PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FIFTH PARLIAMENT

FIRST SESSION

5 June 2003

(extract from Book 9)

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By authority of the Victorian Government Printer

The Governor

JOHN LANDY, AC, MBE

The Lieutenant-Governor

Lady SOUTHEY, AM

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Minister for Sport and Recreation and Minister for Commonwealth Games	The Hon. J. M. Madden, MLC
Minister for Gaming, Minister for Racing, Minister for Tourism and Minister assisting the Premier on Multicultural Affairs	The Hon. J. Pandazopoulos, MP
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Minister for Energy Industries and Minister for Resources	The Hon. T. C. Theophanous, MLC
Minister for Small Business and Minister for Information and Communication Technology	The Hon. M. R. Thomson, MLC
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Legislative Council Committees

Privileges Committee — The Honourables W. R. Baxter, Andrew Brideson, H. E. Buckingham and Bill Forwood, and Mr Gavin Jennings, Ms Mikakos and Mr Viney.

Standing Orders Committee — The President, Ms Argondizzo, the Honourables B. W. Bishop and Andrea Coote, Mr Lenders, Ms Romanes and the Hon. E. G. Stoney.

Joint Committees

Drugs and Crime Prevention Committee — (*Council*): The Honourables C. D. Hirsh and S. M. Nguyen. (*Assembly)*: Mr Cooper, Ms Marshall, Mr Maxfield, Dr Sykes and Mr Wells.

Economic Development Committee — (*Council*): The Honourables B. N. Atkinson and R. H. Bowden, and Mr Pullen. (*Assembly*): Mr Delahunty, Mr Jenkins, Ms Morand and Mr Robinson.

Education and Training Committee — (*Council*): The Honourables H. E. Buckingham and P. R. Hall. (*Assembly*): Ms Eckstein, Mr Herbert, Mr Kotsiras, Ms Munt and Mr Perton.

Environment and Natural Resources Committee — (*Council*): The Honourables Andrea Coote, D. K. Drum, J. G. Hilton and W. A. Lovell. (*Assembly*): Ms Duncan, Ms Lindell and Mr Seitz.

Family and Community Development Committee — (*Council*): The Hon. D. McL. Davis and Mr Smith. (*Assembly*): Ms McTaggart, Ms Neville, Mrs Powell, Mrs Shardey and Mr Wilson.

House Committee — (*Council*): The President (*ex officio*), the Honourables B. N. Atkinson and Andrew Brideson, Ms Hadden and the Honourables J. M. McQuilten and S. M. Nguyen. (*Assembly*): The Speaker (*ex officio*), Mr Cooper, Mr Leighton, Mr Lockwood, Mr Maughan, Mr Savage and Mr Smith.

Law Reform Committee — (*Council*): The Honourables Andrew Brideson and R. Dalla-Riva, and Ms Hadden. (*Assembly*): Ms Beard, Mr Hudson, Mr Lupton and Mr Maughan.

Library Committee — (*Council*): The President, Ms Argondizzo and the Honourables C. A. Strong, R. Dalla-Riva and Kaye Darveniza. (*Assembly*): The Speaker, Mr Carli, Mrs Powell, Mr Seitz and Mr Thompson.

Outer Suburban/Interface Services and Development Committee — (*Council*): Mr Scheffer and Mr Somyurek. (*Assembly*): Mr Baillieu, Ms Buchanan, Mr Dixon, Mr Nardella and Mr Smith.

Public Accounts and Estimates Committee — (*Council*): The Honourables W. R. Baxter, Bill Forwood and G. K. Rich-Phillips, and Ms Romanes. (*Assembly*): Ms Campbell, Mr Clark, Mr Donnellan, Ms Green and Mr Merlino.

Road Safety Committee — (*Council*): The Honourables B. W. Bishop, J. H. Eren and E. G. Stoney. (*Assembly*): Mr Harkness, Mr Langdon, Mr Mulder and Mr Trezise.

Rural and Regional Services and Development Committee — (*Council*): The Honourables J. M. McQuilten and R. G. Mitchell. (*Assembly*): Mr Crutchfield, Mr Hardman, Mr Ingram, Dr Napthine and Mr Walsh.

Scrutiny of Acts and Regulations Committee — (*Council*): Ms Argondizzo and the Hon. A. P. Olexander. (*Assembly*): Ms D'Ambrosio, Mr Jasper, Mr Leighton, Mr Lockwood, Mr McIntosh, Mr Perera and Mr Thompson.

Heads of Parliamentary Departments

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

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

Hansard — Chief Reporter: Ms C. J. Williams

Library — Librarian: Ms G. Dunston

Joint Services — Director, Corporate Services: Mr S. N. Aird
Director, Infrastructure Services: Mr G. C. Spurr

MEMBERS OF THE LEGISLATIVE COUNCIL

FIFTY-FIFTH PARLIAMENT — FIRST SESSION

President: The Hon. M. M. GOULD

Deputy President and Chair of Committees: Ms GLENYYS ROMANES

Temporary Chairs of Committees: The Honourables B. W. Bishop, R. H. Bowden **,** Andrew Brideson, H. E. Buckingham, Ms D. G. Hadden, the Honourable J. G. Hilton, Mr R. F. Smith and the Honourable C. A. Strong

