of Human Services. I urge the government to look at the suicide task force report, which has many key recommendations, one of which was pointed out by the Honourable Andrew Olexander in his contribution which, I am sure, he will refer to shortly. That recommendation referred to a range of ministers and departments being involved.

I urge the government to take that task force report on board and implement its recommendations. We on this side of the house are prepared to work with the government.

Hon. E. C. CARBINES (Geelong) — I am pleased to speak on behalf of the government about this very serious matter. As a member of this house who has worked with young people for more than 20 years as a state secondary schoolteacher I have had some experience over my teaching career of young people at schools where I have taught who have taken their lives. As all honourable members who have spoken on this issue this morning realise, not only is it a tragic event for everyone — the young people concerned and their families — but it resonates throughout the community and the school that they attended.

It is a major issue that must be confronted. We must be vigilant at all times. We are all concerned about the escalation in the numbers of young people whose lives spiral so far downwards that they have no option but to take their lives. As a parent of two young children I am certainly worried about ensuring that they avail themselves of opportunities and that we care and support them at all times, as all young Victorians should be supported, to ensure that they feel confident about their opportunities and engage in life as they grow up.

Apart from running the Office for Youth, the government takes a whole-of-government approach to youth issues and is keen to ensure that all issues pertaining to youth are addressed. From my experience working with young people as a state secondary schoolteacher for more than 20 years I have come to believe there is no one simple solution to these issues, that the solutions are many and diverse and must be tackled by a whole-of-government approach.

Education is paramount and we must ensure that children stay at school and engage in education, which is a key factor in ensuring that they feel positive about themselves and have a sense of self-worth and options and opportunities later in life as a result of that education. The government has invested more than $2.2 billion into the state education system since its election. Some of that money has been used to employ an additional 3000 teachers and staff and some to employ welfare teachers in each of the secondary schools.

I can attest to the important role that welfare teachers play in a secondary school. They are vital to the functioning of the school and often are the first port of call for young students who have problems at home or problems with health or housing that they need to have addressed. The welfare teacher is often the first person they talk to about their issues.

Geelong has wonderful school-focused youth services, and all local members of Parliament meet with them once a term to discuss issues of concern to young people. I commend the agencies in Geelong that work hard to address young people's issues such as the Barwon Adolescent Task Force, known as Batforce; the Barwon Adolescent Youth Support Agency, known as Baysa, and non-government agencies such as McKillop Family Services.

The government is working hard to improve retention rates in our education system. Earlier this week the Minister for Education Services announced that retention rates are on the increase and that the number of young people in education and training has increased significantly over the past couple of years.

Another serious issue is health. The government is working hard in health and housing to ensure that young people have a roof over their heads. I am pleased to contribute this morning — —

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

Hon. M. T. LUCKINS (Waverley) — This is a serious issue, one in which all of us as individuals and family members on both sides of the house have a great interest. When I was elected in 1996 I was pleased to be involved in preparing the report that was sought by the then Premier, Jeff Kennett, into youth suicide. As a result of consultation throughout Victoria the Youth Suicide Task Force made 86 recommendations about all aspects of youth suicide such as prevention, intervention and post-intervention, and presented a long-term framework and plan for the reduction if not the elimination of youth suicide in our community.

It is a timeless document and results from the task force receiving over 520 written submissions and many views from throughout the community, including stakeholders, and from over 750 people attending 15 public consultations, many of which were held in regional and rural Victoria as well as metropolitan Melbourne.

There are many aspects to this very important issue, and Mr Olexander will talk in detail about one of the recommendations made. The purpose of this document, which is now five years old, was to create a framework for suicide prevention with primary prevention, early intervention, intervention at the time of an attempt, and also post-intervention when a young person has tried to commit suicide, or indeed has succeeded.

There are many things we can do with a whole-of-government approach to ensure that young

people at risk, even in primary school, are identified. Young people with mental disorders and mental illness and those from lower socioeconomic circumstances and dysfunctional families are clearly most at risk. However, youth suicide does not discriminate on the basis of socioeconomic disadvantage, family structure, levels of education, privilege or lack of privilege. This issue affects all of us as a Victorian community and the saying 'It takes a whole village to raise a child' is correct. It also takes a whole-of-government approach to ensure that young people are protected in the future.

I believe the Minister for Youth Affairs should have primary responsibility for youth suicide policy. We saw in 1996, 1997 and then for many years after when this report was brought down with its recommendations, a lead minister to focus government and the community on preventing youth suicide throughout our community.

It is inappropriate for any minister other than the Minister for Youth Affairs to be the main auspicing and responsible minister. The Minister for Health, the ministers for education, community services, rural and regional affairs all have some responsibility. They can make a great contribution to many aspects of policy development and program implementation to ensure that young people feel valued in our community and that we are there to assist them by identifying their problems well in advance of their feeling enveloped by hopelessness where they have to take such tragic and final action, which results in the unfulfilled potential of many thousands of Victorians and Australians, not to mention the pain and hurt inflicted on their families and friends.

The Minister for Youth Affairs should take responsibility to ensure that this issue stays at the forefront of public policy commitment. It is a bipartisan issue that we have to work towards ourselves, but I urge the minister to take responsibility for this issue and ensure that it stays at the forefront of policy-makers' minds in departments and government and most particularly during the upcoming budget, the process for which has probably just about concluded. I would be very disappointed to note in the budget in a couple of weeks that the 1997 report recommendations have been dropped or not implemented or have not been resourced as envisaged at that time.

Hon. R. F. SMITH (Chelsea) — I appreciate the opportunity to speak on this extremely important social issue. I have some rather important comments to make on it. I sincerely hope honourable members opposite are not attempting to politicise this issue — it would be a tragedy for those families who have suffered as a result of their children taking their lives.

It is a little hypocritical of those opposite to criticise us in any way given the amount of funding we have extended to this issue and given the cuts that they extended when in government, particularly to rural services.

Hon. B. C. Boardman — You're politicising it straightaway.

Hon. R. F. SMITH — We can all play the game, Mr Boardman.

Youth suicide is not a gender-specific problem. However, it is a fact that the majority of young people taking their lives are young men. I refer to an article I read in the *Economist* five years ago that referred to a huge problem, particularly in Europe, among young men. It reported that 60 per cent of young men under the age of 24 in Europe had never worked. You can imagine all the social problems that emanate from that. The article also highlighted the fact that these young men no longer worked by the rules of society — they did not recognise or care about them.

All this is, in my view, the direct result of a shift in the emphasis or importance of education to young people. A number of years ago there was a shift in preference and changes in education that pushed very hard the issue of educating young women. I am not for a second objecting to the fact that women are receiving better and broader educations which allows them full and equal opportunity in our society — I can say that because I have two young daughters who are well educated and, as a result, are doing quite well. They are very balanced, confident young women, and I think that is great.

My comments relate to the fact that a number of young men are falling behind because it seems to me and to them that no-one is emphasising their needs or establishing their role in our society. They seem to be a bit lost. I think it is with good cause.

Serious debate is taking place now as to whether or not we have got it right. A number of feminists have said to me, 'Well, you guys have been on top for 2000 years. Bad luck'. What an outrageous position and statement to make! I am talking about balance in our society and I want my daughters to find partners, good young men, and we will all benefit from that.

As I said earlier, the problem we have now, particularly with youth suicide, is that young men have lost their way — they do not know what their roles are. It is extremely important that as legislators and as a government we get it right. We want a fair, equitable

and balanced society, which is a healthy situation to aspire to.

I referred earlier to the situation in Europe where 60 per cent of young men are unemployed. In some parts of America, for example in Detroit, unemployment among young men, particularly young black men, is as high as 70 per cent. Many people talk about the problems faced by single mothers, but the reality is that many young men believe they have no hope and no future and they have limited education, so they are no longer playing by the rules. We all bear that burden. Many people are not born into a nuclear family, but are brought up in single-parent homes — which is a great problem for all of us. That is a small problem that society is suffering from, and sometimes it reflects the education emphasis and preference being given to young women as compared with young men.

I am pleased to say that many young women, particularly young mothers, to whom I talk agree with me. They are concerned about the future of their sons. I know young women politicians who say to me, 'Bob, what is my problem? I am blonde, I have a good figure and I am not a bad looker and I can't get a bloke — —

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

Hon. A. P. OLEXANDER (Silvan) — I welcome the opportunity to comment on the answers given to questions on the very important issue of youth suicide. In particular, it is of concern not just to the government — we welcome the fact that it has put on the record that it is vitally concerned about this issue — but also to the opposition and to our friends and colleagues in the National Party. Indeed, all members of the chamber would express a great deal of interest and concern about the causes and responses to this very serious social problem.

As we know and as has been pointed out, since the 1960s suicide rates among 15 to 24-year-olds have tripled to the point where now 20 per cent of all deaths in that age category are as a result of suicide. It is an incredibly alarming statistic. The World Health Organisation makes it very clear that Australia has the fourth-highest youth suicide rate in the developed world, which is also incredibly alarming. The Australian Institute for Suicide Research and Prevention (AISRAP) data that Mr Cover referred to estimates that Australia has the eighth-highest youth suicide rate in the world. Regardless of who is right it is an incredibly important and difficult social problem and needs to be addressed.

It was of concern to me that when questioned about an excellent task force report and its series of 86 different recommendations, the Minister for Youth Affairs was not prepared to address it specifically. In the view of the opposition that is less than is required of a minister responsible for youth in this state. It would have been much preferred that the minister address some of the specific issues in the report. It is not a simple report; it is extremely comprehensive. Its recommendations include specific early intervention programs. Early intervention involves identifying young people at risk before they come to the point of considering or contemplating suicide. It involves identifying risk factors early on. There is a series of recommendations relating to that issue, none of which the government has addressed.

The task force report has a series of recommendations relating to prevention and intervention. That occurs when the young person has reached the point of contemplating or acting out suicidal behaviour. Those at least 30 recommendations for intervention were not addressed.

The task force strategy contains another important recommendation of postvention, which was accepted on a bipartisan basis in 1997 and was in the early stages of implementation by the Kennett government in 1998–99. Postvention involves assisting families, friends, communities and teachers surrounding a young suicidal person to assist a person who has not been successful with the suicide to recover and rehabilitate. A series of detailed recommendations at that level again have not been addressed.

It is of concern to the opposition that this excellent piece of work conducted in the period of the last government has fallen off the radar screen. The opposition is concerned to place youth suicide back on the agenda in a spirit of bipartisanship because the strategy deserves to be implemented. It is important that the strategy is adopted and that a change of government does not mean a complete change of direction. Issues such as youth suicide and strategies surrounding them should be taken on by successive governments. It is of concern to the opposition that the answers from the minister today indicate a lack of knowledge about and commitment to the strategy. The opposition seeks the minister's assurance that she will acquaint herself with and act as an advocate in government for this very important strategy. Indeed, as the task force envisaged, she should take the lead role on it. That is the objective of the opposition, and what it wishes to achieve.

Motion agreed to.

Electricity: wind farms

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 wind farms.

I am delighted that the Minister for Energy and Resources is in the chamber to listen to the response to the answer to the question. It is a welcome change and I thank her for that.

The unknown or unfamiliar always generates a good deal of anxiety among those who are likely to be affected. Wind farms are relatively new phenomena in Victoria and they fall into the category of the unfamiliar to large sections of our community.

Proposed wind farm developments along the South Gippsland coast are causing a great deal of anxiety within the South Gippsland community. South Gippsland already has one approved wind farm development at Toora. That development was put forward by the Stanwell Corporation Ltd and will consist of 12 towers. The foundations for those towers are currently under construction, but none of the towers has yet been erected.

Of great concern is that, as I am informed, now up to six companies are jostling for alternative wind farm developments along the South Gippsland coast. That is of concern to many of the people I represent in South Gippsland. A group has been established called the Prom Coast Guardians, which is very active on this matter and is expressing community views to government and others about the proposed development of a further series of wind farms along the South Gippsland coast. One of the people involved in the group is Mrs Trixy Allott of Welshpool. She wrote to me expressing her concern — this is typical of the concerns being expressed — about companies trying to get their developments approved before the proposed planning guidelines have been finalised. In a letter to me of 5 April she states:

> The companies are now going hell for leather to get projects up in the most scenic and environmentally sensitive areas before the guidelines are in place.

Local councils along the coast have grappled with planning permits for wind farms and sought some assistance from the government to establish guidelines to assist them in assessing applications for wind farm developments.

On 13 January this year the Victorian government put out a press release announcing that it would establish guidelines for wind farm developments. The press release referred to the Minister for Energy and Resources as having a representative on the panel who is looking into the development of the guidelines.

Why are these guidelines important? The then Minister for Planning, the Honourable John Thwaites, said the guidelines would support councils, developers and communities in having a consistent and informed approach when evaluating wind farm proposals. He said:

> It is vital to balance environmental benefits with potential impacts to local communities, and these guidelines will provide certainty and clarity to the planning system.

I agree entirely with that. It seems appropriate that before further wind farm developments are approved these guidelines should be in place and therefore should be able to be used by local councils and communities to make fair and reasonable assessments about whether planning permits should be granted for particular proposals.

My concern is not with wind farms themselves; I see there is a place for wind-generated power in this state. My concern and that of my constituents is that no formal guidelines have been issued by which the community can assess any particular proposal.

Another important point to mention before my time is up is that in the press release of 13 January the government announced that targeted consultation with councils and key stakeholders will be held in coming weeks to prepare draft guidelines to be considered early this year.

When the Prom Coast Guardians, the community group in South Gippsland, approached the government as to whether it could have input into the development of these planning guidelines it was told no; the group was not targeted as one of the key stakeholders. Bad luck! If you are just a community member you cannot have input into the development of these guidelines. That in itself is a serious deficiency.

I therefore call on the government to act swiftly on this matter to finalise those guidelines. It would certainly be in the better interests of everybody in the long term that no further planning permits be approved until the guidelines are finalised.

Motion agreed to.

QUESTIONS ON NOTICE

Answers

Hon. M. M. GOULD (Minister for Education Services) — I have answers to questions 2735, 2741–2743 and 2746.

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Human Services: service agreements

Hon. R. M. HALLAM (Western) presented report, together with appendices and minutes of evidence.

Laid on table.

Ordered that report and appendices be printed.

Hon. R. M. HALLAM (Western) — I move:

That the Council take note of the report.

This report represents the result of the largest inquiry ever undertaken by the Public Accounts and Estimates Committee. In my view it has been a timely review because community services have been the subject of — and I quote — 'the reform agenda' for the past decade and this has impacted on the arrangements for both the planning and financing of all community health and welfare services delivered to Victorians during that period.

As the provision of human services is an issue that affects the wellbeing of all our constituents, including some of the most vulnerable members of our society, it is absolutely critical that the policy and administrative framework for the funding, purchasing, delivering, management and monitoring of these services is effective and that it works in the best interests of the entire community.

In 2001–02 the Department of Human Services (DHS) has a total budget of almost $8 billion and will purchase $5.8 billion worth of services from public hospitals, metropolitan health services, nursing homes, local government, community health centres, ambulance services and a range of community organisations providing mainly welfare services.

The inquiry raised fundamental questions about the nature of the relationship between the government and the community and welfare organisations, about that which constituted value for money for services provided by those organisations, about the impact of competitive tendering practices on our community and welfare organisations and their clients and the level of government funding provided to those organisations and the type and range of services expected to be delivered by them. The report identified a number of significant issues relating to past and current contracting and funding arrangements by the Department of Human Services for the delivery of those services across the state.

The committee found, amongst other things, that most service agreements are not signed off prior to the start of the financial year to which they relate, resulting in significant uncertainty for the organisations and ultimately their clients. It found that short-term, single-year funding arrangements have a negative impact on the ability of many organisations to hire and retain staff and that this in turn created difficulties for the planning, budgeting and delivery of those services. It found that unit prices for services require a review to ensure they are achieving the desired outcomes. It found that current funding models do not sufficiently accommodate clients with complex or higher needs or changing needs over time. It found that DHS service agreements have focused on measuring client throughput rather than the outcomes of the services provided, and it also found that opportunities for community and welfare organisations and clients to work collaboratively with the Department of Human Services was effectively limited.

The report contains 53 recommendations aimed at improving the relationship between the Department of Human Services on the one hand and the community and welfare organisations on the other, and it identified policy issues in respect of the planning, administration, delivery and funding of services across the state.

Significant recommendations include that the Department of Human Services introduce three-year funding agreements for organisations providing community and welfare services — that is critical. They also include that service agreements are signed off by the Department of Human Services prior to the commencement of the financial year to which they relate so that community organisations can have at least some certainty about the level of funding to be provided.

The recommendations also include that the Department of Human Services introduce a comprehensive service planning process that provides for input from the community and welfare organisations and their clients, that the effectiveness and adequacy of statutory services such as child protection services as well as duty of care issues be reviewed, that criteria be developed for determining where services are delivered in rural and

regional Victoria in particular, that service standards and guidelines for the delivery of services be simplified and made more accessible and actively monitored, and that the Department of Human Services revise its service agreement negotiation process to provide for the genuine exchange of views between the parties directly involved.

The committee believes that the relationship between the department and the service providers could be significantly improved through the development of a partnership statement so there is a strengthened commitment to how community and welfare services are going to be provided in the future.

I want to acknowledge the contribution made by the members of the subcommittee that undertook this complex and lengthy inquiry. I mention members of the other place: the honourable member for Springvale, Mr Holding; the honourable member for Geelong North, Mr Loney; the honourable member for Essendon, Mrs Maddigan; and my colleagues in this place the Honourables David Davis and Gordon Rich-Phillips. I want to particularly mention the honourable member for Oakleigh in the other place, Ms Ann Barker, who chaired the committee. I congratulate her on both the care and the competence she brought to this important role.

I also want to record the committee's appreciation to the principal research officer for this inquiry, Dr Caroline Williams, who provided invaluable support and assistance to the subcommittee.

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

Motion agreed to.

PAPERS

Laid on table by Clerk:

Auditor-General — Report on International students in Victorian universities, April 2002.

Lorne Community Hospital — Report, 2000–01.

Statutory Rules under the following Acts of Parliament:

Building Act 1993 — No. 27/2002.

Gaming Machine Control Act 1991 — Nos 23 to 25/2002.

Magistrates' Court Act 1989 — No. 22/2002.

Sentencing Act 1991 — No. 21/2002.

Subdivision Act 1998 — No. 26/2002.

Subordinate Legislation Act 1994 — Minister's exception certificates under section 8(4) in respect of Statutory Rule Nos 21 and 22/2002.

AUDITOR-GENERAL

Public sector agencies

Hon. E. C. CARBINES (Geelong) — I move:

That the Council take note of the report.

I note on the cover of this document the acknowledgment of 150 years of auditing in the public interest. This report is certainly in the public's interest, and disturbingly so in relation to the two special reviews undertaken which concern two matters of great public interest in Geelong. They are the involvement of the City of Greater Geelong in the sale of Harding Park, and the development of the Geelong Business and Trade Centre, known as the Geelong Embassy.

The two reviews contained in the report expose serious issues concerning matters of administration of the City of Greater Geelong, matters which have placed our municipality at financial risk and which gravely undermine the confidence of ratepayers that our city is being appropriately administered. Indeed the *Geelong Advertiser* quoted this report on its front page on 28 November last year, and published a scathing summary of the city's involvement. It was headlined, 'Misguided … inappropriate … deficient … That's our City' The article went on to catalogue damning breaches of law, protocol, accountability and financial management, as revealed by the Auditor-General's report, including a potential conflict of interest between the chief executive officer (CEO) and a developer.

The sale of Harding Park and the circumstances surrounding the successful tender and subsequently the plans to redevelop the site have provoked much community interest, and may I say outrage, in Geelong, as has the establishment of and ultimate collapse of the Geelong Embassy at Southbank. I have received numerous expressions of concern from my constituents in relation to these two matters. In particular, the disposal and sale of a public asset, Harding Park, and the redevelopment plans.

The dark shadow which hangs over the involvement of the City of Greater Geelong, as revealed by the Auditor-General, remains. Geelong residents have every right to be suspicious of the motives which led the city to do everything it could to facilitate the sale of Harding Park to the Northern Rivers Development Corporation, a company which involves Greg Giles, a

former member of the city's economic development board and friend of the city's CEO, Geoff Whitbread.

On 15 December last year the *Geelong Advertiser* ran a two-page article on pages 20 and 21. It was headed 'Bitter row over a city park'. It states:

> Harding Park has become a millstone around the neck of city hall following the withering findings of Auditor-General …
>
> …
>
> Indeed, Harding Park has come to be synonymous with two other odd concepts — municipal accountability and transparency. Or rather, the lack of them at city hall.
>
> …
>
> From the outset, when the site's public park status was quietly revoked under the Land Miscellaneous and Matters Act [sic] in 1995, the project was on a collision course with a bad public image.
>
> Matters weren't assisted when in May, 1999, the … site was rezoned by former Liberal Planning Minister Ian Maclellan [sic]… using legislation that didn't require public notification.
>
> …
>
> The better part of a year before Harding Park was secretly rezoned, the city was trying to fast-track the NRDC project.

The Auditor-General's report reveals that the city tried to acquire Harding Park and on-sell it to Northern Rivers Development Corporation, and sought legal advice during 1998 as to whether it was obliged to publicly advertise its intention to sell the site to Northern Rivers.

On page 77 of the report the Auditor-General details the extent to which the council sought to avoid the obligation to advertise the site. On page 78 the Auditor-General identifies that the council:

> … wished to explore avenues to minimise the cost of the land to a third party.

On page 79 the Auditor-General details a confidential report made to councillors in June 1998. The report prepared by council officers contained the information that the potential developer — that is, Northern Rivers — should:

> … not have its endeavours penalised through a tendering process.

Further on page 79, the Auditor-General says:

> In my view, such an approach to the disposal of government land was, and remains, inconsistent with accepted practice in the public sector and the government's *Policy and Instructions on the Purchase, Compulsory Acquisition and Sale of Land*.

On page 80 the Auditor-General reveals that in July 1998, a month later, a city officer visited the Northern Rivers company in northern New South Wales to view its operations. He expresses concern that:

> The only documentation to emerge from this visit was a short message from the officer to his immediate manager and the city's chief executive officer regarding the generally high quality of the developer's work and the positive attitude of its financier to the company and the proposed development of the site.

A short message giving thumbs up to Northern Rivers! The Auditor-General says:

> This decision was taken despite the fact that lawyers acting for the city who had commenced inquiries about the company had advised that further inquiries regarding its finances and related issues were warranted.

So the path was being smoothed for Northern Rivers. On page 81 the Auditor-General states:

> The actions of the city in respect of the site during a large part of 1998 indicate that the desirability of adopting open and transparent processes and maximising the return to taxpayers when disposing of public assets were not afforded significant consideration.