Leader of the Government:
Mr J. LENDERS

Deputy Leader of the Government:
Mr GAVIN JENNINGS

Leader of the Opposition:
The Hon. P. R. DAVIS

Deputy Leader of the Opposition:
The Hon. ANDREA COOTE

Leader of the National Party:
The Hon. P. R. HALL

Deputy Leader of the National Party:
The Hon. D. K. DRUM

Member	Province	Party	Member	Province	Party
Argondizzo, Ms Lidia	Templestowe	ALP	Jennings, Mr Gavin Wayne	Melbourne	ALP
Atkinson, Hon. Bruce Norman	Koonung	LP	Koch, Hon. David	Western	LP
Baxter, Hon. William Robert	North Eastern	NP	Lenders, Mr John	Waverley	ALP
Bishop, Hon. Barry Wilfred	North Western	NP	Lovell, Hon. Wendy Ann	North Eastern	LP
Bowden, Hon. Ronald Henry	South Eastern	LP	McQuilten, Hon. John Martin	Ballarat	ALP
Brideson, Hon. Andrew Ronald	Waverley	LP	Madden, Hon. Justin Mark	Doutta Galla	ALP
Broad, Ms Candy Celeste	Melbourne North	ALP	Mikakos, Ms Jenny	Jika Jika	ALP
Buckingham, Hon. Helen Elizabeth	Koonung	ALP	Mitchell, Hon. Robert George	Central Highlands	ALP
Carbines, Mrs Elaine Cafferty	Geelong	ALP	Nguyen, Hon. Sang Minh	Melbourne West	ALP
Coote, Hon. Andrea	Monash	LP	Olexander, Hon. Andrew Phillip	Silvan	LP
Dalla-Riva, Hon. Richard	East Yarra	LP	Pullen, Mr Noel Francis	Higinbotham	ALP
Darveniza, Hon. Kaye	Melbourne West	ALP	Rich-Phillips, Hon. Gordon Kenneth	Eumemmerring	LP
Davis, Hon. David McLean	East Yarra	LP	Romanes, Ms Glenyys Dorothy	Melbourne	ALP
Davis, Hon. Philip Rivers	Gippsland	LP	Scheffer, Mr Johan Emiel	Monash	ALP
Drum, Hon. Damian Kevin	North Western	NP	Smith, Mr Robert Frederick	Chelsea	ALP
Eren, Hon. John Hamdi	Geelong	ALP	Somyurek, Mr Adem	Eumemmerring	ALP
Forwood, Hon. Bill	Templestowe	LP	Stoney, Hon. Eadley Graeme	Central Highlands	LP
Gould, Hon. Monica Mary	Doutta Galla	ALP	Strong, Hon. Christopher Arthur	Higinbotham	LP
Hadden, Ms Dianne Gladys	Ballarat	ALP	Theophanous, Hon. Theo Charles	Jika Jika	ALP
Hall, Hon. Peter Ronald	Gippsland	NP	Thomson, Hon. Marsha Rose	Melbourne North	ALP
Hilton, Hon. John Geoffrey	Western Port	ALP	Viney, Mr Matthew Shaw	Chelsea	ALP
Hirsh, Hon. Carolyn Dorothy	Silvan	ALP	Vogels, Hon. John Adrian	Western	LP

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THURSDAY, 5 JUNE 2003

QUESTIONS ON NOTICE

TUESDAY, 3 JUNE 2003

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Thursday, 5 June 2003

The PRESIDENT (Hon. M. M. Gould) took the chair at 9.32 a.m. and read the prayer.

FISHERIES (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. T. C. THEOPHANOUS (Minister for Resources).

CRIMES (FAMILY VIOLENCE) (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

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

BUSINESS OF THE HOUSE

Adjournment

Mr LENDERS (Minister for Finance) — I move:

(a) That the Council, at its rising, adjourn until Tuesday, 10 June 2003 at 9.30 a.m.;

(b) that sessional orders 2 and 5 be suspended to the extent necessary to enable general business to take precedence of all other business for 2 hours following members statements during the sitting of the Council on Wednesday, 11 June 2003; and

(c) that sessional orders 2, 3 and 13 be suspended to the extent necessary to enable government business to take precedence of all other business following members statements, excluding questions, during the sitting of the Council on Thursday, 12 June 2003.

Motion agreed to.

SUPREME COURT JUDGES

Annual report

Hon. J. M. MADDEN (Minister for Sport and Recreation) presented, by command of the Governor, report for 2001.

Laid on table.

PAPERS

Laid on table by Clerk:

Auditor-General — Report on Public Sector Agencies: Results of special reviews and financial statement audits for agencies with balance dates other than 30 June 2002, June 2003.

Electoral Commissioner — Report on the Administration of the 2002 Victorian State election, 30 November 2002.

Medical Practitioners Board of Victoria — Report, 2001–02.

Members of Parliament (Register of Interests) Act 1978 — Summary of Variations notified between 1 May 2003 and 5 June 2003.

Parliamentary Committees Act 1968 — Minister's interim response to Environment and Natural Resources Committee's Inquiry into the Allocation of Water Resources.

Statutory Rules under the following acts of Parliament:

Building Act 1993 — No. 43.

Chattel Securities Act 1987 — No. 46.

Forests Act 1958 — No. 42.

Road Safety Act 1986 — Nos. 44 and 45.

Treasury Corporation of Victoria Act 1992 — No. 47.

Water Act 1989 — No. 48.

Subordinate Legislation Act 1994 —

Ministers' exception certificates under section 8(4) in respect of Statutory Rule Nos. 44 to 46.

Ministers' exemption certificates under section 9(6) in respect of Statutory Rule Nos. 43, 44 and 46.

MEMBERS STATEMENTS

Road safety: speed cameras

Hon. C. A. STRONG (Higinbotham) — I wish to put on record my disappointment and disgust at the unwarranted slug of an extra $696 000 of speed camera fines that has been imposed on the residents of my province in Mordialloc, Hampton, Sandringham and Brighton — close to an extra $700 000 of speed camera fines issued between January and March compared with the same period in 2002.

Locally, motorists have paid an extra 57.6 per cent more in speed camera fines in the first quarter of 2003 compared with 2002. The truth is that the Bracks government — the mob opposite — has embarked on a hunt to find easy ways to raise money. It is simply a revenue-raising binge and has nothing to do with safe

driving. For instance, in January this year, speed camera fines doubled — can you imagine that! Do you think drivers are suddenly speeding twice as much? No, they are not. It is just a tax grab against the residents of my province. It is a total tax grab across Victoria.

Honourable members interjecting.

The PRESIDENT — Order! The level of the noise in the chamber during 90-second statements has been raised on a number of occasions. Members are entitled to raise their matters and be given by the house the courtesy of being heard, not necessarily in silence, but at least heard. There is too much noise on my right from the government benches, and I ask them to desist.

Hon. C. A. STRONG — Every day motorists across Victoria are paying an extra $260 every minute in speed camera fines.

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

Bill Huntley

Ms HADDEN (Ballarat) — I wish to note the passing of Bill Huntley of Creswick. Bill was a stalwart of the Creswick community and he died last Saturday after a long battle with cancer.

Bill and his family began a grocery store business in North Creswick in the early 1900s. Then in 1957 Bill and his brother, Ian, began their grocery store in the heart of Creswick, and it still continues to this day. It is a fantastic opportunity for the community to meet and shop, and to be a part of the Huntley family.

Bill was known as an old-fashioned man with old-fashioned values. He was an elder and a church organist at St Andrews Uniting Church in Creswick. He was involved in many community activities and groups, such as the bowling club, Meals on Wheels, the John Curtin Memorial Hostel, and as I said, the Uniting Church. He was also an honorary justice of the peace and a past master of the Havilah Masonic Lodge. He was also very involved in the district's special services and Ballarat Grammar School parents and friends — —

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

Great Ocean Road: black spot intersections

Hon. J. A. VOGELS (Western) — Last year, like many other people, I once again drew the attention of Vicroads to two black spot intersections on the Great Ocean Road — the Childers Cove Road intersection, locally known as Naylers corner, and Bartons corner at Nullawarre.

More than five years ago it was acknowledged by Vicroads that Naylers and Bartons corners on the Great Ocean Road were in need of reconstruction. Since that time the volume of traffic in this area has grown significantly due to the increasing number of tourists, buses, coach tours, milk tankers, B-doubles, caravans, motor vehicles, et cetera. I urge Vicroads to review these two hot spots and any other bends along our major roads where adverse camber and elevation misguides commuters leading them to either run off the road or overturn.

Yesterday the Warrnambool *Standard* on page 1 had the headline 'Milk tanker overturns'. This is one of numerous occasions when this has happened. A headline in the *Standard* of a month ago reads 'Woman injured in Nullawarre smash'. These two intersections are very dangerous. One day — and it will not be too far in the future — there will be a headline in the Warrnambool *Standard* 'Tourist bus rolls', or a local resident or someone else will be killed.

These are dangerous intersections on bends, and it is urgent that the works proceed. Once again I call on Vicroads to put a spade into the ground instead of talking empty rhetoric.

Walking school bus program: Jika Jika Province

Ms MIKAKOS (Jika Jika) — I want to thank Vichealth for providing almost $30 000 for the provision of a walking school bus program in my electorate.

Four of my local schools will participate in this program. They are St Joseph the Worker Primary School in Reservoir, Ruthven Primary School in Reservoir, Kingsbury Primary School in Kingsbury and Our Lady of the Way Primary School in Kingsbury. The schools were selected because they all have a significant proportion of their students living within 2 kilometres of the school, which is within walking distance for children.

The walking school bus program will provide volunteers to lead groups of children to school each morning and home again each afternoon. Obviously the project will ease traffic congestion around the four schools and will increase the children's level of daily physical activity.

A major focus of the program is to educate young children about road safety. Sadly the City of Darebin, in

which the four participant schools are located, has the fourth-highest number of pedestrian injuries and the second-highest number of pedestrian fatalities of all Victorian local government areas. I therefore welcome the support of Vichealth and the City of Darebin for this project, and congratulate each of the four participating schools.

Australian Labor Party: administration

Hon. BILL FORWOOD (Templestowe) — On 21 February Bill Shorten, secretary of the Australian Workers Union and ALP senior vice-president, wrote to Roland Lindell, the ALP state secretary, what you would call a 'Dear Roland' letter. It was in the context of the fact that the Carr-Sword group has 57 per cent of the party but holds 80 per cent of the positions at head office as well as the presidency and the junior vice-presidency.

This letter goes into some detail about the problems in the ALP, including stating on page 2 that:

> … with branch membership rates actually falling the ALP must ensure that its own rules do not further cripple one of the party's fundamental objectives — increasing and renewing its membership base.

It goes on in relation to this to say that:

> The traditional small-scale fundraisers run at branch level — i.e., barbecues, theatre nights, raffles et cetera raising a couple of hundred dollars, are dying out … Consequently, many of these foot soldier members are losing heart and interest because they are no longer sure that their role is either valuable or valued.
>
> … A more positive and active role must be found for this category of members or we will continue to lose them.

I make the point in the light of the forthcoming challenge to Simon Crean next week that the Labor Party cannot govern itself, it cannot govern itself federally and it certainly cannot govern the state.