On page 82 he reveals that in September 1998 the city decided to pursue the purchase of Harding Park from the former Kennett government. If they were successful, they were then going to call for expressions of interest for development through a tender process. The Auditor-General reveals that the city's preferred option was that this should only be a very short, two-week process. The Auditor-General expresses serious concern about this idea of a two-week tender process, and he says:

> This was an unusually short period and clearly would have favoured the developer which had been dealing with city officers for at least eight months. This developer would have enjoyed a significant competitive advantage over other parties …

Further, the Auditor-General reveals that the city was prepared to set up a subcommittee to evaluate the tenders if it had been successful in securing the land from the Kennett government. The subcommittee would include the chief executive officer and the officer who had been liaising with the Northern Rivers Development Corporation.

In November 1998 the Department of Treasury and Finance (DTF) decided it would not sell the site to the City of Greater Geelong but it would be a sale through a public tender process. When the DTF made that announcement, the city sought involvement in the evaluation of the tenders. So desperate was it to advance the cause of Northern Rivers that it wrote seeking involvement in the tender process and, as the Auditor-General reveals, indicated that it felt a number

of issues should be taken into account in the assessment process, and not just price. Not only that, the city appointed the officer who had been liaising with Northern Rivers over a long period — for most of the year — to be the primary liaison officer for contact regarding the site.

On page 84 the Auditor-General reports that this attempt by the city to influence the tender process after it had commenced could only be regarded as misguided and inappropriate. The report states on page 84:

> This is regrettable and has exposed the city and its officers to suggestions of improper conduct.

History shows that Northern Rivers ultimately won the tender process, although now that it owns the site, Harding Park is as yet development free. The city officer who was involved in liaising with Northern Rivers over a long time has left the city and is now working in South Australia, but the chief executive officer remains. A motion to remove him from his position at the council earlier this year was narrowly lost. It is of interest to Geelong people that his position was secured by the vote of the now Liberal candidate for Geelong, Stretch Kontelj. That will be remembered by the Geelong community.

This report of the Auditor-General contains a damning indictment of the administration of the City of Greater Geelong. It is a scathing revelation of a deliberate and concerted effort to promote the interests — —

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

Hon. I. J. COVER (Geelong) — I also address the motion:

> That the Council take note of the report of the Auditor-General on public sector agencies, November 2001.

I begin my contribution by mentioning the two words the government has enjoyed trotting out almost on a daily basis in this chamber over recent times — carping and whingeing. The government tried to put those words up against us, when we know the greatest exponent of carping and whingeing is the Labor Party. It is the Labor Party that loves to carp and whinge. It pines for the days when it was in opposition. Since 1999 when the Geelong Labor members of Parliament found themselves in government they have been looking around for something to oppose. They have found something to oppose in the form of the City of Greater Geelong Council.

It is interesting to note from the report of the Auditor-General, who looked into two matters involving the City of Greater Geelong — the embassy and Harding Park — that today the Geelong council is very much the creature of the Labor government. The previous council had nine members. There was then a review to see whether the structure of the council should be changed. I think 60 per cent of the people who made submissions to that review opted for no change, yet the government of the day, under the auspices of the Minister for Local Government, sought to ignore that majority view and impose on Geelong a new council structure of 12 councillors, each from their own wards. In doing so it was obviously the Labor Party's plan to take control of the council by having its people elected in the majority.

After changing the council, alas it did not get the Labor numbers up to control the council. This was alas for the Labor Party but not for the people of Geelong. Having failed to get control of the council after making those changes, the door was opened for the Labor members in Geelong then to declare open season on the council and, as I said, to just carp and whinge about various operations of the council and people on the council.

It is no secret that there have been a number of issues surrounding the status of the Geelong Embassy at Southbank and also the Harding Park sale. The council has taken some actions on those issues, including asking the Auditor-General to do a review. No doubt Labor members in Geelong were salivating at the prospect of the tabling of the Auditor-General's report, of which we are taking note this morning, so they could once again raise it in the chamber at the first opportunity and set about attacking the councillors and the council, which is headed up by the most recent mayor, Stretch Kontelj. It is worth noting that his predecessor was a failed Labor candidate for South Barwon. He was the mayor for 12 months at the time the review was being undertaken.

The Labor members in Geelong have sought to attack the mayor, Stretch Kontelj. Since this report was tabled in November, almost on a weekly basis they have attacked the mayor, the chief executive officer (CEO) and the council. I am not here to defend the council, but the way the Labor Party in Geelong and its MPs have been carping and whingeing and talking down the region needs to be pointed out.

I noted that in her contribution to the debate the previous speaker said these issues involving the embassy and Harding Park, and indeed the Auditor-General's report, had gravely undermined the confidence of the people of Geelong. I contend that the only people gravely undermining the confidence of the people of Geelong are the Labor members of

Parliament. As Labor members from a government, one would have expected a much better approach to promoting Geelong and to talking up the region.

It is interesting also to note the previous speaker's reference to the Harding Park aspect of the Auditor-General's report and said that the Auditor-General had made certain discoveries and findings. Not long after her election, the other member for Geelong Province and the honourable member for Geelong in the other place were prominent features in the Geelong media talking about the Harding Park issue and how they were conducting briefings and meetings with the department and the then Minister for Planning in the other place, the Honourable John Thwaites. At one stage Mr Thwaites went to Geelong and said, having met with them and auspiced various briefings, he found there was nothing further to investigate. Subsequently, an investigation was conducted by the Auditor-General at the request of the council.

The council says it has learnt some lessons from the Auditor-General's report. Indeed, at the time of the report being tabled in Parliament both the mayor, Stretch Kontelj, and the chief executive officer, Geoff Whitbread, welcomed the Auditor-General's report into the embassy and Cr Kontelj is reported in the *Geelong Advertiser* of Wednesday, 28 November as saying that:

> … new checks and balances were in place to ensure the situation did not reoccur.

Mr Whitbread acknowledged the Auditor-General's criticisms of the city's internal record keeping and said:

> I accept this outright and we have taken steps to ensure the process is improved through a new document management system.

So both the mayor and the chief executive were responding to the Auditor-General's report, saying that they were putting new systems in place and that they wanted to move forward. Sadly, some of their endeavours to move forward in a positive manner have been restricted, hampered and interfered with by the Labor members in Geelong who in recent times have continued to attack the council and, most particularly, the mayor. In fact, they have been keeping up the attack here over the last couple of days. The issue of the proposed sale of the Geelong Arena has been mentioned in both houses and government members representing Geelong have been accusing the council of being tardy in furthering this proposal, yet as reported in yesterday's *Geelong Advertiser* the Geelong Amateur Basketball Association president said:

> The city has been very cooperative with us in terms of looking at the purchase and we're still confident they will go ahead.

It is interesting that according to the *Geelong Advertiser* it is understood that the city valuer put a $1.1 million price tag on the Geelong Arena building, yet the owner says he expects at least $2 million. It has been valued at $1.1 million and the owner wants $2 million. If the government is putting up $1 million one presumes the council is expected to come up with the other $1 million. What happens if they do that and pay $900 000 over the valuation? The first thing that will happen will be the Labor members in Geelong racing off to the local paper saying, 'Look, they have wasted ratepayers' money by paying too much for this arena, which was valued at $1.1 million'. Should that be the case, no doubt they will call for another Auditor-General's report into this!

The council is obviously working through this issue in a very prudent manner, given that it is understood that there is a valuation of $1.1 million, but at the same time Labor members in both houses have taken the opportunity in the last couple of days to again attack the council and to somehow try to draw Stretch Kontelj into this as well. Clearly, they are most fearful of his candidature as the endorsed Liberal candidate for the seat of Geelong at the next state election.

Whilst the Auditor-General's report was welcomed by the mayor and the CEO, the former marketing chief of the City of Greater Geelong, David Withington, said the report lacks credibility and that the situation was absolutely extraordinary, which was interesting coming from him as a former member of the Cain media unit.

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

Hon. GAVIN JENNINGS (Melbourne) — I am taking the opportunity this morning during debate on motions to take note of reports to discuss the Auditor-General's report on the 30 June 2001 results of audits of public sector agencies, which was tabled in Parliament in November 2001.

I draw the attention of the house to a significant matter which has been discussed broadly in the Victorian community and, indeed, in the Australian and international financial communities, and which is the subject of part 5 of the Auditor-General's report under the heading of 'Special reviews', where he reports on his analysis of the financial exposure of the Victorian public sector to the collapse of the HIH Insurance Group.

I draw attention in particular to the key points and findings of the financial exposure identified by the auditor in his review. He commences his findings with the statement that:

> Prior to being placed into provisional liquidation on 15 March 2001, the HIH Insurance Group … — a major private sector insurance group — provided two broad categories of insurance to individuals and public and private sector organisations, namely:
>
> > general insurances, such as public liability, motor vehicle, professional indemnity and directors' liability; and
> >
> > insurances regulated by certain state and territory legislation, including workers compensation, compulsory third party motor vehicle and builders warranty.

He notes that:

> HIH was placed into provisional liquidation following an internal review of its operations in early March 2001 which indicated that it faced substantial losses for the half year to 31 December 2000 …

He notes also that:

> Subsequently, in August 2001 the New South Wales Supreme Court placed HIH into liquidation.

He then notes that subsequent to that a royal commission was established, and he states in paragraph 5.6 that he decided on the basis of the significant involvement of HIH in the provision of insurance services to Victorian public sector agencies that it was appropriate for him to conduct an assessment of the exposure of the Victorian public sector.

The Auditor-General stated in paragraph 5.7 in his summary of findings that the exposure to the state fell into a number of categories: first of all, the state-regulated insurance schemes, mainly the builders warranty and workers compensation schemes; secondly, the potential for outstanding insurance claims not to be satisfied; and thirdly, the potential for public sector agencies to be shareholders in the HIH portfolio and to incur losses as a consequence. He concludes that on the basis of his analysis of the best available information, the aggregate financial exposures of the Victorian public sector agencies arising from the collapse were estimated to be in the order of $81.7 million at the date of preparation of the report.

The Auditor-General states that the $81.7 million aggregate exposure may subsequently be offset by any return of funds from future recoveries from the HIH liquidator, so the net exposure could be less. He also states that in the interim the funding shortfall will be made up in the following way: firstly, from the building industry through the introduction of higher building permit levies in the order of $16 million; secondly, from employers through future premiums payable under the workers compensation superannuation scheme amounting to $22 million; thirdly, from ratepayers who will fund the insurance premiums payable by councils and regional water authorities, the value of which is estimated to be $4 million; and finally, from taxpayers through revenues obtained by public sector agencies in the order of $40 million. Those are the financing arrangements across the Victorian public sector that will account for the $81.7 million exposure.

The Auditor-General in his report goes on to say:

> Given that the recovery process will undoubtedly be lengthy and complex, a major challenge for the state in its public sector agencies will be the implementation of appropriate strategies to ensure that recoveries from the HIH liquidator are maximised and, therefore, the financial impact of the collapse relating to the public sector is minimised.

The issue I will now go on to is the aspect of the builders warranty insurance scheme, which has not necessarily been a legal liability but perhaps a moral liability that our government has acknowledged. In paragraph 5.14 relating to the builders warranty insurance scheme, the Auditor-General explains the genesis of the government's intervention:

> To protect home owners against building defects and the financial failure of builders, the Victorian Building Act 1993 requires all building practitioners to obtain specified insurance cover for all contracts with a value exceeding $5000.

He goes on to say in paragraph 5.16:

> Given the substantial consumer and business hardship that could have resulted from the HIH collapse, while not legally bound to do so, in May 2001 the Minister for Finance announced a rescue package to assist home owners whose builders warranty insurance cover had been adversely affected by the collapse. The package applies to works commencing before 31 May 2001, for which a building permit was issued before 30 April 2001, and is aimed at those individuals —

and he lists a number of categories of individuals who are covered by the scheme: firstly, those who have previously made a claim against an HIH policy for a house defect which had not been repaired; secondly, those who are entitled to lodge a claim if a defect becomes evident within the 6.5-year period allowed for claims under the insurance policy; and thirdly, those whose home construction was commenced on the basis of a building permit that was backed by an HIH insurance policy, but where work had not yet been completed.

Following the creation of the kernel of the idea of the government introducing a scheme to cover those contingencies the Department of Treasury and Finance commissioned an independent actuarial assessment to determine the likely costs to the state of assuming those compensation obligations on behalf of HIH. That independent actuarial assessment was completed in May 2001.

The result of that examination is reported in paragraph 5.19. After taking into account the estimated administrative expenses associated with managing builders warranty insurance schemes but excluding potential recoveries from the liquidator, the cost of assuming the builders warranty insurance compensation obligations of HIH was expected by the actuary to total around $35.2 million, representing an estimated present value of $31.2 million. The auditor then identifies that the government responded to that actuarial assessment with a moral rather than legal obligation to introduce such a scheme. The Bracks government introduced the House Contracts Guarantee (HIH) Bill into the Parliament in June 2001.

That scheme was established to cover those cases of compensation as has been outlined in the auditor's report. In fact, the scheme had a budgetary allocation made to it of $35 million, in accordance with the actuarial assessment of the exposure of the scheme.

As members of this chamber would be aware, the final implementation of that scheme has been delayed pending some court proceedings and the consideration of this chamber. I would not anticipate future deliberations in the chamber on this matter but I urge all parties to deal with the matter in as speedy a fashion as possible to facilitate implementation of the scheme for individual home owners needing to be compensated for the effects that may have jeopardised not only the completion of their building but their future wellbeing and successful move into their new home. All honourable members will, of course, recognise the home as the most significant investment made by Victorian families. That underlies the reason why the government has intervened to support the compensation package. I look forward to it being satisfactorily resolved within the Parliament and, in due course, in the courts.

Motion agreed to.

NOTICE OF MOTION

Withdrawal

Hon. I. J. COVER (Geelong) — I move:

That notice of motion 2 standing in my name be withdrawn from the notice paper.

Motion agreed to.

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget estimates 2001–02

Hon. D. McL. DAVIS (East Yarra) — I move:

That the Council take note of the report.

In doing so I state that the opposition very strongly believes in the Public Accounts and Estimates Committee and budgetary estimates processes as key parts of the process of scrutiny by the community and the Parliament of the activities of the executive. We believe that the transparency and openness that is part of that process are an absolutely integral part of ensuring the right sort of accountability.

The opposition strongly believes, however, that a number of aspects of the process are a cause for concern. I have comments to make about the budget papers in relation to this report and to the transcripts of proceedings of the Public Accounts and Estimates Committee. The committee as a whole in bipartisan fashion took an important step this year to highlight the key recommendations relating to performance information in the budget and we drew out that information, again in a bipartisan way, to the front of the report. A series of recommendations were made about the right sort of transparency and the right format for performance information.

I wish to direct most of my attention to the need for that performance information to be open and accountable and in a format that can be assessed and compared budget to budget and with the government's performance on the ground in the community and in particular sectors. One of the issues that came up again and again through the estimates process was consistency from year to year, with parallel reporting not occurring where output measures have been changed and new output measures have been brought into play. Of course there is a role for changes in output measures from time to time. Budgetary priorities change, community expectations change and policies change, as they ought, from time to time.

It is important to place on the public record that the government in its charter with the Independents made a very clear and unequivocal promise to present parallel information in a format that would enable the community to assess those sorts of changes. I note in the transcript of the Public Accounts and Estimates Committee meeting on some of those matters my colleague the Honourable Gordon Rich-Phillips drew attention to the promise in the charter by the Bracks government that it would ensure that budget information was consistent with previous formats to allow for full and transparent comparison by including parallel information in both formats where a format change is deemed desirable.

I do not believe the transcript shows that in that proceeding the Premier provided a satisfactory explanation of why the budget papers do not present parallel reporting where output measures have been changed — and there have been many changes in output measures.

Another point that concerns me greatly is the lack of tying of output measures. That came out again in the processes the committee went through in putting together its annual reports. There is a lack of tying of output measures to actual community outcomes in particular sectors, industries or areas of government activity.

For example, I turn to the area the Leader of the Government in a previous capacity is familiar with, that of industrial relations. At page 302 of budget paper 3 there is very little evidence in any of the output measures that ties the performance of that section of government, Industrial Relations Victoria, back to actual outcomes in terms of the objectives of that output group. Most of the output measures relate to ministerial satisfaction with the timeliness of reports and so on but not so much to issues surrounding the actual performance of that section of the government in delivering results for the Victorian community.

During the budgetary estimates process a significant exchange took place that formed part of the information on which the committee based its report that dealt with aquaculture. It is interesting to see, for example, the failure of the responsible minister to explain the ditching of aquaculture measures and outputs in the fishing area and the reinsertion of new output measures that did not relate to the performance of the industry itself. The argument was that the performance of the industry was not what was being attempted to be measured. It seems to me, many in the opposition and many in the community that these two measures should be undertaken to measure the performance of a section of a government department in facilitating development in an industry. The best way to measure the final outcome for the community is in the actual output terms of that industry, not paper shuffling by bureaucrats or the bureaucratic pen pushing that is involved in determining whether reports are produced in time.

We saw this in another area with the Minister for Tourism. There was significant debate about whether the most appropriate measure was the number of airline seats available for people flying into Victoria, the capacity, or whether a better measure of performance of the state tourism bureaucracy was the number of passengers flying in. The minister could not understand the distinction. Certainly the people who book hotel rooms, the hoteliers and the restaurateurs in Victoria understand that a large number of empty seats on aircraft flying in and few tourists is not a good measure of an outcome for that industry. A much better measure of the outcome of the industry is to ensure that there are sufficient passengers flying in on those seats. It is important that the output measures are accurate and consistent from year to year and measure industry outcomes.

I was disappointed with the Premier's response on the estimates in that he did not understand the importance of proper parallel reporting to ensure that where measures are changed there is consistency from year to year. I gained the impression that in a wilful way — Mr Theophanous and Mr Rich-Phillips would also have witnessed it — the Premier was trying to fudge his way through the matter.

Hon. T. C. Theophanous — You should speak for yourself.

Hon. D. McL. DAVIS — I would be interested in Mr Theophanous's contribution about the Premier's exchange on the estimates on that point. The government made a number of promises in its period in opposition, but what has not been met is appropriate transparency and accountability.

Another example is appropriate breakdown in funding in output groups. The example that was drawn out in the budgetary process by the honourable member for Brighton in another place related to the acute health services section of the Department of Human Services budget. There was lengthy discussion about this point. In this case the Minister for Health did not fully comprehend the significance of some of the figures provided in the budget and the importance of being able in a transparent and accountable way to assess the budget's performance.

In previous budgets a breakdown in each of the output groups has been provided, whether in regard to employee-related expenses, supplies and so forth, but that has been removed from the budget this year, a concerning development which means that the budget is less accountable and harder to assess. It means that individual output groups are harder to examine in detail and harder to make appropriate analysis of. The reduction in transparency in the budget is a concerning development, one that the house should resist.

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

Hon. T. C. THEOPHANOUS (Jika Jika) — I begin my contribution by congratulating the Public Accounts and Estimates Committee, particularly the staff that were associated with the preparation of the report. By any measure this is a substantial report of more than 500 pages of reporting on budget estimates. We should be proud of the people who have worked on the report within the committee system. It is an example of how the committee system is informing the Parliament.

I begin by taking exception to some of the comments made by the Honourable David Davis because the report itself talks about the increase in the amount of information that is now provided to members of Parliament as a result of actions which have been undertaken by the government. The budget overview at page 17 of the report states:

> The scope of the budget sector as presented in the 2001–02 budget papers has been expanded to include all general government sector agencies. Accordingly, the estimated financial statements now include the projected financial results of some agencies that were previously classified as belonging to the non-budget sector, including:
>
> Parks Victoria;
>
> the Country Fire Authority and the Metropolitan Fire and Emergency Services Board;
>
> catchment management authorities; and
>
> a range of occupational registration boards.

These are actions taken by the present government to bring into the budget reporting processes organisations which previously under the former government had not been part of the reporting process. It is not surprising that the report goes on to say:

> This shift to a general government sector basis brings the Victorian budget statements into closer alignment with those of the commonwealth and most other states and territories. It also means that the budgeted financial statements will better align with the *Annual Financial Report for the State of Victoria* and have a similar format.

One only has to read the actual report to understand that the Honourable David Davis is simply trying to make political capital when the committee found an expansion in the amount of recording of the financial status of the budget and not a contraction, as has been suggested by Mr Davis.

The committee report also stated:

> The committee notes that the net equity of the state is estimated to grow over 2001–02 by around $2.5 billion (around 16 per cent). The budget papers disclose that assets with an aggregate value of $41.4 billion will be under the control of the government as at 30 June 2002, representing an increase of around $3.2 billion over the previous year's revised total of $38.2 billion.

The report shows that the government has increased the assets of the state, indeed the assets for future generations of Victorians, by good and appropriate management of the state's finances.

I will comment on the overall emphasis of the report. At page 51 of the report under the section headed 'Key recommendations relating to performance information' it states:

> The committee believes accountability for performance to be a key element of the corporate governance framework and has made a number of recommendations in this report to emphasise that there is considerable scope for improvement in the information contained in key accountability documents provided by departments and agencies to the Parliament.

This is nothing new. The question of having appropriate performance indicators has been something that has been pursued vigorously by this government — —

Hon. D. McL. Davis interjected.

Hon. T. C. THEOPHANOUS — I am happy to recognise that the opposition supports appropriate accountability performance indicators, although I must say that some of the performance indicators that were present under the previous government left a lot to be desired. It is all very well to support this kind of thing in opposition, but the real test of moral fibre in these instances is whether you are prepared to do it in government. Unfortunately the record of the Liberal Party is that when it is in government accountability runs a very poor last in the thinking of the executive, whereas so far as this government is concerned it is a very important part of what we are attempting to achieve.

Recommendation 2.1, which is the first major recommendation in this area, is that:

> The Auditor-General take immediate steps to audit key performance indicators of departments to ensure their appropriateness to outcomes.

Further in the report recommendation 4.7 states:

> The Auditor-General and officers of the Department of Treasury and Finance appear before the Public Accounts and Estimates Committee to report on the appropriateness and application of key performance indicators across the Victorian public sector.

The committee, which after all has a majority of government members on it, has made recommendations about strengthening accountability and performance indicators. But it has been put in the context that the government has achieved already a great deal in enhancing accountability and performance measures. When members of Parliament look at these sorts of reports they are able to identify performance measures that make sense, that really do measure performance, and not measures that simply might measure inputs or might not adequately measure actual outcomes and performance of departments. We are keen to do that, but we are keen to do it for another reason, not just because of the accountability issues for members of Parliament that are involved.

This is good management because if you have good accountability structures and performance indicators you can tell whether or not you are doing well, and that is the name of the game. If you understand that a particular program is not working well because it has good performance indicators that are showing that, you can then take measures to rectify it. However, if your performance measures are not up to scratch, then you are not able to manage as a government.

Those are the sorts of things that this report is highlighting, and they are in line with what the government is achieving.

I turn briefly to the comments in the report about parliamentary departments. At page 49 it states:

> The committee notes that there has been no improvement in the performance measures used in the budget papers to indicate members' satisfaction with the quality of services provided by the parliamentary departments. Currently, the level of information is vague in that the indicator target is 'high'. This measure does not indicate what is being measured or the proportion of members to which it relates.

Perhaps the President and other people who are involved in this area might want to have a look at this section of the report and contemplate whether they are providing all of the services and are measuring their performance adequately in relation to the sorts of things that they provide to members in this house.

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

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — It is always interesting to follow Mr Theophanous on these matters. We know his credibility when it comes to matters of accountability and good governance!

Hon. T. C. Theophanous interjected.

Hon. G. K. RICH-PHILLIPS — It gives me an opportunity to correct the record. Although I agree with Mr Theophanous's comments with respect to the estimates process incorporating more government entities within the budget papers, which is something we welcome, it does not get around the fact, which is the point that Mr Davis raised, that the latest round of budget papers has excluded considerable financial information on individual output groups. Despite the commitment to openness and transparency, the open and accountable Bracks government has removed financial information from the budget papers with respect to individual output groups.

That information is now provided only at the aggregate level. Information has been removed from the budget despite the commitments by the government to openness and accountability.

The other point on which Mr Theophanous waxed lyrical was the increase in government assets through what he described as good management by the government. He did not say, however, that the government has been the beneficiary of considerable windfall taxation gains. You need only look at the situation with residential stamp duty to see the benefits that the government has gained from a buoyant economy. The benefits have not flowed through its good or careful management of the economy or control of the taxation regime correcting for the windfall gain, because the government has simply sat there and done nothing while its coffers have been filling up. The government has not taken any action and has not been proactive on taxation, which alone is the reason the government can claim an increase in the state asset base.

I shall touch on some of the specifics in the report. The estimates process that has been adopted in this Parliament reflects a change from the situation under the previous Parliament. Now we have a situation where all ministers appear before the Public Accounts and Estimates Committee (PAEC) in its preparation of the estimates report. We welcome the opportunity for all ministers to appear and talk about their portfolios.

However, an opportunity exists to go further. Reflecting on the fact that this house has started to adopt many of the practices of the Australian Senate, consideration could be given to our estimates process also going down the path of that used by the Senate. I can envisage a scenario where the estimates process is a more open process with more opportunity provided for members of the committee to examine ministers and particularly senior bureaucrats on issues of relevance in their portfolio areas.

As it now stands committee members are under fairly tight control on the questions they can ask of ministers and they cannot pursue certain lines of questioning. They can only ask individual questions. If we were to adopt a Senate-style estimates process scope would exist for members to pursue lines of questioning and issues, and to make a thorough investigation of matters. If the committee could work to the Senate model with basically no time limits matters could be investigated thoroughly, which is something on which the committee's capacity is limited under the existing process.

Mr David Davis touched on the issue of the change in the budget paper format. This matter is very important because at the time of the change of government the Premier gave a commitment to the Independent members in the other place — and equally importantly, the Independents required of the government a commitment — that where there are changes between budget papers from year to year, a comparative series of budget papers would be produced so that the papers can be compared from year to year. Whenever a change was to occur a parallel set of budget papers in the old format would be prepared so that information could be compared from year to year. That is important because the Premier agreed to it and the three Independents required it.

We are in the third year of this government. A number of changes have been made to the format of the budget papers, but not once has the government produced the parallel reports as required by the Independents charter. That is a clear failing on the part of the government. It has failed to uphold the commitment it made to the Independents.

That is not surprising on the part of the government because whatever it committed to through promises to the Independents was a simple, cheap and quick way of getting into government. It basically agreed to say anything so as to achieve that objective.

But of more concern is the failure of the Independents to require the government to uphold its obligations under their charter. We should not forget that a member of the PAEC is the Independent honourable member for Gippsland West in the other place, Susan Davies — or, as Mr Ken Smith would often say, the Labor member for Gippsland West.

It is reprehensible that Susan Davies, as a member of the PAEC and as one of the Independents who required the government to commit to providing parallel budget reporting, has not required the government to uphold its commitment. She has not pressed the government in any way through the estimates process to uphold that commitment. It shows what a farce the commitment was on the part of the government and on the part of the Independents. That inaction again reflects that the Independents charter is a farce and is another example of how that charter has not been upheld by the government and has not been enforced by the Independents.

Mr David Davis also touched on the issue of meaningful performance measures. As he said, this is something the committee took very seriously — so seriously, in fact, that the committee dedicated a section of recommendations specifically to directing and requiring government departments and budget sector entities to produce meaningful performance measures. It has been an ongoing problem, as Mr Theophanous pointed out, but it has not been corrected by the government. It is not a problem that at this stage shows any prospect of being corrected by the government.

In the budget papers is a whole raft of performance measures that bear no resemblance to the outcomes that the departments are required to produce. One that comes to mind, and it is not in isolation — and I mention this only because it immediately comes to mind — relates to the parliamentary departments. One of the performance measures of the parliamentary departments, as I recall, relates to the number of documents tabled in the house.

That in no way reflects a performance outcome for the Parliament and it is not even something over which the parliamentary departments have control because they are not responsible for producing the documents presented to the house. That one example is a meaningless measure. I know of countless other examples across all departments. In no way do the parliamentary departments stand out. That issue has been identified over a number of years by the committee and is one that the committee sought to highlight in last year's report.

I realise time is limited. The only other matter I wish to refer to relates to Treasury provisions and the

Treasurer's apparent lack of understanding of his own budget. An inconsistency between the budget speech and the budget papers relating to state debt is a point Mr Hallam identified during the process. To date the Treasurer has not been able to reconcile this matter. He tried to worm his way around the issue and Mr Hallam's clarifications. To this day we do not have a clear definition of what the Treasurer meant with his reference to state debt. He made two references to it, both seemingly the same, but the Treasurer has tried to say they are different.

Another issue that arose in the process was the government's accounting treatment of the Growing Victoria fund. The government has said that fund should be excluded from the estimation of net debt. Although the Growing Victoria fund has liquid assets, for some reason the government thinks they are different from any other allocation under the budget and has quarantined them from the definition of state debt.

That matter has caused considerable controversy at estimates hearings. I have raised that issue with the Minister for Finance but have yet to receive any clarification. The government now has a new finance minister. I hope he will be better placed to handle the issue.

It shows that within the Treasury portfolio a number of issues of definition and of key state budgetary matters were open to interpretation and not clear even to the Treasurer.

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

Motion agreed to.

CORPORATIONS (FINANCIAL SERVICES REFORM AMENDMENTS) BILL

Second reading

Debate resumed from 17 April; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. P. A. KATSAMBANIS (Monash) — The Liberal Party supports the bill, which has been introduced primarily as a result of changes made last year through the passage of the Corporations Act 2001 and the Financial Services Reform Act 2001 of the commonwealth Parliament.

The history of the bill predates those acts. Its history goes back to the groundbreaking Wallis report into the Australian financial services industry, a report that set the scene for the changes introduced by those two acts into the commonwealth Parliament last year, and a report that has given our nation the opportunity to structure its financial services industry and legislation and regulations in a way that takes into account market reality and gives us the flexibility to adequately monitor the financial services sector for consumer protection, while at the same time, allowing for an expanding and competitive financial services sector that offers the best quality services, not just to Australians but, as a growing export industry, to the rest of the world.

I do not think Australians and Victorians as yet have understood the enormous value that has been added by the inquiry, chaired by Stan Wallis, into our financial services industry. Its groundbreaking report has led to reforms that will serve us well into the future.

In the fullness of time the reforms will probably be seen as groundbreaking as were the reforms of the 1980s that led to a significant deregulation of our financial services industry, and the advances that have helped Australians in the last 20 or so years. I put on the record my thanks, and I believe the thanks of this place, to Stan Wallis and his committee members for taking the time and the effort to conduct the inquiry and to come up with such groundbreaking and far-reaching recommendations.

The bill essentially attempts to harmonise the regulatory regime across the financial services industry. As the Minister for Sport and Recreation pointed out in his second-reading speech, it creates some harmony among the regulatory regime. It introduces a single licensing system for all forms of financial services and advice and also creates a single system for the regulation of financial markets and settlement facilities. It deals with all financial services products, the whole breadth of that ever-expanding industry, other than products relating to credit, specifically consumer credit, that is enshrined in other cooperative national pieces of legislation.

It may interest the house to know that in a previous life I held an authorised representative licence under the previous Corporations Law. It required significant and intensive study to obtain that authority and the sitting of an exam, so I know the nature, the rigidity and strengths of our regulatory regime when it comes to the licensing of those people who are authorised to give financial advice and to sell financial services in this nation. Too often the general public, sometimes the media and occasionally legislators have an outdated view of the

people who operate in the financial services industry. We have an outdated view borne out by horror stories, such as with hire purchase, from previous decades, perhaps from the 1960s, the 1970s and the 1980s — and those who studied law at university will recount tales catalogued for posterity in our legal history books.

Since the early 1990s and the advent of the Corporations Law and because consumers have continually demanded more and legislators have responded — often legislators have led the way — the professionals who deal in the financial services markets are people of the utmost integrity who are licensed to give advice and who, in the main, provide excellent advice and service to the public of Australia.

I put that on the record because unfortunately too often people get too many brickbats and not enough accolades. Interestingly, the house is debating this bill just a few days after a legal decision against a particular broking house in favour of a litigant Rahmat Ali. In the last few days the media has celebrated the wonderful success of the case. It again shows that our regulations, legislation and legal system work. When participants in the financial services industry give less than adequate advice, cut corners or where their advice is proven to be wrong or negligent, the legal system can deal with it, which must give the Australian public enormous heart and confidence about the integrity of our financial services sector and a legal system that protects their rights and investments. We are dealing with people's money, often people's life savings, and we must always ensure that the integrity of our system is beyond reproach.

This sometimes happens through the heroic work of people such as Kimani Adil Boden and Hina Pasha Adil from Starnet Legal Pty Ltd who are Davids taking on Goliath. In this case they were prepared to take on a Goliath and win to show once more that our legal system and our financial services system work to protect the small investor and the consumer.

This is what the bill is doing. It gives rise to a set of reforms introduced as a result of the Wallis recommendations to further strengthen the regulatory regime that governs financial advisers, and ensures that the legislation reflects the ever-changing, ever-growing and ever-more-complex arrangements within the financial services industry.

The bill is required to be passed in this place despite the fact that it gives effect to essentially commonwealth legislation, because it recognises the complex constitutional structure that our Corporations Law and financial services industry takes place under. It recognises that Australia is a Federation formed by the colonies to create a nation and that the colonies gave certain powers to the federal government and reserved certain powers for themselves as states. With the Corporations Law, every member of this place knows the difficult interactions between commonwealth constitutional powers and powers that were reserved to the states. It is a credit to the maturity and cooperation of governments and legislators at state and commonwealth levels that since the early 1960s — for more than 40 years — the nation has worked hard to overcome the constitutional impediments and have ensured that we have a national scheme operating to regulate corporations and to regulate the laws relating to corporations and the financial services industry in this country.

We have gone from the old cooperative scheme in the 1960s to the Companies Code, which started operating around about 1981, and eventually in the late 1980s we got to the Corporations Law, which is the most all-encompassing of the laws that govern our corporate structures in Australia. To bring that about the cooperation not only of states but also the federal government is required, all working together in harmony, to ensure that Australia is not operating as six colonies in the areas of corporate regulation and financial services regulation but as a nation.

I have put on record that in an increasingly global society to revert to a competitive federalism structure for the regulation of our Corporations Law would be to go back to the Dark Ages. It is a credit to all involved at both state and federal levels across Australia that that has not happened. We have not used our Corporations Law as some form of brinkmanship or weapon with which the states can fight the commonwealth or vice versa. Instead we have accepted that a clear, transparent, fair and reasonable national regime that protects corporations, the directors of those corporations and in turn the consumers and the Australian public has been put above petty state versus commonwealth squabbles or party political squabbles to ensure that the integrity of our corporate structure and the regulation of our financial services industry has been beyond reproach and beyond question.

I notice that in the second-reading speech and in some of the contributions in the other place honourable members have mentioned recent High Court decisions that have questioned certain aspects of our Corporations Law. High Court decisions in cases such as Hughes and Wakim have been discussed — I use this phrase advisedly — ad nauseam in this place and in the other place.

Hon. C. A. Furletti interjected.

Hon. P. A. KATSAMBANIS — Mr Furletti says I speak for myself. I think all non-lawyers in this place believe we have discussed the impact of Hughes and of Wakim on our constitutional structure ad nauseam, but we enjoy the discussions and the mental stimulus of sometimes second-guessing our High Court. I say 'second-guess' in jest!

I note that people have commented about Wakim and about Hughes in the context of this legislation. I would like to think that Wakim and Hughes do not impact upon the changes proposed in the bill. Significant other sections of our Corporations Law have been impacted upon by Wakim and by Hughes. The decisions in both of those cases have required numerous pieces of legislation to be passed through this Parliament, federal Parliament and other state Parliaments in the past few years. I would like to think the area this bill deals with has not been so affected. The old chapters 7 and 8 of the Corporations Act stand, I believe, despite Wakim and Hughes. I believe the amendments effected by this bill will also stand, despite the impact of the High Court decisions in Wakim and in Hughes.

However, it is still opportune to discuss once more and only very briefly the impact of those decisions on the future operation of our Corporations Law. As I have said, the integrity of the legislative regime that governs the establishment and the continued governance of corporations in Australia should be above any form of party-political squabbling, and always has been, but it should also be above any state versus commonwealth squabbling and any constitutional questioning or lack of validity. In order to ensure that long term and to ensure that in the future we do not get another Wakim or Hughes decision, there is only one way to solve the impasse. To pass bills in this place again and again and to bandaid any decisions made in the High Court is second-best at best. There is no substitute for constitutional reform at a federal level to ensure that our regime of corporate governance is and remains a national one. I put on record again my preference for that constitutional reform.

I understand how difficult it is to effect constitutional reform in Australia but in an area that is critically important, not only to the protection of Australian consumers but also to the growth of a world-class industry — our financial services sector and its ability to compete globally and to attract global capital and global investment into Australia — the integrity and transparency of our corporate legal structure should be beyond reproach. The only way that can happen is through constitutional reform at a federal level. I understand how hard it will be; I just hope that in the near future we have some individuals who are as public spirited and as committed as the individuals led by Stan Wallis, who conducted the inquiry into our financial services sector a few years ago. I hope these new individuals are prepared to take on the challenge of constitutional reform in this area so we do not have question marks over our structure of corporate governance and the framework of legislative and regulatory control of our Corporations Law into the future.

It is a grey area that must be resolved. We have to put aside our petty squabbles and issues about competitive federalism in this area because competition between the federal government and the states will not assist Australia. Consistent national legislation is needed. Having put that on the record once again, I believe this bill simply strengthens the already excellent national regulatory regime we have for protecting consumers and assisting the continued growth in the financial services industry that we have seen over the past 20 years.

The bill changes some terms: 'stock exchange' will be replaced by the more all-encompassing 'financial market'. The old licensed dealers and investment advisers, of whom I was proud to be one, will now be called financial services licensees. The insurance agents, who were once covered by the Insurance (Agents and Brokers) Act, will be incorporated into the Corporations Law, and that can only be a good thing.

These changes were brought about as a result of the inquiry now known as the Wallis report. They have been embraced at a federal level and we are now passing the enabling legislation in Victoria to give effect to the changes. I hope in time we will get to a situation where these sorts of enabling bills, which give effect to national legislation, will not be required in the area of Corporations Law and that we will not need to fiddle around with constitutional niceties.

Australia wants to be seen as a mature nation and part of that is being able to revisit decisions that were right in 1901 in relation to the division of constitutional powers between states and the federal government, and revisit them in the context of a modern Australia moving forward into the 21st century. If we did that, not only would we ensure that the existing strong regulatory regime would get even stronger and give us protections but also ensure our ability to sell our first-class financial services on the world stage for many years to come.

Hon. JENNY MIKAKOS (Jika Jika) — I rise to make a contribution on behalf of the government in respect of this bill, the Corporations (Financial Services Reform Amendments) Bill. The background to this legislation is quite extensive and lengthy in nature. I do not want to cover all the history of why this bill is before us, but suffice it to say it has had a long period of gestation. In essence, it relates to some constitutional difficulties that have come about as a result of two High Court cases that the Honourable Peter Katsambanis mentioned, the 1999 decision *re Wakim*, and the May 2000 decision *The Queen v. Hughes*. Both decisions cast some doubt on the ability of states to refer powers to federal courts and to federal office-holders, and as a result of those doubts and the constitutional difficulties and question marks surrounding the whole structure of our federal Corporations Law system, a number of pieces of legislation have come before this house and this Parliament over the last couple of years to address these issues.

Honourable members may well recall that we had debate on previous legislation to address these issues. Most recently we debated the Corporations (Commonwealth Powers) Bill in the middle of last year, which addressed some of the same types of issues. Unfortunately, although we are a federalist system of government with powers being divided across all tiers of government, we have some difficulties in being able to properly confer powers from the state level to the federal level and the particular problems that we have experienced in relation to the finance sector are a case in point.

The bill that we are debating here today seeks to make a number of amendments to Victorian legislation that has been affected by changes made to the securities and futures industry provisions in the commonwealth Corporations Act 2001. Those particular changes have come about by the enactment at the federal level of the Financial Services Reform Act 2001, which commenced operation on 11 March. That act has sought to substitute chapters 7 and 8 of the federal Corporations Act with a new chapter 7, the financial services and markets chapter.

It is important to note that those changes were not made earlier when this Parliament addressed other issues relating to the Corporations Law because the level of discussion and agreement had not yet been reached in respect of that particular lot of provisions. But it is important to note that those discussions and changes in respect to the finance sector have themselves been a long time coming in that they began in 1996 when the financial system inquiry, otherwise known as the Wallis inquiry, was set up to review the rapid technological and other changes that have come about in the financial sector as a result of changes and liberalisation of trade and capital around the world. That financial system inquiry made a number of recommendations, many of which were legislated for by the federal Parliament in the Financial Services Reform Act.

It is important to see this legislation in the context of the importance of the financial sector to this country's economy. For this reason it is important for me to give some indication of the size of the various aspects of the financial sector in recent times. For example, as at 30 June 2000, the consolidated total financial assets on the books of Australian financial institutions was $1389.4 billion. The total assets on the books of Australian banks at the same date was $731 billion. This legislation relates to organisations such as life insurance corporations, and those bodies held total assets of $184 billion as at 30 June 2000, while general insurance corporations held assets of another $68 million.

The legislation also relates to superannuation funds and it is important to note that these days the lives of all Australians are very much tied up in the hands of superannuation funds. Those funds, as at 30 June 2000, held total assets of $405 billion. Managed funds had consolidated total assets of more than $590 million as at that date. Stock exchanges and financial markets are also affected by the legislation. As at the end of June 2000 the market capitalisation of domestic equities on the Australian Stock Exchange was $682 billion.

It can be seen from those figures that the legislation is extremely important. It essentially seeks to put protection on a national level for Australian consumers and participants in the Australian finance sector. As those figures indicate, much of this country's wealth and the financial future of Australians are caught up in the financial sector. It is for that reason that the finance sector needs to be properly regulated and to have adequate levels of consumer protection and market integrity.

Debate interrupted pursuant to sessional orders.

Sitting suspended 12.55 p.m. until 2.06 p.m.

MEMBERS STATEMENTS

Main Street, Belgrave: safety

Hon. A. P. OLEXANDER (Silvan) — I raise a matter about the urgency for Vicroads to set up a second set of pedestrian lights in Belgrave. Yarra Ranges Shire Council traffic counts undertaken earlier

this year indicate that about 19 500 vehicles travel through Belgrave's Main Street daily. The Shire of Yarra Ranges has recently applied to Vicroads for funding to install a pedestrian crossing opposite the old post office along the shopping strip in Belgrave's Main Street. It has been nominated as a high priority for black spot funding.

Between 1995 and 1999, seven casualty accidents were reported in the 400-metre section of Main Street between Reynolds Lane and the Belgrave–Gembrook Road. It is important to consider that Belgrave is a major tourist town attracting thousands of visitors each year and hundreds of shoppers each day. Thus Vicroads and the minister must surely recognise the need to take every possible step to protect pedestrians as well as improving access to the local shops.

Furthermore, the shire has also proposed to Vicroads a case to introduce a 50-kilometre-per-hour speed limit through the township. Residents of Belgrave have also organised a petition to urge Vicroads to install the second crossing as well as reducing the speed limit through the township, as proposed by the council, to 50 kilometres per hour. This is a very serious issue for the township of Belgrave and deserves the government's immediate response.

Annie Keogh

Hon. JENNY MIKAKOS (Jika Jika) — On 25 March I had the pleasure of representing the Premier at the offices of Australian Volunteers International in Fitzroy to celebrate the departure of Ms Annie Keogh to East Timor. Ms Keogh is an employee of the Equal Opportunity Commission and is the first Victorian public servant to leave for East Timor as part of this government's commitment to assisting in the rebuilding of East Timor.

Following the Premier's visit to East Timor last year, he announced that the Bracks government, in partnership with Australian Volunteers International, would facilitate up to 10 Victorian public servants taking leave in order to work in East Timor to help that nation to build its civil service capacity. It is interesting to note that the spirit of volunteerism is alive and well in the Victorian public service as more than 240 employees have registered their interest in this program. I hope that the current program will be extended into the future.

Ms Keogh is now in East Timor. I take this opportunity to wish her well in her stay. I also take this opportunity to thank Bill Armstrong, chief executive office of Australian Volunteers International, for his dedication and the efforts of his organisation in this program.

Finally I take this opportunity to congratulate East Timor's new president, Xanana Gusmao, who was elected with more than 82 per cent of the vote — a margin of which most honourable members would be envious.

Firearms: licence appeals

Hon. P. R. HALL (Gippsland) — The National Party has highlighted the government's under-resourcing of the Victorian firearms registry pointing out that understaffing is causing delays of up to 10 weeks in the processing of new firearms licences. However, it has now been brought to my attention that considerable delays are also being experienced in accessing the firearms appeals tribunal.

This matter was raised with me by two of my constituents, Steve and Della Jones of Morwell. They pointed out to me that apparently because of the failure of the minister to appoint new members to the tribunal before the previous members' terms have elapsed, there is now a backlog in cases going to the appeals tribunal of between 6 and 12 months. Consequently, there is that sort of delay in accessing the appeals tribunal. My constituents also point out that this is particularly hard on those who require a firearm for occupational purposes. Mr and Mrs Jones are sheep breeders and require a firearm licence. They have been prevented so far from obtaining a licence because they have no access to the appeals tribunal. I call on the government and the minister to address this situation with the sense of urgency that it deserves.