Shepparton: national settlement project

Hon. KAYE DARVENIZA (Melbourne West) — I want to let the house know how very pleased I was to have the opportunity to launch the 2003 national settlement project supporting settlement in rural, regional and remote Australia. I did this on behalf of the Premier on Thursday, 22 May, at a meeting of the Victorian settlement planning committee in Shepparton.

I cannot think of a more appropriate location than Shepparton for the planning committee to meet and for the launch to be held. Shepparton has a wonderful history over many decades of accepting new migrants and making them welcome to the area. The Victorian government is proud of our multicultural community and firmly committed to helping people settle successfully throughout the state, particularly in rural and regional areas. The national settlement project has three main objectives: the distribution of settlement material; addressing hurdles to successful settlement in rural and regional Victoria; and developing tools that will assist communities as well as migrants in the settlement process.

I congratulate the City of Greater Shepparton and the Ethnic Communities Council of Shepparton on their contribution to the meeting, and I wish them every success in the future.

Pakenham bypass: funding

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I rise to repudiate the false and misleading statements being made by the federal member for McMillan, Christian Zahra, relating to the Pakenham bypass. It seems that in the area of my electorate that overlaps with McMillan Christian Zahra is increasingly becoming a ventriloquist doll for the state Minister for Transport in perpetuating false statements about the Pakenham bypass.

The letter Mr Zahra wasted taxpayers' money sending to the residents of Pakenham in late May further continues that trend. Mr Zahra accuses the federal government of breaking its promise with respect to the Pakenham bypass. In 2001 I stood next to the federal Treasurer, Peter Costello, in Pakenham when he announced $100 million in federal funding for the Pakenham bypass. This was long before the state government, the Bracks government, ever signed up for that project. It was long before the state government even knew the project existed. At that time the cost of the bypass was estimated at $200 million, and the federal government contributed $100 million.

The fact that the state government has not got on with that project and has allowed the cost of it to blow out is not the fault of the federal government. Its $100 million is still on the table. Its promise is being fulfilled, and it is about time Mr Zahra stopped perpetuating these lies, called his state colleague, the Minister for Transport, Mr Peter Batchelor, and told the state government to get on with the project.

Convict contribution commemoration

Mr PULLEN (Higinbotham) — A former constituent of Higinbotham, John Cameron, who fled Victoria for Campbelltown in Tasmania when it became obvious that the Kennett government would

win in 1992, has embarked on a project with the support of the Campbelltown council to commemorate the contribution of all convicts transported to Australia.

Next year, 2004, is the 200th anniversary of the first transportation of a convict to Tasmania. The project involves the construction of a convict trail of over 68 000 bricks which will commemorate every convict individually. Each convict's full details will be on the brick. Many of the poor souls died and were buried in unmarked graves at numerous locations on farms, in the bush, on roadsides and in cemeteries. The bricks will be laid in a continuous trail around the town starting and ending at the Red Bridge. The Red Bridge was built by convicts. Such is the craftsmanship with which it was built that it is now the oldest convict-built bridge in Australia that is still in use on a major highway.

Each brick, together with a title certificate in your name, together with that of your ancestor, costs $35. Full details can be obtained from Mr Cameron, Post Office Box 51, Campbelltown, Tasmania, 7210, or by phoning 6381 1438. Already 500 bricks have been sold, and the trail will be officially opened by the federal member for Lyons, Mr Dick Adams, on 22 February 2004.

There were 15 Bob Browns, 18 John Howards and 1 George Bush sent here. How awful! As an aside, it is no wonder Australia always beats England in cricket as it sent 482 Taylors, 377 Thompsons, 145 Morrises — —

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

Calder Highway: duplication

Hon. D. K. DRUM (North Western) — I raise an issue about a letter to the editor of the *Bendigo Advertiser* from the Minister for Employment and Youth Affairs in the other house. It is on the issue of my trying to help the state government attract some federal funding for the duplication of the Calder Highway. The minister said that during the campaign I had knowledge that there was no money in the federal budget for the duplication of the Calder Highway. The minister clearly states that the National Party in Victoria had kept this plan secret and that I was the only person to know there was no money in the federal budget.

The minister is right about my knowing there was no money in the federal budget, because I rang the office of the federal Leader of the National Party, the Honourable John Anderson, and asked if there was any money in the federal budget, and I was told there was not. The Liberal Party's candidate also rang the office and was also told there was not. I imagine the minister would have rung Mr Anderson's office and would also have known. She claims she did not know, yet three weeks after the election I told her to her face that there was no money in the upcoming budget, so her claim in yesterday's *Bendigo Advertiser* that my knowing there was no money in the federal budget for the Calder Freeway was a secret is an out-and-out untruth. She is misleading the people of Bendigo by telling them I had some secret knowledge.

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

Melbourne: open space

Ms ROMANES (Melbourne) — Opportunities for greening the inner city are not all that frequent so I am happy to report on two important recent events in Melbourne Province. When the State Netball and Hockey Centre was built at Royal Park the Bracks government made the commitment that there would be no loss of open space at Royal Park. Now the former indoor and outdoor netball courts have been removed and the area has been prepared by the City of Melbourne to be returned as open space under the Royal Park master plan. Last Sunday dozens of people answered the call and came from many parts of Melbourne to assist in the planting out of a long garden bed which runs along the edge of the railway cutting.

In a similar burst of community activity a few weeks ago about 100 people came out of their apartments at Docklands to plant banksias and to mark the placement of five landmark pine trees on top of the hill at the new Docklands Park. These trees are destined in future decades or centuries to become as significant as some of the older trees at the Flagstaff and Treasury gardens.