Returned and Services League

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — Next Thursday we will commemorate Anzac Day. This year will mark the 87th anniversary of the landing of Australian troops at Gallipoli at a spot now known as Anzac Cove. I take the opportunity to acknowledge the fine work done by the Returned and Services League (RSL) branches throughout Victoria. These branches make a major contribution to the Victorian community and to supporting the welfare of returned soldiers. They contribute through fundraising and the most significant of those activities are the Anzac Day and Remembrance Day campaigns with poppies and Anzac Day badges. They play a major role in providing welfare services to returned veterans and act as advocates for the veteran community. The RSL branches have a role in perpetuating the memory of those Australian servicemen and women who fell during the major conflicts, and they support that role through the development and maintenance of cenotaphs and memorials throughout the state.

I am proud to be a member and supporter of the Berwick sub-branch of the RSL and I am pleased to take this opportunity to acknowledge and thank all the sub-branches throughout Victoria for the very fine work they do on behalf of the Victorian community.

Greek community: commonwealth pensions

Hon. T. C. THEOPHANOUS (Jika Jika) — I draw the attention of the house to a facsimile I received from the Greek Orthodox Community of Melbourne dated 8 April 2002 in which the community expresses opposition to the proposal put forward by the Howard government to extend the qualifying period for receiving a full Australian pension while overseas from 25 years to 30 years. Mr Fountas, the president of the community, made the point that the proposal was:

> … an attack on the basic human rights of Australian citizens to choose where to retire and where to receive their pension. It … breaches the principles upon which the previous portability arrangements were agreed upon with no prior consultation and discussion …
>
> What we see here is another example of the erosion of the rights of Australian citizens who have worked hard and have contributed immensely to the social, cultural, political and economic development of Australia.
>
> It is also another attack on multiculturalism and the policies of social justice, equity and access.

This is another example of the real attitude of the Liberal Party to migrants. It is discriminatory. I ask the house: where do the Leader of the Opposition, Denis Napthine, and the Liberal Party in Victoria stand on Howard's racist proposal?

Roads: speed limits

Hon. E. G. STONEY (Central Highlands) — I raise the issue of reducing speeding tolerance margins to just 3 kilometres an hour, and I will confine my remarks to the open road situation. I speak with some experience as I have an Australian heavy vehicle licence, a bus drivers licence and an alpine hazardous area licence, and over the years I have seen many incidents occurring on the roads.

I am absolutely no supporter of speeding, but I am a supporter of practical and fair speed laws. Most accidents are caused by incompetence, and I class some forms of speeding as a form of incompetence; however, in my opinion reducing margins would create more pressure on drivers and would actually increase the strain on drivers. At times drivers travelling at the speed limit have to accelerate to get out of trouble, and with this no-tolerance policy hanging over their heads they may hesitate, with disastrous results.

There are solid technical arguments for a tolerance, and I believe they are valid. I believe removing tolerances will not assist road safety on the open road and, indeed, it may have the reverse effect.

Road safety would be improved if drivers were required to have much more driving skill and much more technical knowledge about what their cars will do in difficult situations. Coupled with that, if the issue of slow-moving vehicles was addressed on country roads, driver frustration and accidents would be greatly reduced.

Footscray: night market

Hon. S. M. NGUYEN (Melbourne West) — I will say a few words about the Footscray night market, the World Bazaar, launched by the Maribyrnong City Council at the beginning of the year. The night market has been supported by many local organisations such as the Maribyrnong Chamber of Commerce, the Footscray Asian Traders Association, the Footscray migrant resource centre and many state departments to attract more people to come to Footscray to shop.

The World Bazaar is a weekly night market in the summertime, and between May and September it will be a monthly market. It will return to weekly opening from October this year to May next year. This market is one of the major events in Footscray, and it has resulted from the council and the shops in and around Footscray working closely to encourage more people to shop locally — —

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

Varapodio family

Hon. E. J. POWELL (North Eastern) — I rise to pay tribute to the Varapodio family, a much respected family in North Eastern Province, the electorate that the Honourable Bill Baxter and I represent. My husband Ian and I were honoured to be among 150 guests invited to celebrate the anniversary of the family's arrival in Australia from Italy 75 years ago.

Rocco Varapodio and his family settled in Ardmona in the Goulburn Valley in 1926 and developed and expanded their fruit growing business, starting their own packing company and packing their own fruit in 1950. They employ 260 people in peak seasons and pick and process over 10 000 tonnes of fruit each year. Their fruit is sold around Australia and across the world under the name of Varapodio and Son, Ardmona Fresh Fruit Packers Pty Ltd.

This highly respected enterprise is carried on today by Santo and Theresa Varapodio and their son Rocky and his wife Cas. As well as being a successful businessman, Santo Varapodio was awarded an Order of Australia Medal for his service to the community. I thank the members of the Varapodio family for their commitment to the Goulburn Valley and to Australia.

Youth: suicide prevention

Hon. J. M. McQUILTEN (Ballarat) — First, I congratulate the new President of East Timor, Xanana Gusmao, and his wife and family. I have asked them to come to Maryborough and they have agreed to come in the near future, so I am very pleased about that.

The issue I will talk about now is the performance of the opposition this morning on the issue of youth suicide, which I found objectionable. I believe other processes could have been used than the ambush of a minister in question time. It is important to maintain a bipartisan relationship on this issue, and the opposition could have used processes other than the one they adopted this morning.

In country Victoria there is an unwritten law that you do not publish stories on suicide because it tends to create more suicides, and that is acknowledged in the media all around Victoria. There is another way of handling youth suicide, and it is a better way than that used this morning.

Union subscription

Hon. BILL FORWOOD (Templestowe) — I have in my hand a collection notice addressed to Bernard Margenberg from Bridgement Smith Collections, which is a collection agency acting on behalf of — would you believe — the Communications, Electrical and Plumbing Union (Victorian Division). That agency is hounding Mr Margenberg for unpaid union subs of $229.50.

Poor Mr Margenberg, who is an electrician, was offered a job by a friend. The friend said, 'If you want the job you have to join the union', so he joined the union and paid his entrance fee. Would you believe it — the job fell through. He did not feel like going ahead with joining the union because the job had fallen through and he did not need to join any more. What does the union do? It starts hounding him for collection of his fees. I suspect that the union movement is going through pretty — —

Hon. R. F. Smith — Perfectly legal.

Hon. BILL FORWOOD — Perfectly legal? Thank you very much, Mr Smith, for your interjection. Perfectly legal; that is right! The first thing is, it is illegal to have a requirement that someone must join a union in order to get a job.

Hon. R. F. Smith interjected.

Hon. BILL FORWOOD — Why should he? He does not want to join your union and he should not have to pay!

Creswick: interdenominational church service

Hon. D. G. HADDEN (Ballarat) — On Friday, 1 March 2002, this year's World Day of Prayer interdenominational service was held at St John's Anglican Church at Creswick. The theme was 'Challenged to reconcile' and our guest speaker was Sister Therese Power, of the Sisters of Mercy of Ballarat, and Theo, a student at the Australian Catholic University Aquinas campus at Ballarat. Theo, who is from East Timor, is now in his third year of a teaching course.

Women from the district's Uniting Church, Anglican Church, Roman Catholic Church and the Salvation Army attended the service, as did the Reverend Graeme Wells of St Andrew's Uniting Church, Creswick.

This year's World Day of Prayer theme was prepared by the Christian Women of Romania and is now celebrated in more than 170 countries. Sister Therese challenged us to reconcile, to think and pray globally, to truly show mutual respect and harmony among our sisters and brothers, and to remind ourselves of our obligations to our indigenous sisters and brothers. Sister Therese told us how the Sisters of Mercy are assisting East Timorese students with their studies in Ballarat so they can return to their own country and help their own people to rebuild East Timor.

I express my sincere thanks to Jean Baker of Creswick for organising this year's World Day of Prayer service and luncheon at Creswick.

The PRESIDENT — Order! The time for members statements has expired.

CORPORATIONS (FINANCIAL SERVICES REFORM AMENDMENTS) BILL

Second reading

Debate resumed.

Hon. JENNY MIKAKOS (Jika Jika) — As I was saying before the debate was interrupted, the Corporations (Financial Services Reform Amendments) Bill demonstrates this government's commitment to putting in place a national scheme for corporate regulation on a more secure constitutional foundation. The bill seeks to implement a number of changes that have come about and been agreed to across all jurisdictions and which have been enacted at the federal level in the form of the Financial Services Reform Act 2001. That act seeks to introduce a harmonised regulatory regime for market integrity and to ensure consumer protection across the financial services industry.

The federal legislation also seeks to do other things such as introducing a single licensing system for all financial sales and advice. It relates to all financial products other than credit or consumer credit — things such as superannuation — and it also seeks to properly regulate the financial markets and things such as clearing and settlement facilities. I refer to the explanatory memorandum of the federal Financial Services Reform Act because it gives honourable members an indication — a flavour — of the changes which have been enacted at the federal level and which will now form part of the federal Corporations Law framework.

The federal Financial Services Reform Act explanatory memorandum says in essence that that legislation sought to implement a number of recommendations made by the Wallis inquiry. For example, the financial systems inquiry proposed that there be a single licensing regime for financial sales, advice and dealings in relation to financial products, consistent and comparable financial product disclosure, and a single authorisation procedure for financial exchanges and clearing and settlement facilities.

The explanatory memorandum explains further that the proposed regulatory framework covers a wide range of financial products including securities, derivatives, general and life insurance, superannuation, deposit accounts and means-of-payment facilities. The requirements will apply to the activities of existing financial intermediaries such as insurance agents and brokers, securities advisers and dealers, and futures brokers, as well as any other person carrying on a financial services business.

We can see from that explanatory memorandum and also from the figures I quoted earlier the size and importance of the financial sector in this country and the key role this national scheme legislation will play in ensuring consumer protection and consumer confidence in the Australian financial sector.

Turning briefly to the specifics of the proposed Victorian legislation, the bill seeks to make amendments to the Corporations (Ancillary Provisions) Act 2001 in that it seeks to enable regulations to be made under that act that will amend statutory rules where the minister considers it is necessary to do so as a consequence of amendments made by the commonwealth to the Corporations Act 2001 or the Australian Securities and Investments Act 2001.

I have in the past expressed some concerns where provisions have sought to exclude themselves from the scope of part 2 of the Subordinate Legislation Act 1994, which requires a regulatory impact statement to be prepared and advertised as the clause seeks to do under this bill, because it is important that we have adequate scrutiny of regulations made under national scheme legislation. My concerns are alleviated by the fact that I know all these proposed changes have been discussed at some considerable length by the various ministers across the various jurisdictions and, as I indicated earlier, these discussions have been going on since the culmination of the Wallis inquiry report. Those types of concerns will have been adequately addressed.

Nevertheless, I am hopeful that at some point in the future, particularly now that we have Labor governments across all states and territories in this country, we will come up with a scrutiny committee at the national level that will be able to scrutinise regulations that seek to enforce national scheme legislation to ensure that that type of scrutiny occurs in all jurisdictions and not just at the federal level.

The other amendments the bill seeks to make relate to a number of consequential amendments to terminology and concepts. These are listed in the schedule to the bill. I will not go through all of the acts, but a very long list of consequential amendments is being made to various Victorian acts listed in the schedule. The amendments seek to put the Victorian terminology used in those acts on a par with the new terminology used in chapter 7 of the Corporations Act 2001. For instance, references to participants in the securities industry have been changed to refer to financial services licensees,

and references to licensed agents and brokers have been changed to refer to financial services licensees authorised as insurance agents.

There are also changes to terminology relating to stock exchanges, which are now to be referred to as financial markets, and quoted securities will now be referred to as securities listed for quotation. These changes are all fairly minor in nature and are all consequential on the changes in terminology now used under the Corporations Act in that they bring Victorian legislation into line with the new national scheme legislation.

In conclusion I welcome the passage of this legislation. It is unfortunate that we have had our constitutional framework for the regulation of the financial sector put under a shadow of doubt by the two High Court cases, which I discussed earlier. I look forward to the passage of this legislation in this jurisdiction and across this country, putting a more secure framework in place for the regulation of the financial sector. It is important that while many members regard regulation of the financial sector as being largely within the realms of the federal Parliament, we as Victorian members of Parliament need to take an interest in these types of issues given the very real importance the financial sector has on the daily lives of all Victorians.

Hon. R. M. HALLAM (Western) — The Corporations (Financial Services Reform Amendments) Bill is designed to amend several pieces of Victorian legislation by incorporating the changes made to our security and futures industry by the commonwealth Financial Services Reform Act which was passed by the federal Parliament last year.

Two things can be said about the changes effected by that bill. The first is that all the changes are well understood and supported across state and territorial borders in this nation. Indeed, the changes effected by the bill were specifically recommended by a broad-ranging inquiry into our financial system commissioned by the commonwealth government and undertaken by the Wallis committee. Like the Honourable Peter Katsambanis I am pleased to have the opportunity to extend my congratulations to Stan Wallis and his committee on the work undertaken in that context.

Mr Katsambanis described the changes as groundbreaking, and I would certainly support that description. The terms of the bill before us were approved in advance by the states and territories and the bill is a product of a commitment given by each of the states and territories that matching legislation would be passed to support that federal government initiative. The objective of the bill is to harmonise the regulatory regime for market integrity and consumer protection across the entire financial services industry. Amongst other things, the bill produces a single licensing system for all financial advisory services, for all financial markets and for all clearing and settlement facilities. It covers a wide range of financial products. The primary objective is to have a seamless regulatory regime across the states and territories. It achieves that by amending the references to the states legislation.

What we expect to have as a result of this matching legislation is consistent expressions for the concepts involved. For instance, as has been previously noted, the term 'stock exchange' is replaced by 'financial market' and after the passage of the bill licensed dealers and investment advisers will be described as 'financial services licensees'. What we are attempting to get, consistent with the specific recommendations of the Wallis report, is commonality in prescription and regulation. That is the first thing that can be said about the changes — that there was agreement in advance across the entire industry.

The second thing that can be said of those changes is that they would have been most logically included in the Corporations (Commonwealth Powers) Bill which was debated in this place last May. I remind the chamber that the single objective of that bill was:

> … to refer certain matters relating to corporations and financial products and services to the Parliament of the commonwealth …

That was the entire purpose of the bill that was debated last time. That would have been an appropriate vehicle in which to iron out the border anomalies which have bedevilled us for many years. It would have been a good vehicle by which to address the variation in terminology, prescription and regulation.

As the second-reading speech of the Attorney-General on 28 February acknowledges, the draft of the bill before us today was prepared in advance — it had been agreed upon before the Corporations (Commonwealth Powers) Bill was introduced. So that not only the vehicle was appropriate but the timing was as well. As it turns out, it was not possible to include both concepts in the one bill. So the debate we are having today is more a product of time than anything else.

In that context I refer the house to the traumatic genesis of the Corporations (Commonwealth Powers) Bill. I know it has been mentioned before, but it seems to be appropriate to acknowledge just how that debate came about because we can refer to two particular decisions by the High Court. The first was delivered in June 1999

in the *re Wakim: ex parte McNally* case and the second was the decision handed down in May 2000 in *The Queen v. Hughes*. Both of those judgments sent a shiver through the entire corporate world, or perhaps more particularly through the ranks of the constitutional lawyers because an enormous question mark was placed over the thesis upon which our entire uniform companies legislation had been framed, and perhaps even more specifically the assumptions which underpinned that concept of uniform legislation.

The question mark did not finish there because if there were to be one over the basis of the structure of that uniform companies legislation then of course there was an even bigger question mark over the many cases which had already been decided against that background, and we faced the prospect of unwinding a whole range of judgments going back over many years.

In the Wakim case the High Court held by majority that chapter III of the commonwealth constitution does not permit state jurisdictions to be conferred on federal courts. That effectively removed the jurisdiction of the federal court to resolve state Corporations Law matters, unless it happened that the cases fell within the court's accrued jurisdiction. I remind the chamber that that accrued jurisdiction is limited. That judgment effectively questioned issues and denied litigants a choice of the forum in which they might pursue their claim.

The complication is that the existing model of uniform companies law has relied upon the concept of the vesting and cross-vesting of jurisdictional authority. In other words, we found a really cute way around the issue of state's rights, and we did it in a way that we could claim uniformity which was in the best interests of all Australians, particularly those whose fields of endeavour cross state borders.

It meant, though, that the judgment in Wakim placed the question mark that I described, and because we were now faced with the prospect that the only cases that could be covered by the federal court were those which clearly fell within the new rules and that meant that it certainly did not include the many basic matters relating to such things as incorporation and so on. So here we have an enormous wind back of the assumptions underpinning our understanding of company law.

The second case was that of *The Queen v. Hughes* — which, as I said, was decided in May 2000 — where the High Court held that the conferral of a power coupled with some form of duty on a commonwealth officer or authority by state law must be referable to a commonwealth head of power.

If the *re Wakim: ex parte McNally* case put a shot across the bows of our jurisdictional lawyers, let me tell you *The Queen v. Hughes* case terrified them because it meant that many of the actions we had assumed to have been completed would be struck down on the basis that they were ultra vires, and the question mark extended to the role and the actions of the Department of Public Prosecutions, the Australian Securities and Investments Commission and a whole range of other federal authorities. Not only that, but it also placed a question mark over the decisions that those organisations had taken. We were effectively in meltdown mode, and it is no wonder that the attorneys-general were concerned about future direction.

In any event the attorneys-general across the nation came up with a very cleverly crafted solution, which gave us at least a short-term solution. I acknowledge, as does the Honourable Peter Katsambanis, that the only meaningful long-term solution lies in the form of a constitutional change. However, Mr Katsambanis and I agree to differ on the prospect of such a constitutional change being achieved at least in the foreseeable future. I am a fierce supporter of the need for that change, but I have been around long enough to know that that is going to be a very difficult charter to meet and the prospect of its being sabotaged by an argument based on states rights is very large indeed. So, as I say privately to Peter Katsambanis, I am not going to hold my breath. I wish it were different, but I do not think it will be.

We have a short-term solution to the problems exposed by the two High Court decisions and I pay tribute to the attorneys to the extent that that solution has been achieved without impinging upon the sovereign rights of the states. As I said, that has been quite clever. It simply was not possible to include in all of this the amendments prompted by the financial system inquiry conducted by the Wallis committee even though those changes were supported by all the players. The view that we acknowledged at the time was that we needed to urgently plug the holes that had been identified by the two High Court decisions.

As an aside, while I do not claim to be highly qualified in legal matters, I have great sympathy with the decisions taken by the High Court. I think the High Court might have got it right and that the question mark posed by the decision in the Hughes case is quite appropriate, so I offer no challenge to the judgment of the High Court. That judgment has underscored the

question mark that should have been there in the first place. But I leave that to one side.

The facts are that there was not time last May to include the amendments in the consideration of the previous bill and it was decided that it was not appropriate to try to capture the icing which the financial systems changes represented. That is why we are debating those changes to financial services legislation today rather than in the context of the earlier bill, which we all acknowledge would have been the most appropriate vehicle to do so.

As it happens, the commonwealth legislation, which is the Financial Services Reform Act, was proclaimed to apply from 11 March this year, so it is already in vogue — it is the law of the land. What we are effectively doing here in the Parliament today is passing a bill to make the matching changes to the Victorian statute book. I understand that that means changes to 15 Victorian statutes. It is on that basis and against that background that I formally report that the National Party is happy to support the bill.

Hon. S. M. NGUYEN (Melbourne West) — I rise to speak in support of the Corporations (Financial Services Reform Amendments) Bill.

The bill reflects the changes affecting certain acts as a result of changes to provisions in the commonwealth Corporations Act 2001 by the commonwealth Financial Services Reform Act 2001.

Victoria, as a state of Australia, is meeting the requirements of the changes and is in line with negotiations between the commonwealth and other states to have a national scheme for corporate regulation and for a more secure constitutional foundation. It is important to see that each state gets its act together with the commonwealth and goes through the details to make sure every state has uniform regulation. The government has tried to achieve an effective uniform system of corporate regulation across Australia.

I turn to the background of the commonwealth Financial Services Reform Act. It provides the legislative response to a number of recommendations of the inquiry into the financial system. That inquiry was a comprehensive stocktake of the structure and regulation of Australia's financial system. The inquiry found that regulation of the financial system was piecemeal and varied and determined according to the particular industry and the product being provided.

It was proposed that there be a single licensing regime for financial sales, advice and dealings in relation to financial products, consistent and comparable financial product disclosure, and a single authorisation procedure for financial exchanges and clearing and settlement facilities.

The bill will put in place a competitively neutral regulatory system that will benefit all participants in the industry by providing more uniform regulation, reducing administrative and compliance costs and removing unnecessary distinctions between products. In addition, it will give consumers a more consistent framework of consumer protection in which to make their financial decisions. The bill will therefore promote business while at the same time ensuring adequate levels of consumer protection and market integrity. That is the background for the introduction of the bill.

The bill is also important because it will help to reduce costs and that is an important issue for the financial services industry. The bill covers a wide range of financial products, including shares, debentures, derivatives — including futures — managed investment products, general and life insurance products, superannuation products, deposit products and non-cash facilities. It introduces a single licensing system for all financial sales and advice and covers securities dealers, investment advisers, futures advisers and brokers, general and life insurance brokers and foreign exchange dealers, as well as any person carrying on a financial services business.

The bill will place the national scheme for corporate regulation on a more secure constitutional foundation. Certain legal challenges and decisions of the High Court of Australia in 1999 and 2000 cast doubt on the constitutional framework which supported the Corporations Law. I refer to *re Wakim: ex parte McNally* where the High Court held by majority that the commonwealth constitution does not permit state jurisdiction to be conferred on federal courts. The second case was *The Queen v. Hughes*, decided in May 2000. There the High Court held that the conferral of a power coupled with a duty on a commonwealth officer or authority by a state law must be referable to a commonwealth head of power. So the bill is necessary to comply with Corporations Law. It will introduce a more stable financial system for those offering financial services.

In conclusion, the bill will mean that the financial services industry conforms to a national standard. I commend the bill to the house.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — Mr Katsambanis and Mr Hallam have already pointed out that the bill arises as a result of two High Court

decisions. It is a fascinating area in itself that Victoria is in the situation of introducing legislation, as are other jurisdictions, as a result of decisions by the High Court of Australia. This is not the first time these types of issues have arisen. The previous High Court decisions that have impacted on this state were with respect to fuel excise, which effectively applied in the opposite direction in terms of jurisdictions and the constitutional ability to impose excise. Adverse High Court decisions have been an ongoing issue for various jurisdictions in terms of their power to legislate.

Mr Katsambanis suggested that there would be scope for constitutional reform if the commonwealth jurisdiction was able to get an agreed proposal. It would be of great benefit to jurisdictions throughout this country to eliminate these issues.

Notwithstanding the fact that the bill arises from those two High Court decisions, the overarching issue of corporate law reform has been with us for some time. It arose through an initiative of the federal government, introduced by the federal Treasurer in 1997, known as the Corporate Law Economic Reform Program. It is important to make clear where this program initiated. There were two reasons why we had to go down this path, the first related to globalisation and cross-border issues that arise in business and corporations and the other related to the fact that existing Corporations Law had not kept up to date, was not contemporary and did not relate well to the way modern corporations were structured and operated.

The program was put in place to address those issues and considered six overarching issues of corporate law reform. These covered: accounting standards, capital raising — an area of particular interest with overseas capital flows and cross jurisdictional matters — directors' duties and corporate governance — corporate governance being an issue of growing importance in the corporate and broader communities — and takeovers and electronic commerce, which is another area that did not exist when the initial Corporations Law was put in place and is something that Corporations Law did not reflect and was not responsive to. Clearly a new framework was required to pick up those matters. Lodgement and compliance was another area that was simplified as a result of the federal proposals. The other area, of course, is financial markets and investment products, which this bill deals with.

The reason I referred to those issues was to correct, if you like, an impression that came from the second-reading speech of the Minister for Sport and Recreation that Corporations Law reform is somehow a Bracks government initiative. That impression was given in the second-reading speech. I take this opportunity to place on record that it commenced in 1997 as a result of federal government action and involves all state jurisdictions, because Corporations Law operates at the state level. Although it is effectively template legislation across the country, it was a federal initiative that led to corporate law reform and not something the Bracks government can legitimately claim as its own, despite the minister's best intentions.

With those few words, I note that the bill corrects the problems which arose through the High Court decisions. It builds on the other corporate law reforms which have taken place across the national jurisdiction. The opposition supports the bill.

Motion agreed to.

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 wish to thank honourable members in this house for their contribution.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

ELECTRICITY INDUSTRY (AMENDMENT) BILL

Second reading

Debate resumed from 17 April, motion of Hon. C. C. BROAD (Minister for Energy and Resources).

Hon. C. A. FURLETTI (Templestowe) — I am pleased to indicate that the Liberal opposition supports the Electricity Industry (Amendment) Bill. While this is a bill of considerable brevity — it contains three clauses — it is a one-substantive-clause bill.

I should add that it is another one-substantive-clause bill because this lazy Bracks Labor government has taken to looking at the quantity rather than the quality of legislation. Over the last couple of years it has introduced bills which the previous government would

have included in an omnibus bill — a combined bill — to handle legislation expeditiously and efficiently. This is yet another example of how the government is more intent on running up statistics than it is concerned about the quality of the legislation it presents to Parliament.

Although the bill is brief — as I indicated, one substantive clause and one substantive subclause, which is proposed section 23A(1) — it is a bill of some significance. It seeks in some way to influence the culture that currently, unfortunately, exists among electricity users in that most people are oblivious to the fact that the amount of electricity consumed plays a significant role in the quantum of greenhouse emissions into the atmosphere. For that reason the Liberal opposition supports the bill and understands and appreciates the reason for the introduction of this type of regulation.

I use the word 'regulation' advisedly because one must consider why this needs to be addressed through legislation, which is relatively heavy-handed government interference, rather than through light-handed ministerial direction or statutory regulation. These concerns have been expressed to me during the very broad consultation I have engaged in on behalf of the Liberal opposition — consultation to a degree which unfortunately the government did not undertake.

As indicated the bill has three clauses. Clause 1 is a purposes clause, which is essential to every bill. Clause 2 is the commencement clause, which is also essential to every bill. Clause 3 contains five subclauses which set out the substantive provisions the bill addresses. The bill amends the Electricity Industry Act of 2000 by inserting in it proposed section 23A. Subclause (1) of that section provides that a licence to sell electricity is deemed. In other words, a licence which currently does not have this requirement will be deemed from the date of operation of the bill onwards to include a condition requiring the licensee — the retailer — to include in each bill — and I emphasise 'in each bill' — issued to a customer for the supply or sale of electricity the information — I stress, 'the' information, which is a very general term — concerning greenhouse gas emissions connected with the generation of the electricity so supplied — that is, the electricity to which the bill or account relates or electricity generation in general.

It is information relating to the electricity supply to the particular consumer or with respect to electricity generation in general that the Essential Services Commission (ESC) specifies for this purpose in its guidelines. That is the operative clause which provides that each account sent to a consumer of electricity must as a matter of course contain the information the Essential Services Commission requires the bill to contain in accordance with the guidelines which are to be prepared.

Subclause (2) provides that the commission is to prepare those guidelines, subclause (3) contains an appropriate provision that the commission may amend any guidelines, and subclause (4) provides that the commission must consult with the Sustainable Energy Authority Victoria before issuing any guidelines under this section. I will come back to those subclauses shortly. Finally, subclause (5) provides appropriately that the commission must publish those guidelines under this section. The clause introduces what some would consider to be draconian provisions in the sense that, as this government is wont to do with its legislation, it has made provisions of one size which it intends will fit all.

With respect to its operation, as indicated earlier, I consulted widely with generators, retailers, consumers and consumer groups, and each of them expressed concerns. All those concerns were genuine and well founded. Of grave concern to many is the uncertainty as to what those guidelines will consist of. In this instance we have a situation where, whilst the ESC is obliged to consult with the Sustainable Energy Authority Victoria in real terms, and as was indicated to some extent in the second-reading speech guidelines will be prepared by the SEAV and simply ticked off, as it were, and approved by the ESC, in my view and in the view of some of the participants in the industry that is to a very large extent an abrogation of the government's control over the regulation of this particular aspect of the Electricity Industry Act.

The provision that the commission may amend any guidelines from time to time is also an open door because it is not a government regulation, it is not an act of government and it is not something that comes through this Parliament. The commission can amend the guidelines at any time. Of course the concern of those who are in the industry affected by this legislation is that there will be the possibility of heavy-handed regulation where the government says, 'Oh no! It is not us! It is the regulators who are doing it'. But in fact it is imposing obligations on the providers of electricity and goods which are unknown at this point in time.

The concerns that many have expressed to me are that there is a lack of definition within the act as to, for example, the meaning of greenhouse gas emissions and that therefore that will be open to challenge. Because of that fundamental flaw the guidelines which are to be

published will be open to challenge. We acknowledge, and it was confirmed to me in the briefing from the minister's department — and I thank the advisers who provided a very detailed briefing — that the role of the ESC is as the de facto legislator, because at the end of the day it will be signing off on the guidelines. As de facto legislator and regulator, its role becomes blurred, particularly when we also consider that it is the ESC that will be monitoring the operation of these provisions. One would hope that the introduction of these types of regulations and the uncertainty and lack of clarity in them does not turn this into a lawyers' picnic.

There is another concern, notwithstanding the minister's second-reading speech where we have a reference to the fact on page 3 that:

> A state-based greenhouse coefficient, derived from the national greenhouse gas inventory, will be utilised for the purposes of determining the level of greenhouse gas emissions associated with a given level of electricity consumption.

I understand that it is intended that the state coefficient will be used to do the comparison with the electricity usage on the particular account. The reality is that, given the different sources of power in terms of generation and, of course, the different levels of emissions from different brown coal generating plants and different gas and petroleum product generating plants, one must question what this symbolic disclosure of information will actually do given the fact that the information to be disclosed bears little relationship to the actual consumption graph and source on most occasions. Of course it is impossible to identify which of the electrons going down the line are green and which are brown — or indeed light brown, medium brown and dark brown!

The reality is that this sounds good, although the words are somewhat dumbfounding, but at the end of the day it really is a bit of a con because we are using a predetermined coefficient which really does not relate to the source of the power or its origins. That is impossible to do. In a Victorian state context, that is well and good, but it becomes even more confusing when one considers that the electricity being consumed in Victoria may be derived from New South Wales, South Australia or Queensland. So in those circumstances — —

Hon. Philip Davis — Or Tasmania!

Hon. C. A. FURLETTI — Or shortly Tasmania! Therefore we have this element of smoke and mirrors which this government has been very good at creating over the last couple of years.

Another element of concern to many in the industry was the cost of compliance, which in the long term will clearly be passed on to consumers because it is intended that the cost of compliance will form part of the retailers' costs, and at some subsequent review date that will be built into any price review which the government will probably lay its hand on again.

I was advised during the briefing that this would involve a $1 million to $2 million one-off cost. The consultation I have conducted with a number of retailers indicates that it will be considerably more than that. In fact some of the suppliers to the larger users indicate that the compliance cost for information for this type of disclosure could be as high as $1000 per account.

The query which was raised with me, and which I think is legitimate, was that the government's one-size-fits-all approach should not be such as to oblige all suppliers to do the same thing. Suppliers who expressed their concerns said they fully supported the intent of the legislation, but asked why there could not be a separate document put in the same envelope with the account so that the disclosure was effective; it was just not on the same piece of paper as the bill, which is what the legislation requires at the moment.

One night when I arrived home late I found some material from our supplier, the Australian Gas Light Company (AGL), had been left out on a table by my wife. My first thought was of the recess briefing on the bill and that this was real-life, first-hand practical stuff so I examined it. I saw the graph that I was advised during the briefing I would see. I had been told that the intention was for a greenhouse emissions production graph to be superimposed over the usage graph. Looking at the account — and I will not table it — there is very little room for very much else, front or back. They are busy pieces of paper.

However, with that AGL account there was a colourful and very good brochure not only advertising the company's products, which go beyond electricity, but also enticing people to extend beyond electricity to appliance repairs and gas service, so it is a real marketing exercise. There are two pages in the document — one headed 'Go green with AGL' and the other 'The AGL sustainable living competition' — which provide information to Victorian consumers about greenhouse issues without the necessity of this heavy-handed legislation. Something like this brochure, properly directed by regulation or ministerial direction

rather than legislation that needs to be passed in the house, would satisfy the intent and requirement of the government in this instance, rather than having one-size-fits-all and no exceptions to the rule.

Perhaps the most serious concern of retailers was the detail to be contained in the guidelines that will ultimately be produced under the legislation. Proposed section 23A(4) obliges the commission to consult with the Sustainable Energy Authority Victoria. It was interesting to refer back to the minister's second-reading speech where she said:

> The Essential Services Commission will develop the guidelines in consultation with the industry, other interested parties and the Sustainable Energy Authority Victoria.

It is interesting to note that while there is provision in the act for the Sustainable Energy Authority Victoria, and I think appropriately so, it would have been appropriate, if the minister intends that consultation should be compulsory with the industry and other interested parties, that the bill contain that provision rather than leaving it only to the second-reading speech. I am aware of the significance of second-reading speeches. The fact is that consultation with one entity is specifically included in the bill and consultation with the others who are intended to be consulted with is mentioned in the second-reading speech. The omission itself from one to the other is significant. I wonder if the minister would clarify that in the third-reading stage.

The detail in the guidelines will be significant, as I foreshadowed. There have been serious concerns expressed by many — not only about their particular businesses but also for jobs in Victoria — about those guidelines and if they, for example, permit or insist on initiatives that endeavour to draw differences and distinctions between the various retailers according to their greenhouse intensity or environmental friendliness and the like. The concerns relate to the different sources of electricity. We are all aware that the generation of electricity from brown coal-fired generators is a high contributor to greenhouse gas emission, so there is that concern. The government's foremost responsibility is to the people of Victoria above and beyond any other responsibility.

This is substantially an environmental bill. If the government were serious about its greenhouse credentials it would not have dumped the Kennett government's greenhouse policy which it scrapped more than two years ago and which has not been replaced. From what we see before us today, this is the government's greenhouse policy.

The problem with greenhouse emissions is not only a Victorian concern but of global significance. It is trite to say we now live in a global village, but it is true with respect to the economy that if the United States of America sneezes we in Australia catch the cold. It is fair to say that if a fire burns in the Amazon we have climate change in Australia; and if there is war in the Middle East our petrol prices go through the roof.

The reality is that the bill does nothing to reduce greenhouse gas emissions. Also, large industries and big businesses in Australia and probably throughout the Western world are attuned to their responsibilities and to the emissions they create. The federal government has put into place a strategy for the reduction and control of those damaging emissions and the real task of government, whether state or federal, indeed global, is to determine the speed with which controls are to be implemented. The general acceptance of the detrimental effects of greenhouse gas emissions by industry is welcomed. Governments around the world are seeking solutions to ensure the reduction of those emissions. The Kyoto protocol of 1997 is strongly supported by most of us.

Over the past few months I have had the pleasure of visiting the Latrobe Valley power generating plants. I visited the Esso-BHP plant at Longford. Last week I visited the Alcoa aluminium smelter. They are all large contributors to the problems intended to be addressed by the bill. I am impressed with the approach to this whole problem by those corporate giants. In each instance the levels of emissions being released were well below those that had been Environment Protection Authority approved. I was also very much impressed by the manner in which their forward programs provided for a proactive reduction of greenhouse gas emissions. We must applaud that sort of corporate approach.

Alternative energy could be the saviour but, as we all know, it is a long way off. I am sure the minister — and I, when I replace her at the next election — will go to many conferences and other forums to discuss renewable energy before it is a source of base energy which can actually be relied upon. What we must do — and it is for this reason that we support this bill — is be aware and remain abreast of the avenues available to achieve a reduction in greenhouse gas emissions as soon as practicable in a balanced and sustainable way. For that reason the Liberal opposition supports the bill and wishes it a speedy passage.

Hon. P. R. HALL (Gippsland) — I can report to the house this afternoon that the National Party will not be opposing this bill, although it does have some scepticism about whether the intended objectives of

reducing greenhouse gas emissions will evolve simply by application of the measures contained within this small measure. It is a very small bill, but one that lends itself to a broader discussion about issues associated with greenhouse gas emissions, particularly as they may apply to the various forms of electricity generation. I will make some brief comments about that matter later on.

This small bill has one purpose, as indicated in the second-reading speech:

> … to require electricity retailers to report greenhouse gas emissions information on customers' electricity bills.

The bill contains three clauses: the purpose clause is the first; the commencement clause is the second; and the main clause — clause 3 — inserts proposed section 23A which sets out the process that will lead to the requirement for electricity retailers to publish greenhouse gas emission information on bills sent out to their customers.

Subsection (1) of proposed section 23A makes it a licence condition for electricity retailers to disclose greenhouse gas emission information on electricity bills, and subsection (2) states that:

> The Commission must prepare and issue guidelines for the purposes of this section.

It was mentioned by the Honourable Carlo Furletti that the power of the bill to achieve this aim is really contained in those guidelines, and at the briefings the National Party received on the bill it was left very open ended as to in what form the disclosure of greenhouse gas emissions information would appear on customers' bills. It was therefore with some surprise that I received in the mail last week a copy of *Environment Victoria News* of April 2002, which I read. I am sure Environment Victoria would be pleased to know that I do read the newsletters it sends out.

The April edition of that publication contained an article headed 'Electricity bills to show greenhouse emissions', and it actually displayed a sample of existing billing summary information showing what the information might look like. It certainly intrigued me as to how Environment Victoria could come up with a sample of what the information might look like when such a sample was not provided through briefings or in any other form to members of Parliament. I am not at all critical of the briefings, but I wonder whether this sample originated from the Office of the Regulator-General or from somewhere else. I am not too sure where it has come from.

Hon. C. C. Broad — It was sent out to industry.

Hon. P. R. HALL — If this information, as the minister says, was sent out to industry, it would have been helpful if it had also been sent out to members of Parliament when we were looking at and considering this sort of legislation. As I said, I am not at all critical of anyone involved in the briefings, but if further information is available about proposed legislation, then as legislators we should be kept informed of that information.

I will refer quickly to the second-reading speech, which states that the publication of greenhouse gas emissions information on customer electricity bills:

> … will enable consumers to better understand and monitor the environmental consequences of their own electricity use over time.

The questions I ask myself are: how will it do that; how will it raise consumer awareness; and will it provide the incentive for consumers to reduce electricity consumption?

I suggest a couple of other things provide far greater incentive for people to lower their electricity consumption. One of those is the bottom line of the bill itself in dollars and cents. When that gets big, I look at my electricity consumption and that is incentive enough for me to reduce my electricity consumption if I can. An initiative that has been in place for a couple of years now is the inclusion of a small bar graph on electricity bills which compares electricity costs over the five previous quarters. That is a very handy piece of information to have because it enables one to compare consumption for one summer with that for the previous summer. That in itself also provides an incentive for me to look at my electricity consumption and search for reasons why it might be more or less than it was in the comparable quarter 12 months before.

If the intent of requiring disclosure of information on electricity bills is to get people to look at reducing electricity consumption, I suggest that we already have that incentive with the comparative cost information that is currently provided on electricity bills. I am not sure that publication of greenhouse gas emissions information will provide any further incentive in that regard.

Some further comments in the second-reading speech are:

> A state-based greenhouse coefficient, derived from the national greenhouse gas inventory, will be utilised for the purposes of determining the level of greenhouse gas emissions associated with a given level of electricity consumption.

A greenhouse gas coefficient, which the second-reading speech states will be state based, is an intriguing new concept. Given the information we received through the briefings and the lack of further explanation in the second-reading speech, one can only assume that this has to be an approximate measure. It cannot be an exact or precise measure in any way at all. In fact, it is said in the second-reading speech that it will be a state average.

The electricity in the Victorian grid comes from a variety of sources and different types of generators. It could be a brown coal generator in Victoria, a gas generator in Victoria or a black-coal-based generator in New South Wales — or from the hydro power scheme in New South Wales, because some of that electricity is fed into the electricity grid. We now have many other forms of generators, too, which feed electricity into the Victorian grid, so the electricity we use at home when we flick the switch on could come from a variety of sources; we simply do not know which. As has been explained, it is an average term, so it can therefore be only an approximate term and it will need to be upgraded very regularly.

It is suggested in the second-reading speech that perhaps the Sustainable Energy Authority will adjust the greenhouse coefficient on a 12-monthly basis. It certainly will need to do that, because we are using different types of electricity now and, indeed, the current generators are also more efficient in the way they produce electricity.

Again, I read with interest in the *Electricity Supply* magazine of February this year an article about greenhouse policy, headed 'Generators fired up to take on world's best efficiency' which states:

> All of the largest electricity generators have agreed to sign on to the federal government's voluntary generator efficiency standards (GES) program …
>
> With around 90 per cent of national energy generation capacity now covered by GES, Australia has taken another significant step forward in its commitment to meeting its Kyoto protocol target. The GES program aims to reduce greenhouse gas emissions from electricity supply by as much as 4 million tonnes of CO_2 equivalent by 2010, a saving that is equated to removing 1 million cars from Australia's roads.

It is great news that we have existing generators signed on to improve efficiency so that they emit less greenhouse gases. That in itself is an indication that we do not need to impose any punitive measures upon generators. They are voluntarily accepting part of the program for environmental reasons, and I applaud those generators for signing on to that program.

I note that the generators in Victoria that have signed on to that program include AES Transpower Holdings, Alcoa World Alumina Australia, Edison Mission Energy Australia, Energy Brix Australia, Hazelwood Power, Loy Yang Power and Yallourn Energy.

They are some of the major producers here in Victoria, and all have signed on to a voluntary program to cut back on carbon dioxide emissions. Once again I applaud those and see the program as a positive and a far more effective way of addressing this problem than the publication of greenhouse information on customer electricity bills.

The second-reading speech also talks about accredited green power as having a zero greenhouse coefficient. However, that to my mind does not indicate that all so-called green power does not impact in some way or another on the environment. Indeed sources other than brown coal, black coal or gas can have a significant impact on the environment, and I will cite two examples of green power projects that also have a significant impact on the environment.

One of them is Basslink, which is not a generation project but a transmission project that is proposed to link Victoria and Tasmania to utilise some of the hydro-electric power generated in Tasmania to add to the electricity available here in Victoria. Basslink has caused great controversy in South Gippsland, as all honourable members will be well aware. It does impact on the environment, particularly if we are going to use overhead powerlines as has been proposed in the assessment panel report to date. That report recommends at this point of time that we proceed with overhead powerlines. The people of South Gippsland are united in their opposition to the use of overhead powerlines. Why? Because they have an impact on their visual environment.

Transmission lines also impact on the physical environment through which overhead power lines are taken. At one stage it was suggested that Basslink go through the Mullundong Forest. They are looking at some other alternatives now, but a major new transmission line will impact visually on the environment and physically too by creating a need to have major easements cleared through areas of native vegetation.

In some of the submissions I have made to this project I have spoken about what the Victorian public now demands in terms of protecting the environment when considering infrastructure projects. It was not all that long ago that we put some principles into the Environment Protection Act, which was unanimously supported by all sides of this chamber. We say now in that act that one of the principles to be followed is:

> 'Sound environmental practices and procedures should be adopted as the basis for ecologically sustainable development for the benefit of all human beings and the environment' …

Another sentence says:

> 'Protection of the environment is a responsibility shared by all levels of government and industry, business, communities and the people of Victoria.'

I have asked in my submissions to the panel why it should be that the people of South Gippsland alone must pay for the environmental impact of this project by way of having a blight on their landscape, which is certainly what overhead pylons will be.

I say in my submissions, and I say again today in this chamber, that if it is so that Victoria needs Basslink, it should be put underground, and if putting it underground makes it unfinancial the Victorian government should contribute to the cost of putting it underground. After all, governments contribute in a number of other instances to reduce the impact of new infrastructure on the environment.

Look at the Eastern Freeway extension, for example, and the cost of taking that project underground through a piece of sensitive forest area towards the end of the freeway — the Mullum Mullum Creek area. Rather than put it through the Mullum Mullum Creek area the government has taken the decision to fund the cost of taking the freeway underground through a significant tunnel. That is fine. I have no objection to the state government contributing to that project, but it should also contribute to putting Basslink powerlines underground. If the rest of Victoria requires Basslink then it is Victoria as a whole that should pay, not just the people of South Gippsland.

My second example is the matter of the wind farms, which are another form of accredited zero green power generation. I made some comments about that this morning. We in the National Party are not opposed to wind farms and see some sense in them, but we are concerned that the government seems to be proceeding with undue haste and without appropriate guidelines for councils and communities to measure the worth of those projects. As I said this morning, we already have a wind farm project in South Gippsland and there are others I am aware of in western Victoria.

My personal view is that in South Gippsland at least the current wind farm at Toora should be completed first so people can see it in operation and get some sense of what real impact it might have on the environment before allowing for further developments along the South Gippsland coast. It is eminently sensible that planning guidelines be put in place before there is any approval of further wind farms.

Again, as I said this morning, I think it is true that a number of proponents for wind farms are rushing hell for leather to try to get their projects up and approved before these guidelines come into place. I think that is not healthy and does not respect the rights of local councils or communities. Such a project should not proceed before there is a proper valuation of and a proper process to evaluate those projects. I again emphasise that zero-rated green power does have an impact on the environment, even though it does not emit carbon dioxide. Its impact on the environment is felt in many other ways, and consideration for those environmental impacts should be equally given.

My last example is solar power. There seems to have been less emphasis on the use of solar power here in Victoria than there has been on other alternative forms of power like wind and hydro, yet there is significant potential for the use of solar power on a large scale. I was impressed by a presentation made to some members of the National Party recently by a company called Enviromission Ltd, a company planning to build a 200 megawatt generator of clean, green, renewable energy to about 200 000 households from a single tower solar power station.