Both areas are important additions to open space in inner Melbourne for the enjoyment and benefit of local communities and visitors. I congratulate the City of Melbourne and the Docklands Authority on involving members of the community in their development.

Kew Residential Services: site development

Hon. D. McL. DAVIS (East Yarra) — Today I bring to the attention of the house the ongoing campaign in the Kew area in opposition to the government's proposal under its 2030 plan to redevelop Kew Cottages. Members of the Liberal Party support a sensible redevelopment of Kew Cottages and supports the proper provision for the current residents of Kew

Cottages. What we do not support — that is, what I do not support, and what the Honourable Richard Dalla-Riva, a member for East Yarra Province, and Mr McIntosh, the member for Kew in another place, as well as a growing band of people in the community do not support — is the inappropriate high-density development of that site, the tall towers the Bracks government wants to erect on that site, the damage to the parkland it wants to visit on that site, the growing traffic congestion that will result, and the trouble that will result for Kew Primary School and other facilities. The demand has not been appropriately considered by the government or the Boroondara City Council, which has not stood up for local residents and not reflected the views of the local community in this matter.

There is outright opposition to this proposal. The government should take this back to the drawing board and should again look at the proposal very carefully. An appropriate redevelopment is satisfactory, but what is not satisfactory is a forced redevelopment as part of the government's 2030 plan, as is occurring in other areas of Melbourne, that includes the building of high towers of 7, 8, 9 and 10 floors, or maybe more, on that site. It is an absolute disgrace.

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

Geelong: Manufacturing Hall of Fame

Hon. J. H. EREN (Geelong) — Businesses based in Geelong were winners at the Manufacturing Hall of Fame gala dinner, with two of them being inducted into the hall of fame by the Minister for Manufacturing and Export in the other place, the Honourable Tim Holding. I wish to congratulate Geelong firms Godfrey Hirst Australia and Brintons for being role models for other Victorian firms and for continuing to build Geelong's reputation as a key link in Victoria's manufacturing and textiles chain. These are two outstanding firms that have distinguished themselves as outstanding and innovative companies.

Brintons has been weaving carpets in Geelong since 1961, with plants in the United Kingdom, Portugal, the United States of America, Australia and New Zealand, and a new plant in India. It employs 180 people. Godfrey Hirst was established on the banks of Geelong's Barwon River in 1865, weaving high-quality fabrics primarily for clothing and furnishings. Today Godfrey Hirst manufactures high-quality carpets and floor coverings and boasts designs that achieve acclaim both within Australia and internationally.

The Manufacturing Hall of Fame was established in June 2000 to recognise and celebrate the success and achievements of the state's champion manufacturers.

Companies inducted into the Manufacturing Hall of Fame must have demonstrated a sustained contribution to manufacturing excellence and can be nominated only by their peers. Both companies were nominated by the Woolmark Company.

We need to recognise the people who make Geelong a great place for business in Victoria; we have some outstanding companies. Brintons and Godfrey Hirst Australia are the first Geelong firms to be inducted into the Manufacturing Hall of Fame. We hope to see the spotlight shine on many more Geelong firms in the future. Once again, congratulations to these two companies.

AUDITOR-GENERAL

RMIT

Hon. ANDREW BRIDESON (Waverley) — I move:

> That the Council take note of the Auditor-General's report on RMIT's finances, June 2003.

The genesis of this report, which was tabled in this place yesterday, was a letter dated 4 February 2003 from the Minister for Education and Training in the other place. Ms Kosky wrote to Wayne Cameron, the Auditor-General, stating that she had been informed that the chancellor of the Royal Melbourne Institute of Technology had resigned his position and had cited his concerns over the financial position of RMIT as a major reason for that decision. The minister also said in her letter to the Auditor-General that over the last 12 months she had received financial data from RMIT that had changed between successive reports, particularly in regard to the projected operating deficits.

The minister asked the Auditor-General to conduct an audit that could extend to RMIT's capacity to understand and manage its cash flows, its strategies to build and maintain adequate cash reserves and its longer term budget planning, including management of overheads.

The Auditor-General's report is the usual thorough report and it really brings home to the people of Victoria the necessity to have an Auditor-General who can conduct comprehensive reports into organisations and institutions, et cetera.

This is a damning report on RMIT. It raises serious issues of governance. It raises serious issues concerning maladministration that borders on negligence and incompetence that is obviously endemic throughout the entire organisation. It also raises serious concerns about probity at RMIT.

After having quickly perused this report it would appear that there may have been fraudulent behaviour by RMIT management and it possibly warrants even further investigation by the police, and charges might even emanate from that. The evidence presented in this report is compelling and overwhelming. Every single department, no matter what its size, must be further audited. Management at all levels of RMIT, both senior and junior, must be held to account.

I do not intend to take members through the overview, but there are some very significant key findings that relate to RMIT's governance, strategic business and planning, specific issues that impact on its current financial position, performance against budget in 2001 and 2002, and also key findings that relate to RMIT's 2003 budget and financial outlook.

Section 8 of the report deals with the budget management processes and the final section relates to issues arising from the 2002 financial statement audit. There are then recommendations.

I guess the only light in the tunnel for RMIT is that it has indicated a willingness — although I do not believe it is so much a question of willingness as much as it is essential for the future of RMIT — to adopt all of the Auditor-General's recommendations in toto. I would go so far as to say that if RMIT does not adopt these recommendations, it should be stripped of its university status.

The Minister for Education and Training is to be congratulated for taking the significant step of inviting the Auditor-General to conduct this review. However, I would further congratulate the minister if she took appropriate action. I do not particularly want the vice-chancellor to be dismissed, but I believe the vice-chancellor should be brought to heel on this.

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

Mr VINEY (Chelsea) — I rise to join this debate. My first comment is to endorse what was just said about the importance of the Auditor-General conducting this sort of work. My second comment is to congratulate the Auditor-General on this report. I, along with other members, only received the report yesterday and have perhaps not had the opportunity to read it in complete detail, but it does not take much reading to see the terrible things that have gone wrong at this university.

I look at two of the key findings in the report. The first is that the Royal Melbourne Institute of Technology's (RMIT) budgeted operating result for 2002 was projected to be a surplus of $21.6 million, but the actual operating result was a loss of $17.7 million. That is one heck of a turnaround in a budgeted period. What is more disturbing is that management at RMIT did not inform the council clearly of this or give it any opportunity to intervene and make the necessary changes to avoid that turnaround. That is what is really at the heart of the concerns expressed in this report and the work done by the Auditor-General.

One of the key findings on page 6 states that:

> Due to unreliable forecasting by management during 2001 and 2002, the council did not become aware of the full extent of the deteriorating financial position until after the end of each financial year.

I have had experience in senior management teams and in consulting, and that is an extraordinarily unusual management practice. I despair at how things got to this stage. I suspect that the essence of what has happened here concerns the issues and principles of governance as they apply in public sector organisations. I suppose one day someone will do a PhD thesis on this, because there are so many interesting principles involved here: the fact that universities exist under an act of the Victorian Parliament; that an independent council is appointed to oversight the operation of the university; the role of the council and the interface with management; and the quite unusual environment of running a business that is about educating students. There is a range of interconnecting things here in what was probably also a university under some degree of financial pressure with the changes to the method of fee generation and the need for universities to generate income and so on.

I do not doubt that there were attempts at RMIT to try to meet the new challenges facing universities in Victoria and Australia. However, what is clear is that those attempts to meet these challenges have failed appallingly. There has been a serious breach of the governance function between the council and senior management at the university. I do not believe the Auditor-General's report goes to how that occurred or to the internal management issues that may have been the cause of that. What the Auditor-General does is identify that clear breach of governance in the proper processes of governance. The report is to be welcomed on that basis. I congratulate the Auditor-General and his

office for undertaking this work, which must have been very difficult.

I also congratulate the minister for having the foresight to recognise that a problem was emerging and that the best way to get to the heart of this problem was to get an independent office like the Auditor-General to look at it.

Hon. BILL FORWOOD (Templestowe) — It is a sad day for Parliament and for the Royal Melbourne Institute of Technology. RMIT is an icon institution in Victoria and has played a significant part in the state, and Melbourne in particular, for a long time. To find it teetering on the brink like this, as found by the Auditor-General, is very sad. I for one hope that it is not too late, although I think the jury is well out on that issue.

Today we received the June 2003 *Report on Public Sector Agencies*. At page 105, in Education and Training the heading 'Completed audits — 31 December 2002 balance dates' shows that RMIT University financial statements were signed off on 16 April and that a qualified audit opinion, dated the next day, has been issued. It states:

> Reason for qualification of financial statements: Inability to obtain all the information and explanations required to form an opinion on certain balances and inappropriate disclosure of non-reciprocal grants.

Last year RMIT had a qualified audit report. We knew we had problems some time ago and the Auditor-General chronicles in his report the extraordinary decline, as Mr Viney pointed out, in the state of the finances of the organisation. This is not just about the computer program but it is, as Mr Viney and Mr Brideson said, an issue of governance, the breakdown of management and its relationship with the council.

As I have said to a number of colleagues in this place over the past few days, if you found an organisation where the chairman of the board and seven other board members resigned virtually en masse in the space of a week or 10 days, you would not think that the management would survive. In this case they have, but I suspect pro tem.

If you look at what the Auditor-General says at page 7 of his *Report of the Auditor-General on RMIT's finances* you find:

> RMIT's 2003 budget is underpinned by a number of key assumptions in areas where adverse performance will reduce the possibility of achieving the budgeted result.

In other words, yes, at last we have a short-term plan. Mr Viney made a point that there is no long-term plan, but the Auditor-General makes the point that careful management of the risk will be required. Then he goes on to some of the areas which could seriously impact on the hopes of RMIT and the time frame that has been given to senior management by the minister in order to turn this around.

I said to a colleague of mine recently 'You would not want to be asked to be on the board of RMIT; you would have to hire yourself an accountant and a lawyer to do your own due diligence before you actually accepted the position' — because there was a track record of lack of governance and a track record, as the Auditor-General says, of lack of information.

Towards the end of the report on RMIT's finances the Auditor-General says:

> Complete reconciliations of international student debtor accounts between the AMS and the previous system … were still to be finalised at the time of our audit with material reconciliation adjustments not fully supported by appropriate documentation and explanation.
>
> The unreconciled differences and the lack of appropriate documentation to support adjustments diminish the usefulness and reliability of the reconciliation process.

In other words, they still do not know what is going on in the university. There is anecdotal evidence suggesting that they do not know how many students they have got, whether the students have paid or whether the right amounts are being charged. So there is a task to be done, as highlighted by the Auditor-General.

I took no joy from yesterday's press release, and no comfort either from the vice-chancellor, who went on the record saying, 'It is not all my fault'. Well, excuse me, as someone else has said, the buck has got to stop somewhere, and in this circumstance it certainly does, I believe, stop with Dr Dunkin.