How could that be! My imagination ran wild. We are used to little solar panels sitting on roofs of houses or buildings to supply power predominantly to that building, although any excess can be sold into the grid. Here, however, we have a proposal to build a solar power station to generate 200 megawatts of electricity!

I was intrigued to know what it would look like. I am happy to show honourable members some pictures of what it would look like, but I will not seek to incorporate them into *Hansard*. For anyone with an interest I can show them a diagram that consists of a tower in the middle that is 1000 metres tall, the base of which would just fit inside the Melbourne Cricket Ground arena — it is that big! The collector of power generated by the sun is a circular glass concave disk at the bottom of that tower measuring some 5 kilometres in diameter. Imagine a 5 kilometre-wide circular glass screen at the bottom of a tower!

The theory is that the sun beats down on the collector glass and heats up the air underneath which in turn rushes back up through the tower with some appropriate generators imposed at the base of the tower — —

Hon. C. A. Furletti — How tall is it?

Hon. P. R. HALL — It is 1000 metres — a kilometre tall. It is a significant project. Mr Deputy President, I know in your electorate in the north of Victoria people are looking at this project with a lot of positive excitement. I understand there is real potential to develop a locally based significant generator using a renewable energy source.

We all know that in the transmission of electricity a lot of the electricity is lost. I believe the loss factor, say, between the Latrobe Valley and Mildura, can be as high as 20 per cent or thereabouts. There can certainly be a significant loss in the transportation of electricity over long distances. Having a major local power station generating electricity would reduce the amount of electricity lost in transmission and would offer benefits to those areas like Mildura that currently would not have any other viable form of local generation of electricity. I raise that as an example to which I would point the government in exploring further and assisting in other renewable resources which have real potential in areas of warmer climates.

The National Party will not be opposing the bill but is somewhat sceptical that it will bring about the desired outcome. There are many other forms of providing electricity, including offering financial incentives for consumers to reduce their power consumption, and many other ways in which we can encourage industry to reduce its CO_2 emissions that would be more effective in bringing about the outcomes that the government proposes with the bill.

Hon. G. D. ROMANES (Melbourne) — It gives me pleasure to contribute to the Electricity Industry (Amendment) Bill. The principal purpose of the bill is to impose a licence obligation on electricity retailers to disclose information about greenhouse gas emissions to consumers.

The underlying purpose of the bill is to tackle the issue of climate change, and it is only one of a number of mechanisms and strategies to try to produce an effective community response that will ultimately lead to a decrease in greenhouse gases. I was pleased to hear the Honourable Carlo Furletti say that this is a small but significant bill. I agree with him on the significance of the bill because of environmental issues and the problem of global warming. I was alarmed to hear a radio news item earlier this morning which related a claim that the coalition federal government is sitting on a report which shows that by the end of this decade greenhouse gases will blow out to 30 per cent of the 1990 levels. That is alarming when comparing the generous Kyoto protocol target of an 8 per cent increase in the period 2008 to 2012 which was allocated to Australia.

The issue of global warming has such serious consequences not only for our state, our country and island states nearby but for the whole world. It is of great concern that the federal government is stubbornly refusing to make a commitment to ratifying the Kyoto protocol and to doing our bit in Australia to reduce gases in the atmosphere which trap heat and help keep the earth's surface warm.

The Bracks Labor government has made a commitment to the Kyoto protocol and is urging the federal government to do the same because Victoria has to be responsible for its share of the generation of greenhouse gas emissions. Our share is over 100 million tonnes per annum, which constitutes 20 per cent of Australia's emissions. We have to do something about that as a government because there are parts of Victoria that are particularly vulnerable in an era of creeping global warming, and I am thinking of alpine environments and our popular snowfields, of future water supplies for consumption across the country and environmental flows that inevitably will affect the production capacity of this country and this state in the agricultural sector, as well as of the effect of global warming with potential rising sea levels on coastal developments in the future.

The serious problems ahead will require strong government action on a wide range of fronts. It has been suggested that this bill will not solve the problem of the consumption of electricity and greenhouse gases, but it is one important measure to put in place because electricity generation in this state accounts for about 55 per cent of Victoria's greenhouse gas emissions compared with electricity contributing to greenhouse gases nationally at a level of about 33 per cent.

It is important to recognise the link between greenhouse gas emissions and electricity because of the relatively high greenhouse gas intensity of electricity generation in Victoria, given the predominant reliance on brown coal in this state for electricity generation at this time. That link between electricity consumption, greenhouse gases and global warming must be pre-eminent in the minds of citizens of this state. We should prompt an effective community response and considerable behavioural change. As we all know, knowledge empowers people, and information will enable people to make more informed choices about what they do in the future.

We take the action that is incorporated in the bill in an effort to give people greater knowledge and more power and to enable consumers to lead the demand for

energy-reducing measures, demand renewable sources of energy and other options, be they technology options, energy-conserving appliances or green power to reduce greenhouse gas emissions for which they are directly responsible.

The mechanism in this bill puts in place the obligation for electricity retailers to report greenhouse gas emissions information on consumers' electricity bills. Honourable members might ask: why calculate a greenhouse gas emission and put it in electricity bills? Why go to this bother? Why not rely on broader education and awareness strategies?

It is important to take the vital step of providing that information on electricity bills because, contrary to many other things that are produced in our society — and we are overwhelmed by paper and other communications — people actually read their electricity bills. Because they have to pay it they do look closely at the bill before them.

This development may be our best chance of getting a very clear message across about the link between greenhouse gas emissions and electricity consumption and climate change. This is not an entirely new step for Victoria. I remind the house that back in 1994 Brunswick Electricity Supply, which was a department of the former Brunswick City Council, took this very step as part of a strong demand energy program and as part of its strong commitment to education, awareness, reduction of electricity usage and conservation of energy. The link was made in the bills that were issued to consumers of electricity in Brunswick.

Last night I went back to my files and found some bills that citizens of Brunswick received in 1994 from Brunswick Electricity Supply. On 11 August 1994 the Romanes household received a bill for $123.35 for electricity consumed during the period 25 May 1994 to 26 July 1994. It was probably the first time information on the actual consumption of electricity compared with the previous 12 months appeared on the statement. In addition, a box on the bill contains the approximate amount of greenhouse gas emissions produced by electricity used in the account. Our responsibility for that period was 1 tonne. The account of 12 October 1994 shows that my family was responsible for 940 kilograms of greenhouse gas emissions.

That billing information was part of a broader program whereby Brunswick Electricity Supply was also encouraging citizens to buy solar energy credits and there was a proliferation of solar energy units. I understand that Brunswick council and Brunswick Electricity Supply introduced the first interactive solar grid in the municipality. All of that was a forerunner to green power, which we are constantly talking about at this time of full retail contestability.

At the end of 1994 the ownership of Brunswick Electricity Supply changed from Brunswick council to become the property of Citipower. On a couple of bills we continued to have printed our greenhouse gas emissions. In December of that year the Romanes household's contribution was 1.2 tonnes; in February 1995 it was 780 kilograms. However, by 15 August 1995 all of that information had disappeared from our statements. They no longer showed comparisons of usage of electricity and amounts of greenhouse gas emissions.

By 1995 we had lost our council and our electricity company in Brunswick. Most of the energy conservation programs put in place by the former Brunswick council and Brunswick Electricity Supply had been abandoned. That was as a direct consequence of the privatisation of electricity in this state when the municipal electricity authorities and the then State Electricity Commission of Victoria were sold off to the highest bidder — with no requirements to incorporate energy conservation measures! So it was open slather to promote and grow the electricity market without any regard to environmental consequences.

When I listened to the Honourable Chris Strong yesterday talking at length about investors and capital flight and so forth, it occurred to me that most people in Victoria would be wondering why his focus was on that area rather than on the protection of Victorians from unreasonable price rises. Our current system is a legacy of the previous government, and we are trying to manage it. The Minister for Energy and Resources has put in place measures to protect the electricity consumers of this state.

The amendment proposed by the bill provides for disclosure of greenhouse gas information on bills to customers, both householders and businesses, in accordance with a guideline to be issued by the Essential Services Commission (ESC).

I am advised that contrary to what previous speakers have said, there have been several rounds of consultation with the ESC, the Sustainable Energy Authority of Victoria (SEAV), retailers and other stakeholders. Following the passage of the bill there will be further consultation on the guidelines to set minimum requirements and to enable retailers to have some flexibility in the presentation format of information about greenhouse gas emissions.

I agree with other honourable members who said that it may not be to the benefit of Victorian consumers to have a one-size-fits-all approach but the consultations will provide an opportunity for innovation and for ideas to be expressed about different ways of presenting clearly the message the government wants to get across to Victorian consumers.

The draft state-based greenhouse gas coefficient has been derived from the national greenhouse gas inventory to determine the level of greenhouse gas emissions associated with the given level of consumption. It reflects the average greenhouse gas intensity of electricity sold in Victoria, depending on the proportions from electricity generated in Victoria and electricity purchased interstate, and the accredited green power coefficient also in the equation.

I understand that at this stage we are looking at an average, just as the former Brunswick Electricity Supply department account that I referred to earlier said 'approximate'. I understand also that in the future further work will be done to provide more sophisticated assessments and to differentiate between the different usages and impacts of providing different methods of providing electricity. In the future it should become possible to differentiate between retailers in a more detailed way.

Further consultation will take place on the guidelines and on a reasonable date for commencement to provide the opportunity for retailers to make the appropriate preparations. The action being taken will be backed up through the information provided on the electricity accounts, through the SEAV web site and in written materials. The web site will contain calculations, options about green power purchasing and practical energy efficiency measures that households and businesses can undertake.

One thing the government badly wants in this period of full retail contestability is for competition to be fostered in sustainable energy initiatives among retailers and in their marketing. The government wants to see suppliers and retailers take up the challenge by explaining and promoting green power and convincing consumers across the state about it. The promotion of green power should lead to winning over consumers to support its use, thereby providing the means for further investment in green power.

I direct the attention of honourable members to the Moreland Energy Foundation Ltd quarterly newsletter no. 1 of December 2001. The establishment by the Moreland City Council of that foundation was a groundbreaking initiative designed precisely to tackle greenhouse gas levels in that municipality. An interesting article in the newsletter is about the development of a community power partnership to bring together other councils and the community and to seek arrangements with retailers to give consumers a good price for their power, but most importantly to consider energy and social services and to include a proportion of green power.

The newsletter contains a further two-page spread that gives a detailed assessment of nine of the retailers offering green power as part of the package of goodies available under the full retail contestability framework. It occurs to me that in this period of change and full retail contestability and given the concern in the community about the environment, we will see more environmental organisations, municipalities and others becoming brokers for the environment and for green power. That will help in the process of encouraging people to move in that direction.

The Minister for Energy and Resources has referred previously in this place to the comprehensive greenhouse strategy that is under way. It is designed to meet Victoria's responsibilities in dealing with the threat posed by climate change. There has been much consultation over quite a period. The strategy is due for release soon, but that has not stopped the Bracks government from already developing a greenhouse response at a whole range of levels.

Given the comments of the Honourable Carlo Furletti who suggested Victoria had gone backwards under the Labor government, I highlight three or four of the programs that have already been put in place by the Bracks government in response to concerns about greenhouse. They are only a first step because more initiatives will follow.

The first is the establishment of the Sustainable Energy Authority of Victoria. A bill to establish the authority was passed in this place a couple of years ago. Funding for the SEAV, which replaced the previous Energy Efficiency Victoria organisation, more than doubled to $10 million a year for programs to promote energy efficiency and renewable energy in Victoria.

We have also seen improved access to energy advisory services for Victorian households through the establishment of a further two Energy Smart advisory centres in Traralgon and Wangaratta, bringing the regional centres network to five. The government has put in place a fund of $15 million over three years for solar hot water rebates in addition to the SEAV funding of $10 million. The government has set targets for government agencies to reduce energy use by 15 per

cent and to purchase 5 per cent of electricity in the form of green power.

I could go on and list a number of other initiatives. The government is committed to tackling the problem of increasing greenhouse gas emissions and to halting the creeping increase of global warming in our part of the world — which is really indistinguishable from the whole world and the universe.

The Bracks government treats this bill as a significant measure. The problem is serious. The government is giving leadership on this matter and turning around the neglect of the environment that was so obvious under the previous government. I commend the bill to the house.

Hon. PHILIP DAVIS (Gippsland) — I rise to speak on the Electricity Industry (Amendment) Bill. I understand the purpose of the bill that the government attests too is to improve the knowledge of consumers of electricity about the impact that the consuming of electricity will have on greenhouse gas emissions. It is akin to asking whether we support motherhood. Everyone will ultimately support the bill, because it is not really objectionable but just pathetic. It is not clear from what the Minister for Energy and Resources said in her second-reading speech, from the bill or from the government speakers so far how in practice this will improve electricity consumers' decisions in relation to greenhouse gas emissions.

The relevant part of the second-reading speech states:

> This greenhouse gas coefficient will reflect the average greenhouse gas intensity of electricity sold in Victoria, including electricity generated in Victoria and purchased from interstate. Importantly, accredited green power will have a greenhouse gas coefficient of zero, making the benefits of this important program transparent to green power customers.

Frankly, I think it is gobbledegook. What does that mean in terms of consumers of electricity making decisions about the choices they have regarding consumption? Obviously it would be important as a starting point to understand the options for energy sources for the generation of electricity. We all know that the majority of electricity generated in this state comes from the Latrobe Valley brown coal source, and we all know that gas is an integral part of the power supply to generate electricity, particularly for peak load.

We also know those fuel sources have significantly different greenhouse gas impacts. I would be interested to know, because it has not been expressed clearly at any point in the debate so far, whether electricity consumers as a consequence of the bill will be better informed as to the difference in the greenhouse impacts of those fuel sources. In terms of the representation of the objectives of the bill set out in the second-reading speech the minister did not make that clear. It seems we will be muddled by the fact of the coefficient, which is the averaging of different sources of the generation of electricity.

There are many different potential green power generating sources available. There are the traditional large-scale hydro-electric schemes that we already have in place, predominantly the Snowy Mountains hydro-electric scheme and others. As my colleague the Honourable Peter Hall mentioned, there is the ongoing proposal to connect the Tasmanian electricity grid to the mainland via Basslink, which will introduce an additional capacity of hydro-electricity to the national electricity market. There are a number of small-scale hydro-electric projects which are potentially available to enhance the capacity of our green power sources.

Victoria has the capacity to generate electricity from wind, and projects of that kind are afoot at present. There are wind power projects in South Gippsland and south-western Victoria. I have had the opportunity to look at a large number of wind farms in the United Kingdom, and notwithstanding the concern of many of my constituents about the visual impact and amenity of wind farms, I was surprised by the benign nature of the wind farms. They did not seem to be a blight on the landscape to any significant degree. Indeed, what surprised me, given that the United Kingdom depends to a large extent on its aesthetic environment for international tourism, was how well within that landscape wind farms were adapted.

The United Kingdom's present policy is to expand and develop green energy sources by 2010 moving from a threshold of 2 per cent to 10 per cent, half of which is proposed to be generated by wind. That will be in part assisted by a new policy, which is to locate and identify what are described as offshore wind turbine sites. This is the placing of turbines in marine waters. It was interesting to view superimposed visual images of the turbines on a marine environment. They seem to stand out more than any terrestrially based wind farm that I have seen. It is an interesting policy.

The point of mentioning wind is that it is another of the electricity sources. We have the prospect of electricity generation by using photovoltaic cells, solar thermal means, wave power potential, crop waste, energy crops, forestry residues, landfill gas, municipal solid waste gasification, municipal solid waste anaerobic digestion — it makes the mind boggle — sewage and animal waste. All of these can broadly be defined as green power generation sources. The question I ask is

whether this energy coefficient will be applied so that it will be sufficiently informative to electricity consumers to enable them to make practical choices about the suppliers and supply of electricity that will have a bearing in relation to greenhouse gas impacts.

It is important for the community to be better educated. I am not confident at all that the bill will achieve that objective, but I support it on the basis that the objective set out in the bill, to assist the community to better understand the impacts of purchasing behaviour, is sensible. The bill does not make clear, nor does the minister's second-reading speech, whether information will be provided which will allow electricity customers to discern to any practical degree the difference between traditional energy sources — namely, black coal, brown coal and gas, including the alternatives from interstate — and whether that differentiation will be practical, and the alternative green power sources to which I have just referred.

I note just how uninformed consumers are. As part of a Roy Morgan poll conducted in March 2001 relating to consumers choosing which energy source they would prefer to access in the provision of electricity, of most interest was that the use of native forest timber for biomass power rated lower than burning coal. That is particularly relevant. Here we have one of the potentially green energy sources that uses renewable timber resources — from the perspective that the waste product is used in biomass power generation — but consumers clearly chose in that case to buy their electricity from coal-based sources. It was a revelation to me and an interesting choice. This poll showed a very strong preference for solar ahead of all others followed by wind, coal, nuclear, and burning wood. Biomass from forestry waste was rated low.

To highlight my point, there is a sense of mission from the government to achieve a better informed public, but the government does not make clear to the house how this bill will achieve that. Further, we have what I would describe as a relatively unsophisticated public on the subject of energy sources. The only way to advance this knowledge — if indeed the information that is required with the approval of the Essential Services Commission and as a result of consultation with the Sustainable Energy Authority Victoria is information which does not contain misinformation because they are trying to keep it relatively simple by using averages and coefficients — is to provide information which details the household power consumed, the retailer's power source, the retailer's capacity to deliver, on request, increased or decreased amounts of electricity from that source, and the differences in price and in greenhouse impacts.

It is not at all clear that this bill sets out to provide that information properly. Just as it is possible to provide an average price of electricity consumed per day — as is the case on electricity bills today — the provisions in the bill will provide another simple and highly averaged equation which will give very little relevant information to a consumer. Instead what consumers need is a comparison of both price and greenhouse impact between all the different stratas of fuel source, including black coal, brown coal, gas, hydro, wind, photovoltaic, et cetera.

If government members would elucidate further, the house would have a great deal more confidence that the government will achieve a positive benefit rather than just adding another bureaucratic requirement of retailers to provide information to customers which will in the end be meaningless.

Hon. D. G. HADDEN (Ballarat) — As other speakers have said, this is an important bill. Its main purpose is to require electricity retailers to disclose to consumers information about greenhouse gas emissions on electricity accounts. I certainly concur with the Honourable Phil Davis's statement that better educating the consumer and influencing the community's purchasing behaviour is an important objective.

The bill is small — it has just three clauses — but I believe it will go towards achieving that objective. As noted in the second-reading speech, the bill fulfils a government commitment made prior to the 1999 election to require all government energy companies to disclose on their accounts the amount of greenhouse gas emissions.

It is important to note that there is a general lack of awareness among members of the community, including me, of the direct link between energy consumption and greenhouse gas emissions. My household does its bit, more so over the last couple of years, to help in some small way to reduce the greenhouse gas emissions from our household to the point where we no longer use our slow combustion stove, which required the burning of timber fuel; nor do we have ducted heating or cooling or the split-system air conditioning unit. We use electricity for our light and we use bottled liquefied petroleum gas, of course, because natural gas is not connected to Creswick. So in our small way we believe we are contributing to conserving the environment and being responsible consumers.

I will certainly look forward to using our electricity bills to compare our consumption of electricity and reduce greenhouse gas emissions. I am sure if that is

my intention, as just one householder in Victoria, other consumers will do the same. As an example, telephone bills also indicate by a simple graph the increase or decrease in telephone calls, both subscriber trunk dialling and local, and that is certainly a very good indicator to the consumer who at the end of the day has to pay the bill. If anything makes a consumer, including me, very conscious of the part we play in our Victorian community it is when the hip pocket nerve is hit. That is a very good way of educating us and influencing our purchasing behaviour. It will make us better citizens in our community and make our environment a clean and green one.

It is interesting to note that electricity generation accounts for around 55 per cent of this state's total greenhouse gas emissions. That compares with the contribution nationally to Australia's total emissions of around 33 per cent. This difference is due to the relatively high greenhouse gas intensities of electricity generation in Victoria because of the predominant reliance on brown coal for electricity generation. Consumers generally — and this is not to put down consumers in any way — have a limited understanding of the link between consumption of electricity in our households and workplaces and greenhouse gas emissions and global warming.

They are concepts that are somewhat difficult to understand. So, improving the community's understanding of this link through recording on our electricity accounts the greenhouse gas emissions, the government expects, as I certainly do, to promote a more effective community-based response to the problem of greenhouse gas emissions.

Apart from this disclosure on our electricity accounts, the provision of other information to complement that recorded on the accounts will be available from the Sustainable Energy Authority Victoria, and the promotion of the purchase of green power and the consideration of energy efficiency measures will be available via its Internet web site and through other promotional materials.

The information to be provided on the electricity accounts will be simple, somewhat straightforward and in graph form so that it will be easy for consumers to read and understand. This is something I believe they are used to because graph information is already available on, for instance, our telephone accounts. Simple graph information will provide the customer with a link between their consumption of electricity and their contribution to greenhouse gas emissions in our state.

The proposal in the bill to record the consumption of electricity and its contribution to greenhouse gas emissions on the account will apply to every user of electricity so that there is no discrimination between households, small businesses, large businesses or larger commercial organisations. I think that is fair and just, so that we all contribute to understanding what our consumption of electricity will mean to the environment. Of course it is particularly important that larger commercial electricity users have their awareness raised as well of the implications for our environment of large electricity consumption, so they can fully consider how consumption can be reduced and therefore how greenhouse gas emissions can be simultaneously reduced.

In relation to consultation surrounding this important Bracks government initiative, there has been a range of consultations with retailers and other interested parties during the course of developing this important proposal. Early last year the Sustainable Energy Authority Victoria appointed consultants to examine the options and to implement this important initiative. The discussion guide was distributed to all Victorian electricity retailers in June last year. In addition, there have been four consumer focus groups consulted at length to gain customer feedback on options for the format and content of the material to be disclosed on electricity accounts. The feedback from both retailers and the consumer focus groups has been incorporated into this proposal for the recording of consumption of electricity and how it impacts on greenhouse gas emissions.

I think the Honourable Carlo Furletti was referring to the disclosure requirement in proposed subsection (4) of proposed section 23A, so that the condition of a licence is that greenhouse gas emission be included on electricity bills and that is deemed to be a condition of the licence. That is contained in clause 3 of the bill, which inserts a proposed section 23A into the primary act, the Electricity Industry Act 2000. That disclosure requirement will impose an obligation on all electricity retailers within this state and will require them to comply with the greenhouse disclosure requirements on electricity bills. The deeming requirement means that it takes effect as a licence condition from the date the amendment comes into operation. Clause 2 of the bill contains the provision which allows for the commencement of the act by proclamation, as well as providing that if the act does not come into operation by 31 December this year it will come into operation on the date that is to be proclaimed.