I would make the point also that the university is well served by the appointment of Professor Dennis Gibson as its chancellor. He brings with him a wealth of experience, and if anyone has the capacity to get this organisation back from the brink on which it hovers, I believe he has. A lot of people — parliamentarians and members of other parts of the education sector — should do all they can to support RMIT in this, but it is a salutary warning. It took less than three years for this organisation to go from being one that had substantial reserves, minimal borrowings — —

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

Mr SCHEFFER (Monash) — I join with others in congratulating the Auditor-General on his report, which I have not read in the detail it deserves, but I have had a look at. I also support the opposition's congratulations to the minister on calling for the report.

The report of the Auditor-General on RMIT's finances should be welcomed, and the recommendations when carried out will remedy the serious issues the university faces. The house, however, should also be clear about the proper role of government in this matter.

By way of background, universities in Victoria are self-governing. Their councils have responsibility for appointment and oversight of senior management. Victoria's universities are created by acts of this Parliament, which provide for governing councils that are composed so as to reflect the major higher education stakeholders, including the state government.

Members will remember that the Victorian government undertook a review of university governance in 2002 to look at ways to strengthen governance arrangements and to increase public accountability in our universities. Those recommendations were endorsed by the Victorian government and have now been implemented, most recently through the passage of legislation through the Parliament in the current session.

The findings of this review were extremely well received, both in Victoria and beyond. The councils of Victoria's universities have seven members who are appointed by the Governor in Council and the responsible minister, with the agreement of the cabinet. The government has made a number of new appointments to the RMIT council that bring to the council expertise in administration, vocational education and training, financial management, and commercial and corporate law.

The new chancellor, Professor Dennis Gibson, who as has been pointed out has been vice-chancellor of Queensland University of Technology for the past 14 years, brings with him a wealth of experience and understanding of the issues facing the sector. The university council appoints its chief executive officer, the vice-chancellor, and the government has no role in the appointment. Rather, the government's role extends to ensuring that appropriate government arrangements are in place for the appointment and monitoring of senior management. This responsibility, as noted above, has been fully discharged.

The government notes that the Auditor-General, in his report on RMIT's finances, has made certain recommendations in relation to governance, and these will be carefully considered. The state government has responsibility for oversight of the financial affairs of Victoria's universities, and it is for this reason that the minister asked the Auditor-General to undertake his review.

The Treasurer, of course, is responsible for approval of university borrowings, in consultation with the Minister for Education and Training. The Minister for Education and Training is also responsible for approving land sales and long-term leases by universities. She has welcomed the positive response of RMIT's management to the recommendations of the Auditor-General. She expects to be kept informed by the chancellor of progress in their implementation.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — As a former student of both RMIT and Monash University I take a great deal of interest in the report tabled in the house yesterday. I have to say my observations of those institutions as a student was that when I was there in the early and mid-1990s the administration of RMIT left a lot to be desired compared to that of Monash University. It would seem that the report tabled yesterday suggests that things have substantially deteriorated since that time.

The Auditor-General's report sheds light on what appears to be a litany of problems of mismanagement and incompetence relating to the organisation and management of that institution.

From time to time you hear anecdotal reports of the cabinet processes in the dying days of the Kirner government and reports from commonwealth bureaucrats about how processes collapse, and it seems that a lot of those problems are now being experienced by RMIT. The Auditor-General reports on what is essentially an absolute collapse in corporate governance and budgeting processes, and the question has to be asked: how has that been allowed to occur in what was one of our leading tertiary education institutions?

In the overview the Auditor-General reports that since 1999 there has been growth of 22 per cent in RMIT's revenue while at the same time expenditure has blown out by 42 per cent. It is clear that over that period there have been no effective budgeting processes whatsoever. It is beyond belief that in such a short time the expenditure of the organisation has been allowed to go unchecked. Clearly the governing council of RMIT has either been kept in the dark by the executive or simply been incompetent in its management of the institution.

We have now reached a situation where this report has been necessary. The Minister for Education and Training in the other place has called on the Auditor-General to table this report highlighting these issues, but it is a matter of regret that this situation has developed and much criticism can be made of the university council for allowing this situation to develop.

Parallels can be drawn between the university council and the private sector. You would have to ask what action would be taken if RMIT University were a private sector entity governed by the Corporations Law. It is inconceivable that it could be allowed to haemorrhage for so long without proper corporate governance — without the council members having regard to the proper management of the organisation.

Under the Australian Securities and Investments Commission companies in the private sector are responsible. If this situation developed in the private sector their directors would be held responsible. In recent weeks we have seen prosecutions of some pretty high-profile individuals who have acted inappropriately as company directors, and they have paid the price for that. Unfortunately a similar regime has not applied in the management of this tertiary institution. In this case the situation is even worse because public rather than private funds are at risk.

I welcome the report being commissioned by the Minister for Education and Training. However, I also make the point that at the end of the day the Minister for Education and Training is responsible to this Parliament and to the people of Victoria for the expenditure of public funds on this institution. She has set a time frame for these issues to be addressed — by the end of this year. If that does not occur, the minister needs to take action and she also needs to be cognisant of the fact that she is responsible for the final outcome of this issue.

Hon. S. M. NGUYEN (Melbourne West) — I would like to join with the other members to speak on the report of the Auditor-General on the finances of the Royal Melbourne Institute of Technology (RMIT).