As a licence condition, the disclosure requirement will be subject to the enforcement procedures already

established in the Essential Services Commission Act 2001. In circumstances where an order of the commission requiring a retailer to comply with the licence condition is not met by the electricity retailer, financial penalties can be levied under that act. This makes the obligation a licence condition and it is to ensure that it can be readily enforced and that a relevant enforcement body exists.

The mandate in the requirement ensures that consistent, comparable and meaningful information is presented to all customers, regardless of their electricity retailer. This is to satisfy this government's objective of raising awareness of the environmental implications of electricity consumption on our environment and of greenhouse gas emissions, and it will make the raising of awareness effective and consistent across the electricity industry from retailers to the end consumers.

The cost to the retail sector as a whole is estimated to be no more than $1 million to $2 million. That represents a maximum of 0.04 per cent of Victoria's $5 billion of annual electricity sales. It is also important to note that these initial costs will be incurred only in the first year of the implementation of this new initiative, because it comprises a one-off cost of modifying the billing system to meet the greenhouse gas emission recording requirements on the electricity bills.

The disclosure of greenhouse gas emissions on customers' electricity bills will be supported by a dedicated web site to be developed by the Sustainable Energy Authority. That web site, as well as written materials for the consumer, will provide additional greenhouse gas emissions information, including how greenhouse and energy information is calculated, information on the option of purchasing alternative green power and details of practical energy efficiency measures.

It is important to note that the Sustainable Energy Authority will continue to monitor the information available to the industry and the consumer to ensure that the disclosure requirement guideline is as meaningful as possible to all concerned.

It is interesting to note that the New South Wales government has recently announced its intention to require its four state-owned electricity retailers to disclose on each bill to its customers the amount of greenhouse gas emissions. One of the New South Wales retailers, Energy Australia, already includes the emissions disclosure on its customer bills. I note that the other three retailers in New South Wales will include the greenhouse disclosure by the middle of next year.

It is also important to note that the Sustainable Energy Authority Victoria will continue to actively consult with its equivalent in New South Wales, the Sustainable Energy Development Authority, in the development of this important initiative. Both authorities have agreed to work towards consistent disclosure requirements to minimise the compliance burden on retailers operating in both jurisdictions — that is, in both Victoria and New South Wales. It is important that both authorities are working together, and they are to be complimented on this achievement to develop consistent supporting material for disclosure to the user of electricity and to the retailer, of course.

In relation to the guideline, there will be further opportunity for retailers and other interested parties to comment on the draft guideline that is prepared by the Essential Services Commission in consultation with the Sustainable Energy Authority. Given the billing system changes that are required, retailers of electricity will also be consulted on a reasonable commencement date for the guideline. Similarly, any future revisions to the guideline will take place in consultation with industry participants and other interested parties.

The date the disclosure requirement becomes effective will be the subject of further consultation. There is sufficient flexibility in the proposed amendment and the timing of the guideline to introduce the requirement within a time frame that takes into account any reasonable constraints faced by retailers.

The bill proposes a new look energy bill to highlight green energy choices. The government believes it is a very important initiative, evidenced by its introducing the bill into this house, that will highlight to all users of electricity the direct link between their consumption of electricity and greenhouse gas emissions and the environment.

It is important to note that late last year the Bracks government announced that it will purchase 5 per cent of its power needs from green energy sources as well as cutting its consumption of electricity by 15 per cent by the year 2005.

Other important initiatives that this government has put into place to ensure that our economy, society and environment develop in a balanced way for all concerned include the creation of the Essential Services Commission to ensure that all Victorians have access to reliable and secure electricity, gas, and water at affordable prices. The government has provided

Victorians with access to energy efficiency choices, programs and rebates through the establishment of the Sustainable Energy Authority Victoria. We have established five regional energy smart advisory centres to provide information on energy efficiency to rural Victoria. We have promoted energy-efficient houses on new building projects with incentives to developers — which is a very important initiative — who commit to a minimum four-star energy rating. We have also provided a $1500 rebate for all Victorians purchasing solar hot water systems.

The government is also encouraging the wiser use of our special water resource through a $30 million Water for Growth initiative to fund a wide range of water infrastructure and on-farm projects across the state to open up new opportunities for irrigated agriculture. I am pleased to note that there are about four farms participating in the Water for Growth initiative in the Newlyn district in my electorate.

This government has ensured that our timber industry is sustainable by a rigorous assessment of resources and financial support to industry to reduce logging to a certain and sustainable level. We are continuing, as we have been since we came into government in 1999, to be responsible and accountable to all Victorians. We are ensuring that the state's economy, society and environment develop in a balanced way. I commend the bill to the house.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — Following a brief discussion with the Deputy President, the Honourable Barry Bishop, I wish to go back and start with some history of the electricity industry. I would like to go back to 1752 and to Benjamin Franklin, a kite and a key. However, given the time I will skip the history and will make three points on the bill!

I recognise that the opposition is supporting the bill, but one of my main concerns with the legislation is the message it sends to the electricity industry about the government's priorities with respect to the power industry. As Mr Strong said in his question yesterday, the industry is facing a number of issues relating to investment, capital returns, pricing, infrastructure investment, and confidence in this government, and they are not being addressed. Rather than addressing those important issues relating to the power industry and other regulated industries, the government is completely ignoring them and introducing legislation such as this. That sends a clear message to industries about where government priorities lie. That is of concern, that it is fiddling at the margin and not dealing with the real issues.

As Mr Strong foreshadowed yesterday, ignoring the key issues of investment and infrastructure development will only lead to a Californian-style problem further down the track. While the measures the government has put in place such as the retail pricing caps are popular in the short term, they do not lead to long-term sustainability in this industry, and that is a matter for concern. That is the first point I want to make.

The second point is one I have raised time and again in relation to regulated industries and this government, and that is the issue of sovereign risk. As does other legislation introduced by this government, this bill varies the terms of existing licences which are in place for regulated industries. While what this bill does is comparatively minor in terms of what it requires of the industry — although Mr Furletti spoke at some length about the potential impacts of that on the power industry — it is of concern that the government is arbitrarily and retrospectively making these changes to licensing conditions.

That does not send a good message to operators of regulated industries. They have licences in place and they expect to operate under the terms of those licences. Yet the government is introducing legislation which arbitrarily changes the provisions of the licences. That is a matter for regret and is something that industries do not appreciate. It undermines the confidence in the government and puts at jeopardy further capital investment in this state.

It is an issue that is starting to bite, and if you talk to companies involved in regulated industries it is something they are expressing concern about. Mr Strong spoke again yesterday about the investment that is at risk and the instability that will potentially arise in the power industry in this state.

The third point I will touch on is the issue of green energy, because that is at the heart of what the government is trying to get to with this legislation. Time does not permit a much broader discussion on this point, but a lot of questions arise over the credibility of the green energy issue and some research has been done into that.

I turn to some comments made by Dr Brian O'Brien, who is a strategic and environmental consultant and also an author of a number of greenhouse papers and books, so he is fairly experienced in the area. Research he has undertaken into so-called green energy and the success of green energy projects suggests that in many of those so-called examples of successes with green energy the proof of that success is fairly doubtful.

Drawing some statistics from the Australian Greenhouse Office, Dr O'Brien has come to the conclusion that, of 700 industries signed up for greenhouse emission reductions, only 38 can actually lay claim and prove to have achieved outcomes consistent with their green energy undertakings.

One of the more important points he makes in his research is the price sensitivity of consumers when it comes to adopting green energy. He makes the point that where price premiums are involved consumers are very reluctant to pay. To pick up a point that Mr Hall and Mr Philip Davis raised earlier, electricity pricing in this state and in this country is a factor that consumers take into account.

Consumers are conscious of the cost of using electricity in their homes and businesses, et cetera, and whether a measure such as the government is introducing today will in any way impact upon consumers' use of electricity is very doubtful because the thing that consumers are most sensitive to is price. They do not use excessive amounts of electricity because of the price and they reduce and regulate their use of electricity because of the price, and whether presenting consumers with imputed greenhouse figures for their consumption of electricity will in any way affect their use of electricity is very, very doubtful.

Even if there were to be some connection, you would have to take the issue back further and ask: is there an alternative to using conventional sources of electricity? The answer at the moment is no. It will not be a situation of replacing existing sources of electrical power with green sources and alternating between and shifting from the existing to the new because that option simply does not exist. It will not be a case of reducing demand for conventional sources of power generation through this measure.

The other point I will touch on is the guidelines that will be drawn up by the Essential Services Commission. It is a matter for some regret that the government has introduced legislation that will allow for guidelines to be produced without specifying what the nature of those guidelines will be. The minister in her second-reading speech touched on the fact that it is anticipated that the guidelines will specify minimum disclosure requirements, but clearly there is no detail available other than that as to what the guidelines will contain. It is unfortunate that the government has brought this bill before the Parliament without specifying exactly what the guidelines will contain and without presenting draft guidelines with the legislation. It is very much a case of the government asking the Parliament to trust it and to trust the Essential Services Commission to draft guidelines that will be appropriate for the government's intention and also for industry's requirements. The Liberal Party supports this piece of legislation.

Motion agreed to.

Read second time.

Third reading

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

That this bill be now read a third time.

In doing so I thank honourable members for their contribution to the debate. In the course of the debate I was requested by the Honourable Carlo Furletti to clarify a matter on the third reading of the bill. I can advise him that the bill requires the Essential Services Commission to consult with the Sustainable Energy Authority of Victoria before issuing or amending a guideline because of the special expertise that the Sustainable Energy Authority of Victoria has in relation to greenhouse gas emissions. The Essential Services Commission is expected to consult with industry and consumers consistent with its standard processes.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

JEWISH CARE (VICTORIA) BILL

Second reading

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

That this bill be now read a second time.

Jewish Community Services Inc. and Montefiore Homes for the Aged Inc. amalgamated on 1 February 2001 to form Jewish Care (Victoria) Inc.

These organisations have a long history of responding to the needs of the Jewish community including: Holocaust survivors, Australian-born Jews and migrants from around the world including the former Soviet Union, Israel and South Africa.

The predecessor organisations of Jewish Care can be traced back to 1848 when the collection of donations, particularly to assist the poor, was undertaken by the

Melbourne Jewish Philanthropic Society, the predecessor of Montefiore Homes.

As the needs of the community changed over the years, so did the scope of the activities of these organisations. These activities grew significantly during the pre and post World War II migration resulting from the Nazi persecution of Jews which saw the Victorian Jewish population triple between 1933 and 1961. During this period, resettlement assistance was provided by way of financial support, assistance with accommodation as well as the provision of counselling and familiarisation services. Jewish Care continues to provide Holocaust survivor assistance even now, some of which is now directed to the children of these survivors.

At the time of the amalgamation, Montefiore Homes primarily provided services to the aged, including the operation of a number of aged care accommodation facilities and the provision of a variety of other services for older persons, including day and respite care.

Jewish Community Services provided a range of community-based services, including aged care services, employment services, disability services, child and family services and drug referral services.

Jewish Care continues to provide all of the services previously provided by Jewish Community Services and Montefiore Homes for the Aged. Its purposes and activities reflect a continuation of the services and activities of each association.

Beyond migration support and resettlement, Jewish Care's services include:

- employment assistance and placement;
- in-home care, personal care and respite care for older people;
- counselling, case management, brokerage and housing assistance for older people;
- hostel and nursing home accommodation for older people;
- counselling and family services;
- financial aid and low-cost loans;
- disability services, including supported accommodation, and a school integration program; and
- advocacy on behalf of the members of the Jewish community most in need.

Jewish Care's constitution sets out its intent to provide these services in its statement of purposes, underlining the commitment of the organisation to these social and community welfare goals.

Jewish Care is heavily reliant on bequests from the community for the provision of its services.

The Jewish Care (Victoria) Bill is necessary due to the amalgamation of the two original organisations as, following amalgamation and the creation of Jewish Care, each predecessor organisation ceased to exist. This creates a difficult situation where some members of the community have made out bequests in favour of Jewish Community Services or Montefiore Homes, as those organisations do not formally exist to accept them. Often these bequests will be set out in a will which may not have been changed for some time.

In the absence of this legislation, bequests would be likely to require individual applications to the Supreme Court in order to ensure that they are applied for the purposes of the prior association which are now fulfilled by Jewish Care.

This legislation is aimed at assisting the organisation and its charitable purposes, as repeated applications to the Supreme Court would involve significant expense and erode the value of bequests to Jewish Care.

Jewish Care has therefore requested this bill in order to ensure that bequests made in favour of Jewish Community Services or Montefiore Homes for the Aged are used for the purposes of these two organisations, which are now fulfilled by Jewish Care.

As previously mentioned, Jewish Care continues to provide all of the services previously provided by Jewish Community Services and Montefiore Homes for the Aged. In order to ensure that the wishes of donors and testators are fulfilled, the bill provides that Jewish Care use a bequest for corresponding or similar purposes to those undertaken by the organisation to which the bequest was originally made.

For example, where a bequest was originally made for the benefit of Montefiore Homes for the Aged, the bill would provide, in these circumstances, that this bequest be used specifically for the aged care services provided by Jewish Care. Similarly, if a bequest had been made for the benefit of the disability services formerly provided by Jewish Community Services, this bequest would now be used for the benefit of the disability services provided by Jewish Care.

The government has introduced this bill to ensure Jewish Care is able to gain access to bequests made in

favour of Jewish Community Services and Montefiore Homes. This will assist Jewish Care in providing for some of the welfare and other needs of the Jewish community.

I commend the bill to the house.

Debate adjourned for Hon. ANDREA COOTE (Monash) on motion of Hon. C. A. Furletti.

Debate adjourned until next day.

MELBOURNE CITY LINK (FURTHER MISCELLANEOUS AMENDMENTS) BILL

Introduction and first reading

Received from Assembly.

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

HEALTH PRACTITIONER ACTS (FURTHER AMENDMENTS) BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. M. R. THOMSON (Minister for Small Business) on motion of Hon. M. M. Gould.

BUSINESS OF THE HOUSE

Adjournment

Hon. M. M. GOULD (Minister for Education Services) — I move:

> That the Council, at its rising, adjourn until tomorrow at 9.30 a.m.

Motion agreed to.

ADJOURNMENT

Hon. M. M. GOULD (Minister for Education Services) — I move:

> That the house do now adjourn.

Schools: PRMS information

Hon. ANDREW BRIDESON (Waverley) — I raise an issue for the Minister for Education Services. On 22 March I wrote to both regional directors of education who cover schools in my electorate — that is, in the Southern Metropolitan Region and Eastern Metropolitan Region — with what I thought to be a fairly simply request. I wanted to know what physical resources management system or PRMS maintenance funding had been allocated to each of my schools. I thought it would be a simple matter of each regional director going to the facilities manager who would press a button on a computer which would spit out the information and that it would come back to me.

However, apparently this information is unavailable at the regional office and my request has been referred to Mr Colin Twisse at the central authority. My request has been almost four weeks in the pipeline. It set me thinking about the relationship between the regions and the central office in relation to facilities and funding, et cetera. I would like to know from the minister what that relationship is and why there is an impediment to my receiving an answer to my simple request.

Point Lonsdale: municipal boundary

Hon. E. C. CARBINES (Geelong) — I raise a matter to be referred to the Minister for Local Government. The minister would be aware that currently the township of Point Lonsdale on the Bellarine Peninsula spans two municipalities: the Borough of Queenscliffe and the City of Greater Geelong.

I have recently met with two Point Lonsdale residents, Mr Ted Jane and Mr Frank Mountford, who are seeking a change in the municipal boundaries so that the whole of Point Lonsdale would be located in the Borough of Queenscliffe. The basis on which my constituents seek the change is community of interest. I refer to a letter I have received from them, which states:

> All Point Lonsdale residents, regardless of whether they live east or west of Fellows Road, are part of the local Point Lonsdale/Queenscliff community.
>
> They attend the same local churches and their children go to the same local primary schools and child-care centre. They use the same local sporting facilities and meeting rooms, and they are members of the same local clubs and community groups. They buy and sell their properties through the same local real estate agents, and they are customers at the same newsagent and local post office.
>
> …
>
> As well, residents from both sides of Fellows Road have been active members of planning groups for major projects within the Borough of Queenscliffe, such as the redevelopments at the harbour and the high school site.

The letter states further:

> If all Point Lonsdale residents were part of the borough and entitled to vote in borough council elections, they would all

enjoy similar access to the one municipal planning authority. At present, people living east of Fellows Road have the benefit of their elected councillors living in the neighbourhood. Borough council meetings are easy for local residents to attend because they are held close to home.

Point Lonsdale residents living on the west side of Fellows Road are on the fringe of the City of Greater Geelong — for them, close contact with the COGG councillors and council staff is much more difficult.

Mr Mountford and Mr Jane have canvassed the opinions of other Point Lonsdale residents and claim there is a high level of community support for their proposal. In bringing this matter to the minister's attention, I seek his advice.

City Link: tunnels

Hon. R. H. BOWDEN (South Eastern) — I seek the assistance of the Minister for Transport in the other place. City Link tunnels are now established as an important asset in the road system. In recent times the concentration of vehicle exhaust fumes has been noticeable and visible, particularly in the Burnley Tunnel and especially when speed restrictions apply. Heavy vehicles use low gears and on occasions emit large volumes of exhaust gases. After opening a tunnel a review of ventilation provisions could reasonably be expected to be carried out. The imposition of low speed limits, especially for heavy vehicles, causes a significant increase in diesel exhaust fumes in such a situation.

Will the minister assure the community that the required ventilation standards are being achieved and met, given the potential for asthma and other respiratory difficulties to be experienced by many users of the City Link tunnels?

Qantaslink: Mildura

Hon. B. W. BISHOP (North Western) — My adjournment issue tonight is directed to the Minister for Education Services to pass on to the Premier. It is about the proposed rationalisation of 23 Qantas administration staff at Mildura. Just to set the record straight, this is not an ailing airline run out of Mildura; it has increased its flights lately. On my count there are five return flights per day during the working week with some of the flights also operating at weekends, plus a late return flight on Fridays and Sundays, and with loading on most of the flights being high.

I make it clear that all flights will remain but administration staff are to go. This airline was built up by locals and further expanded when Qantas took it over. The major part of the expansion of the Qantas operations out of Mildura has been the result of innovative local management solidly backed up by loyal and competent staff.

The proposal is to remove 23 administrative staff, with 50 pilots, flight attendants, flight engineers, terminal staff and ground staff to remain with Qantas, but there is no great certainty of how that will be accommodated. There has been a community consultative process. However, it appears Qantas is not prepared to recognise the strong community support which has been absolutely clear, so this consultative process must be now seen as a real sham.

I make it quite clear: Qantas has been good to the community of Mildura and provided good service. Another example of that service is that it has been generous in its sponsorship of local events, and the community has responded to that by showing strong loyalty to the airline. However, I believe that local loyalty will be sorely tested if this unreasonable proposal goes ahead.

One might ask: what has this to do with the Victorian government? That is a reasonable question. The answer is: firstly, the government has taken an interest in regional population decline and this proposal by Qantas obviously affects that; and secondly, the Victorian government has given a grant of $600 000 to assist in the expansion of the Mildura airport terminal facilities, so again it has a real interest in this issue.

With those proposals being pushed along by Qantas executives a long way from Mildura who have no understanding of the repercussions and opportunities that abound in regional Victoria, it is time the Victorian government took some action. Some of the questions that need to be answered are: firstly, has the Qantas board signed off on this decision; secondly, has the review process been completed; and thirdly, what guarantee do we have if the discussion proceeds that the remaining employees will — —

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

Trucks: Yarraville

Hon. S. M. NGUYEN (Melbourne West) — I direct to the attention of the Minister for Education Services for referral to the Minister for Transport in the other place a matter of concern for a Yarraville resident who has called on Vicroads and the police to enforce the Francis Street truck ban after the group allegedly found drivers continued to ignore it.

The Bracks government introduced a truck curfew prohibiting all through traffic from using Francis Street at nights and on weekends. The curfew was put in place in response to the strong community concern expressed about the impact of truck noise and engine emissions on Francis Street. There is a need to balance industry's requirements with residents' rights to a good night's sleep.

The night-time and weekend curfew on Francis Street is being introduced to minimise heavy traffic at times when residents are trying to sleep, and to improve living conditions in Yarraville.

The curfew was introduced on 4 April 2002 and prohibits all non-local heavy vehicles with a gross vehicle mass rating of 4.5 tonnes or more from using Francis Street between 8.00 p.m. and 6.00 a.m. Monday to Friday and between 1.00 p.m. Saturday and 6.00 a.m. Monday. Advisory signage was installed from 18 March 2002. A Yarraville resident claims that many trucks are not obeying the curfew on weeknights from 8.00 p.m. to 6.00 a.m. the next day. As a member for Melbourne West Province I bring this matter to the minister's attention and seek his advice.

Police: Frankston

Hon. B. C. BOARDMAN (Chelsea) — I raise an issue with the Minister for Education Services for the attention of the Minister for Police and Emergency Services in the other place.

I note the minister's response to an adjournment issue raised by his colleague the honourable member for Frankston East in the other place last night. The honourable member for Frankston East cited an article in the *Frankston Leader* dated 15 April entitled 'Cop shop is well stocked', which states that in 1999 the strength of the Frankston police station was just 2 senior sergeants, 8 sergeants and 48 constables and senior constables. The honourable member for Frankston East decided to laud the achievements of the current government by stating that the strength, as of this week, or when this article was published, was 2 senior sergeants, 13 sergeants, and 74 senior constables or constables. He went on to say that this was a fine achievement, that it showed a great turnaround in the operational strength of the Frankston police station, and that that success was directly attributable to him.

In his answer to that adjournment issue, which I think was more of a note of statistics, the Minister for Police and Emergency Services suggested that this was almost a doubling of the statistics. I do not know what school the minister went to, because the maths is quite clear. A total strength of 58 in 1999 versus a total strength of 89 in 2002 is not a doubling but an increase of 34 per cent, which is far from a doubling.

What makes the point even more interesting is that in December 1999, when local priority policing became a fact, the boundaries of the Frankston police district were changed quite considerably to include parts of Seaford, Carrum Downs and Langwarrin, representing a 30 per cent increase in the geographical area in which the Frankston police had to respond. If the minister does the basic maths he will acknowledge that a 34 per cent increase is not exactly a great achievement, considering the geographical area for which that police station was responsible and that the resulting increased workload was 30 per cent. The net gain is very limited indeed.

I ask the minister to take into consideration these facts, which are undeniable, and at the first possible opportunity correct the record and state the truth and not mislead the Parliament and the people of the state of Victoria with populist, reactive and quite misleading and devious sentiments that do not take into consideration the full facts of the matter at hand.

Heritage Victoria: permit fees

Hon. ANDREA COOTE (Monash) — I raise a matter with the Minister for Education Services for the attention of the Minister for Planning in another place. I refer to an article in the *Age* newspaper of 5 April regarding the plan by Heritage Victoria to begin charging people to remove heritage-listed trees, install plaques on historic buildings and display shipwreck artefacts. The article says:

> People wishing to do works on their heritage-registered properties would also face permit fee increases of up to 300 per cent under a Heritage Victoria plan to review its cost structures.

Victoria has 2000 heritage-listed properties, 48 of which are in the City of Stonnington, which is in the Monash Province, and 127 of which are in the City of Port Phillip, which also lies in the Monash Province.

The City of Stonnington has an excellent program called A Mark in Time, which celebrates Australia's centenary of Federation. The city also developed a project in which plaques are installed to honour the people and places that have played a significant role in the life and development of Stonnington from 1901 to 2001. The city is rich with historic events, names and institutions, and the community has been pleased to see those plaques. I am concerned that if there is a charge

involved the current and similar programs will disappear. Under the proposal Victorians will pay $60 to remove heritage-listed trees and $90 to install a plaque.

Some of the plaques located in the City of Port Phillip mark sites such as Prahran's oldest hotel, Elizabeth Fry Retreat, Leggett's Ballroom, the Prahran Mechanics Institute, Thomsons Steam Car, and the Jam Factory. I ask the minister: will the government implement the recommendations of Heritage Victoria?

Youth: Open Family exhibition

Hon. I. J. COVER (Geelong) — The matter I raise with the Minister for Youth Affairs relates to the Open Family Street Youth Action Team. Last Wednesday, during National Youth Week, I had the privilege of opening a photographic exhibition by the Open Family Street Youth Action Team on the steps of Parliament House. It was tremendous to meet those young people. I know they were keen to meet with the minister and her department, but on that occasion were unable to get her involvement. However, part of my request tonight is perhaps an opportunity for us to join forces to assist them in the future.

The exhibition has been organised as a way of helping young people who find themselves on the streets of Melbourne and are marginalised to actually work together to change the way they are seen and heard. About 20 young people around Victoria documented their lives using cameras which were provided to them by Kodak and their photos then formed this exhibition.

The exhibition is going to travel around Melbourne and country Victoria and is a way for those young people to share their experiences, struggles and ideas with community stakeholders and to be articulate about their situation. It has fostered in them a sense of ownership and responsibility. It has also helped them find an arena in which they can interact positively with their peers and develop friendships and associations apart from on the street. One of the young girls I met who was involved with taking the photos has been assisted by an Open Family youth worker to get off the streets. She is looking to get work on a farm and she now has a positive outlook on life.

I suggested to the group that perhaps after the exhibition has completed its tour around Victoria it could make its way back to Melbourne and where it originated, on the steps of Parliament House, and perhaps be exhibited in Queen's Hall.

My request to the minister is that she join me in a spirit of bipartisanship to work with the young people of Victoria and jointly support the exhibition being mounted in Queen's Hall at an appropriate time. I am sure we could get together with the Open Family Street Youth Action Team and make those arrangements.

Hospitals: nurses

Hon. M. T. LUCKINS (Waverley) — I raise a matter for the attention of the Minister for Education Services, representing the Minister for Small Business, who has not graced us with her presence tonight, to refer to the Minister for Health in another place.

My concerns relate to the ban on engaging nurses from nursing agencies in hospitals throughout Victoria, and particularly the impact of that ban on Southern Health and Monash Medical Centre in my electorate. The Minister for Health has been touting figures indicating that there has been a 53 per cent drop in the use of private agency nurses since the ban was introduced on 4 April, and he says that at the same time there has been a 37 per cent increase in the use of the government's public nurse bank staff.

One does not need to be Einstein to work out that there is a 16 per cent shortfall between what the private agencies were providing in nursing staff and the uptake in the public nursing bank staff. The Southern Health network has estimated that it is saving $900 000 a month in casual nursing costs and has indicated in the media today that it has employed an additional 150 nurses at a base cost of around $60 000 per nurse as a per annum cost. If it has recruited 150 nurses it is basically paying out $750 000 per month. If it is using a nursing bank agency rather than full-time staff it is a higher cost than the $750 000 per month. So basically the Southern Health Care Network is saving only $150 000 if you presume that all the agency staff are in fact on a full-time salary, which would equate to around $60 000 per annum.

The issue of concern to me, my constituents and also nurses is that we are getting feedback from nurses saying they are being required to work in areas outside their clinical expertise and that that could place patients at risk. It also puts enormous pressure on individual nurses if they are asked to work in accident and emergency departments, for example, and cannot deal with all the cases presented to them. Nurses are also being required to work longer shifts and longer days or more days, which is difficult for those nurses who like to organise their working week around family commitments and well in advance.

I ask the minister what he will do about the impact of the changes on the number of beds operating because it

appears there is a shortage of nurses and what he will do to address the issue in surgery and waiting list blow-outs.

Access@schools program

Hon. P. A. KATSAMBANIS (Monash) — I raise with the Minister for Education Services, in her capacity as Minister for Education Services, a matter that relates specifically to the collapse of the statewide Internet access agreement for schools, known as Edunet, and specifically the impact of the collapse of that agreement on the access@schools program.

I mentioned in the house earlier today that the Minister for Information and Communication Technology took the credit for the program and launched it in March this year. However, on closer examination it appears that the project was established with significant funding from the very successful commonwealth government networking the nation program. The applicant that applied for that funding from the commonwealth was in fact the Victorian Department of Education Employment and Training, as it was then known.

The program uses the infrastructure of government schools to provide free or affordable access to the Internet as well as Internet training in rural communities. The collapse of Edunet will significantly impact on the number of people that can be assisted through the program as well as the number of hours that they can access it. In many cases it might make the availability of the program through various rural schools completely unaffordable. The collapse of Edunet is something that puts this program at great peril.

As reported in an article in the *Herald Sun* on 2 April this year, the Minister for Education Services made it very clear that schools would not receive any additional funding whatsoever to meet the increased costs of providing Internet services. That will have an impact on schools generally, but right now I want the minister to focus on a project that her department acquired funding from the commonwealth government to deliver through the infrastructure in government schools. I want her to advise the house and the public of Victoria, particularly people in rural and regional communities who rely on this scheme for Internet access, what action she or officers in her office or department have taken to ensure that the access@schools program does not collapse or be somehow or other disadvantaged as a result of the significant problems relating to the collapse of the Edunet deal.

Walking tracks: maintenance

Hon. W. I. SMITH (Silvan) — I raise with the Minister for Environment and Conservation in another place through the Minister for Energy and Resources a matter of grave concern to a constituent, Nola Neuparth, from Ringwood. Nola is a member of the Maroondah Bush Walking Club, the largest in Victoria with 550 members. In her letter to me she states that walking tracks around Victoria are not being kept up and that the signs are not being put up in place.

She states that as a regular day walker she has witnessed over the last 10 or 12 years a significant deterioration in walking tracks as well as a reduction in the number of walking tracks available, particularly in the Warburton, Powelltown and Toolangi areas. She puts this down to the fact that the tracks are not fixed up after heavy logging, and that often the entrances to these walks are blocked or altered so people cannot get in. She also states that the government maps which are frequently used by bush walkers are dated and inaccurate. She has pursued this and found it is due to a lack of funding that maps are not regularly updated to ensure accuracy and efficiency of use. She claims that obviously trail bikes and four-wheel drive vehicles have contributed significantly to massive deterioration in the state of the walking tracks.

I ask the minister why there are insufficient funds for updating the walking track maps, and what measures are in place for the preservation of walking tracks which have deteriorated from logging?

State Emergency Service: Lilydale unit

Hon. A. P. OLEXANDER (Silvan) — I seek the assistance of the Minister for Police and Emergency Services through the Minister for Energy and Resources. As the minister is no doubt aware, the State Emergency Service (SES) relies to a very large degree upon trained volunteers. In times of need the SES is often the first at a scene, whether it be a car accident, a flood, searches, clearing of storm damage or the like.

The issue I raise specifically is that of the Lilydale SES — strictly in the electorate of Central Highlands represented by my friend and colleague Graeme Stoney — which has 39 members. Of particular concern is that although the Lilydale SES has 39 members on the books it has only 24 active members to cover the whole of the western half of the Yarra Ranges — which very much come into the electorate of Silvan Province — and Wonga Park, parts of Warranwood and Croydon North. There is clearly a need for increased numbers of volunteers, particularly

when major events occur requiring more support, as well as having people on stand-by to cover problems.

Teenagers may join a cadet unit and anyone over the age of 18 can join a senior unit. Training is involved and members of the training department in Lilydale have claimed that anyone is welcome to join the crew, although members have to be committed to training and learning in a major way.

The Lilydale SES is the primary road rescue service in the Yarra Ranges. Considering the shire's very poor road accident record — one of the worst in the state — it has a very difficult job indeed. More volunteers would make this very commendable service even stronger and help the current very dedicated SES group.

I ask the minister to consider launching a concerted campaign across Victoria to attract more SES volunteers right around the state and, of course, throughout the Yarra Ranges and Silvan Province.

Berwick South Secondary College

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I raise with the Minister for Education Services a matter relating to the provision of an oval for Berwick South Secondary College.

At the beginning of the 2002 school year I was very pleased to see the Berwick South Secondary College open. The school was planned and funded by the previous government, and I am pleased to see it come to fruition. The school has received some funding from the department for an undersized oval. What it is seeking to do is build a full-size oval with appropriate facilities — draining, lighting, et cetera. The school attempted to enter into an agreement with the City of Casey for a joint-use facility on a piece of land adjacent to the school site. However, the council was not willing to proceed with such a facility at this point in time. With the funds currently available to the school they are able to build only an undersize facility which will serve neither the long-term needs of the school nor the community.

The minister may be aware that the Berwick South Secondary College population is not serviced by any full-size sporting facilities in the near vicinity. The action I seek from the minister is her assistance in obtaining sufficient extra funding for the Berwick South Secondary College to develop a full-size oval adjacent to or on its existing land.

Land tax: small business

Hon. D. McL. DAVIS (East Yarra) — I raise a matter with the Leader of the Government for the attention of the Treasurer in the other place. I note again tonight that the Treasurer's representative in this place, the Minister for Energy and Resources, is not present during the adjournment debate to respond in a serious way to this significant matter which again concerns land tax.

Land tax assessments have gone out across the state and are having a significant impact on many small businesses. In this case I draw the minister's attention to a specific instance — a service station in Maling Road, Canterbury, known as D. H. Bradshaw Auto Service Pty Ltd. This service station is an institution in the City of Boroondara. It is an old-fashioned service station that still provides service, something quite unusual in modern service stations today. People all around the City of Boroondara know about and use this service station. What concerns me is the impact of the land tax assessment on this property, and I particularly refer the Treasurer to the impact of land tax on individuals and businesses in the City of Boroondara.

Land tax assessment for the Bradshaw service station for 2001 was $782.40. The assessment of which I have a copy here for 2002 is an extraordinary figure of $11 480, an increase of almost 1400 per cent — a massive increase and a slug that will require this small service station to consider laying off staff. The operators will have to consider how they can refine their business in a sensible way. It is going to have an impact that will place in some jeopardy the sort of service we have seen from this institution at the end of Maling Road in Canterbury. I indicate again, as I did last night, that land tax assessments do change and property prices vary over time and increase given the boom that has occurred in property values over the recent period. However, this increase is extraordinary. It is an absolutely unforgivable increase and I believe the Treasurer has clearly not understood the impact of these land tax increases.

Certainly, any small amelioration in business taxes that have been delivered through his pronouncements on payroll tax will be absolutely swamped in the case of the Bradshaw company, which employs 20 staff and hence pays payroll tax and gets a slight benefit there. But that benefit will be absolutely overwhelmed by the massive increase of almost 1400 per cent in land tax. It is again a pity that the — —

The PRESIDENT — Order! Time!

Police: Cape Paterson presence

Hon. K. M. SMITH (South Eastern) — My question to the Minister for Police and Emergency Services is about an issue of great concern to me. There is a great family resort area called Cape Paterson about 8 or 9 kilometres out of Wonthaggi where families have been able to go for a long time to enjoy the beach and the friendly atmosphere. In recent times there has been some teenage crime at Cape Paterson with out-of-control kids who have been drinking to a huge extent. There have been examples of knives and guns and under-age drinking, fighting, assaults, thefts and generally antisocial behaviour which is very much out of character for Cape Paterson.

Garry and Marlene Beaton, who are the managers of the Cape Paterson caravan park, have raised this issue as being one that is causing problems at the cape because of the reputation it is gaining for some of the problems that have been caused there.

I ask the Minister for Police and Emergency Services to give some real consideration to giving more police vehicles to the Wonthaggi police station and looking at extra police to work from that 24-hour police station. Consideration should also be given to setting up a mobile police booth down there during the holiday periods of Christmas, Easter and other long weekends, so that when numbers of youths congregate, there will be some police in the area.

I have no doubt that the Wonthaggi police are doing a fantastic job with very limited resources, and we are very much aware that they are short of one divisional van, if not two. They also need another unmarked police car. From talking to the police in the area, it is my understanding that there is a need for some seven or eight additional police to bring them up to a full force that would be able to look after the area not only of Cape Paterson, but also to be able to put more time into Phillip Island and the Grantville and Inverloch areas. There is a good police station at Inverloch and there are also good police there, but there are always times when these problems occur and police are put under great pressure. The minister would be aware that the new police station has just been opened and that it was funded by the Kennett government. There is a facility there for a strong police force to offer some help to the people of Cape Paterson in setting up an area where the kids and families can feel safe.

Insurance: public liability

Hon. PHILIP DAVIS (Gippsland) — I have an issue for the attention of the Minister for Youth Affairs. Honourable members know, because I have raised the issue in this place before, about the concerns in regional Victoria about public liability insurance. We know about the particular concerns raised in respect of outdoor and adventure tourism operators, and we have seen many important regional events cancelled by community groups which have been unable to secure adequate insurance cover. Community organisations that are vital to the wellbeing of society are also at risk — for example, the Bairnsdale Police and Citizens Youth Club has ceased to operate as a result of a premium increase of several hundred percentage points — from $2000 to $7000! I am advised of many other clubs that are in similar crisis situations and that are at risk of closure. Therefore I ask the Minister for Youth Affairs what action, if any, she is taking with regard to supporting community youth organisations which are closing due to the public liability insurance crisis.

Legislative Council: Friday sittings

Hon. BILL FORWOOD (Templestowe) — I raise an issue for the Leader of the Government. It was, I think, about 5 or 6 minutes before the end of the last bill the house dealt with that the Deputy Leader of the Government came to me and told me that it was the intention of the government to bring the house back tomorrow at 9.30 a.m. That is very short notice.

Obviously we are prepared to sit at 9.30 a.m. tomorrow, but the issue I wish to explore is whether in future we are going to get more notice of the sitting times and whether members of this house can have any confidence that the dates that have been set down for the house to sit between now and the rest of the autumn sittings will pertain, other than perhaps some sittings on some Fridays. All honourable members would like to know whether 10-minute-to-midnight or 5-minute-to-midnight advice on sitting dates and times is to become the order rather than the exception that I certainly hope it is.

Honourable members would like to know whether the government's intention is, as I suspect it might be, to make the place unworkable. I said this in my contribution on the urgency motion on Tuesday. Did the Deputy Leader of the Government make this decision 5 minutes before he came to see me, or did he make it earlier? That is the question some might care to ask.

My view is that the government needs to inform the people who work here — Hansard and others — whether this is the sort of behaviour they can expect from the government. People are entitled to have some

certainty in the way the house will proceed into the future.

The Leader of the Government has an obligation to all members to explain these issues. It is very odd behaviour, except, as I said — and it is up to the Leader of the Government to confirm it if she wishes — that it is the deliberate intention of the government to make the Legislative Council of Victoria unworkable. I look forward to some sensible response.

Responses

Hon. M. M. GOULD (Minister for Education Services) — The Honourable Andrew Brideson raised a matter with respect to obtaining information from the regional department on the physical resources management system or PRMS program. He referred to difficulties getting information that the regional office did not have because it is held within the department. He said he put in a request about four weeks ago. I am happy to investigate within the department where that request is and respond back to him as soon as possible.

The Honourable Elaine Carbines raised a matter for the Minister for Local Government. I will pass that on to him and ask him to respond in the usual manner.

The Honourable Ron Bowden raised a matter for the Minister for Transport with respect to City Link ventilation. I will pass that on to the minister and ask him to respond in the usual manner.

The Honourable Barry Bishop raised a matter for the Premier regarding reduction of staff at Qantas in the Mildura area. I will raise that with the Premier and ask him to respond in the usual manner.

The Honourable Sang Nguyen raised a matter for the Minister for Transport about the truck curfew in Francis Street. I will pass that on to the minister and ask him to respond in the usual manner.

The Honourable Cameron Boardman raised a matter for the Minister for Police and Emergency Services. I will pass that on to him and ask him to respond in the usual manner.

The Honourable Andrea Coote raised a matter for the Minister for Planning regarding heritage fees. I will pass that on to her and ask her to respond in the usual manner.

The Honourable Ian Cover raised a matter with respect to the Open Family Street Youth Action Team. I happened to be walking past the steps of Parliament when that exhibition was on and had an opportunity to have a quick look at it. One of the young persons there came up to me and asked me to have a look. I had a quick look but said I would come back. By the time I returned from a meeting, the display had left. I mentioned that in my office when I returned later in the day, and the very next day, which was Wednesday if my memory serves me correctly, I received a letter from the organisation inviting me to the launch the day before. I did not receive the invitation until the following day. However, I am happy to discuss the honourable member's proposal.

The Honourable Maree Luckins raised a matter for the Minister for Health. I will pass that on to him and ask him to respond in the usual manner.

The Honourable Peter Katsambanis raised a matter as a result of Telstra deciding to increase service provider costs to schools. It has made a decision to increase costs between 5 and 12 times the previous cost that was associated with its service delivery. Schools have been informed of the discussions that took place with Telstra. It was not prepared to continue under the same terms and conditions it had entered into under the previous contract and said it was a commercial decision it had made to increase its costs.

As a result of that the department has spoken with other providers. There are two other providers schools can choose from to access their Internet services. There are another two providers that the department is investigating to ensure they have the appropriate filters in place so that children do not get access to the broader Internet, which can contain unsuitable information. I am advised that up to this point in time about a third of the schools have signed up with alternative providers so the access to schools on the Internet service is continuing.

The Honourable Wendy Smith raised a matter for the Minister for Environment and Conservation in another place about bushwalking clubs and information. I will pass that on to the minister and ask her to respond in the usual manner.

The Honourable Andrew Olexander raised a matter for the minister — —

Hon. P. A. Katsambanis — On a point of order, Mr President, I am aware — —

The PRESIDENT — Order! I am sorry, the honourable member has to make the objection at the time. The minister has moved on.

Hon. P. A. Katsambanis — Within 10 seconds! I had to digest what she was saying.

The PRESIDENT — Order! The minister is on to the next issue.

Hon. P. A. Katsambanis — She is going at a million miles an hour!

The PRESIDENT — Order! If the minister is happy to answer it.

Hon. M. M. GOULD — On the point of order, Mr President, I have given my answer.

Hon. P. A. Katsambanis — On the point of order, Mr President, the minister has given her answer and I am aware of your ruling in the past that an answer to a query disposes of that query in the adjournment. However, I submit to you, Mr President, that the minister made no attempt whatsoever to provide an answer to my question that was specifically related to a program called access@schools and what her department or she had done to ensure that that program would survive. The minister did not even mention the program in her answer.

Hon. M. M. GOULD — I mentioned the Internet providers.

Hon. P. A. Katsambanis — I am not talking about the Internet providers. I am talking about a specific program that the minister's department has contracted with the federal minister to deliver.

Honourable members interjecting.

Hon. P. A. Katsambanis — Mr President, I would like to finish my point of order.

If the minister wants to say she has done nothing, she should say so. Unfortunately she has not even addressed the matter I have raised. This is a misuse of this place.

The PRESIDENT — Order! The honourable member talked about my previous rulings. In fact the guidelines have been in operation since 1975. They make it clear that the minister's answer disposes of the matter.

Hon. P. A. Katsambanis interjected.

The PRESIDENT — Order! There are other avenues in this house to pursue that. The fact is that these guidelines have been in operation since that time and they say the minister's answer disposes of the matter.

Hon. M. M. GOULD — Thank you, Mr President. The Honourable Andrew Olexander raised a matter about Lilydale State Emergency Service and I will pass that on to the minister and ask him to respond in the usual manner.

The Honourable Gordon Rich-Phillips raised a matter with me about the Berwick South Secondary College, which has attempted to reach a facilities arrangement with the City of Casey. I understand the honourable member said that the school has funding for a three-quarter oval and it wants a full oval. Funding and development for schools is all done in a very economic and responsible manner. The funding that is available for the Berwick South Secondary School has been allocated within the budget restraints, but I am still happy to look at what has happened. However, I make no promises about the issue raised by the honourable member. I will look into it to see if there is anything available. The government is committed to ensuring that when funding is given to schools for facilities et cetera, it is done in an economically responsible manner.

The Honourable David Davis raised a matter for the Treasurer about land tax for Bradshaw's service station. I will raise that with the Treasurer and ask him to respond in the usual manner.

The Honourable Ken Smith raised a matter for the Minister for Police and Emergency Services in another place. I will refer that to him and ask him to respond in the usual manner.

The Honourable Philip Davis raised a matter with me with respect to public liability insurance. The government, and in particular the Minister for Finance, has worked extremely hard to ensure there is sufficient insurance cover out there in the community in a number of areas. There was a concern about whether a number of projects and events that were to take place for National Youth Week could take place because of the high public liability insurance premiums. The government was able to ensure the events were all covered. It is an ongoing concern, and the government as a whole is concerned about it.

As I indicated, the Minister for Finance has worked extremely hard with insurance companies to protect home owners and builders' warranties. That is an issue occurring across a variety of industries around the world. It is an area the government is concerned about and is attempting to rectify. We are working as hard as we can to address the issue of public liability insurance.

The Honourable Bill Forwood raised a matter about the government advising the opposition of government business because the Legislative Council will be sitting

tomorrow. The Leader of the Opposition would be well aware that yesterday he moved an amendment to sessional orders that allows for sittings on Fridays. He claimed the government was attempting to shut down the Parliament. The government is open and accountable. It is prepared to sit and have question time and deal with government business. The Leader of the Opposition made Fridays available for Parliament to sit and the government has taken advantage of it.

Hon. Bill Forwood — On a point of order, Mr President, I understand that the minister's answer disposes of the issue I raised but honourable members would like to know whether the sitting days are likely to stay as they are currently scheduled.

Hon. M. M. GOULD — I am happy to add further to my response. In regard to the sitting days that have been set down, it is not the intent of the government to change the timetable.

Hon. Bill Forwood — How much notice about Fridays is the Leader of the Government likely to give?

Hon. M. M. GOULD — I am happy to discuss that further with the honourable member. On the record, we will attempt to give as much notice as possible.

Motion agreed to.

House adjourned 5.59 p.m.