Many years ago I was a student at RMIT, so I am interested in its performance over the many years since I was a student there. RMIT University has had a very strong performance record over many years. It is one of the best universities in Victoria and its reputation is very high. It has many overseas students and many more from overseas would like to study at RMIT because of its reputation and the many good courses it has on offer.

I would like to congratulate the university for some of the things it has done. For example, last year when I was in Vietnam I visited the RMIT campus in Saigon. RMIT was the first overseas university to have a licence to operate in Vietnam. It did a lot of hard work in developing its overseas market; it developed many bridging courses so that students can study in Vietnam and then do their final year in Melbourne. RMIT has worked very hard to expand its business opportunities, particularly in education, and it has a lot to offer many Asian countries.

I refer to the summary of the report, which states that the financial position of RMIT was:

> … assisted by a significant increase in donations received by RMIT Vietnam Holdings Pty Ltd.

RMIT also receives a lot of funding and support from the many people who work with it to try to improve and support it.

Members of Parliament — one from each side of government — used to be appointed to the board of RMIT, but the rules have been changed and that does not happen anymore. If it were possible I would like to become one of the board members.

RMIT is facing a difficult time with its financial matters. As with other universities, RMIT has to report annually to Parliament on its financial matters, and I congratulate the Minister for Education and Training in the other place on working to get this report completed and presented to Parliament this month.

All we as parliamentarians can do is try to help RMIT to overcome the problem and to stop the debts getting bigger. I am sure the students and also the staff at RMIT are very concerned about what will happen in the future — both students and staff want to know what will happen to the university. I would like to see the government do everything it can to save RMIT and also to work with the board.

Motion agreed to.

ATTORNEY-GENERAL AND SOLICITOR-GENERAL (AMENDMENT) BILL

Second reading

For **Hon. J. M. MADDEN** (Minister for Sport and Recreation), Mr Lenders (Minister for Finance) — I move:

> That the bill be now read a second time.

Second-reading speech as follows incorporated on motion of Mr LENDERS (Minister for Finance):

Following discussions with the Chief Justice, the bar council and the Law Institute of Victoria in 2000, it was agreed that the protocols in place for the appointment of Queen's Counsel would be altered. The alterations provided that senior members of the legal profession be appointed as Senior Counsel rather than Queen's Counsel.

The changes in protocol did not require legislative amendment. However, section 4 of the Attorney-General and Solicitor-General Act 1972 provides that the Governor in Council may appoint one of Her Majesty's Counsel to be Her Majesty's Solicitor-General. Senior Counsel cannot be appointed to the office of Solicitor-General because section 4 requires the Solicitor-General to be Queen's Counsel. The amendment allows the appointment of either Queen's Counsel or Senior Counsel to the position of Solicitor-General.

This amendment brings the act into line with contemporary legal practice and eradicates an outmoded attachment to the monarchy.

I commend the bill to the house.

Debate adjourned on motion of Hon. C. A. STRONG (Higinbotham).

Debate adjourned until next day.

COURTS LEGISLATION (AMENDMENT) BILL

Second reading

Debate resumed from 4 June; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Ms MIKAKOS (Jika Jika) — Yesterday I began my contribution on the Courts Legislation (Amendment) Bill by indicating the key features of the bill. I got to the point of discussing the appointment of deputy chief magistrates for a limited tenure of five years and was outlining why the government would oppose the foreshadowed amendment that the Honourable Chris Strong has indicated is identical to the amendment moved by the opposition in the lower house.

In essence, the change introduced by this bill is one that has been requested by the Chief Magistrate in that he indicates that fixed terms for deputy chief magistrates will provide the court with the flexibility to meet its operational needs and will provide a range of magistrates with the opportunity to participate in the management of the court. Some of the management and leadership tasks required to be undertaken by deputy chief magistrates include, for example, an expansion of the court's IT system, judicial education and professional development programs, administrative tasks, public commentary tasks, and education and consultative services.

The opposition has indicated that it believes a renewable five-year term in some way compromises judicial independence. That is an argument the government vehemently refutes. As I indicated yesterday, the Bracks government is very much committed to the concept of judicial independence and the separation of powers. The amendment to the act is being made as a result of a request made by the Chief Magistrate himself, and it is important to note that we are really talking here about deputy chief magistrates, in effect, performing higher duties and receiving a very small, in comparison with their total salary, additional salary for that additional service and responsibility.

It is important to emphasise that issues of judicial independence turn more on fundamental tenets of our constitutional system. They turn on issues to do with the level of funding provided to our court system and also the initial appointments to the magistracy. It is important to emphasise again that magistrates, upon concluding the period of tenure as deputy chief magistrates, would return to service as magistrates, for which they are appointed for life. For that reason the government does not believe the issue of reappointment is one that in any way compromises the independence of any individual exercising a term as a deputy chief magistrate.

I emphasise also that there are currently renewable fixed-term appointments in other areas. These include members of the Victorian Civil and Administrative Tribunal and the State Coroner, who is a magistrate appointed for a fixed term by the Governor in Council to exercise particular additional duties during the period of the term. We are not seeing something that is new, but something that will assist the Magistrates Court and Chief Magistrate in the operations of the court. For these reasons the government vehemently opposes the notion that this provision in any way impinges upon the concept of judicial independence.

It is also important to comment on the opposition's credibility on this issue, given that it is a party which, when in government, was criticised by many sections of the legal profession and the community at large for undertaking a number of measures that did impinge upon judicial independence. Members will recall, for example, the abolition of the Accident Compensation Commission; the encroachments that were made by the Kennett government on the Director of Public Prosecutions; and more recently, during the lead-up to

last year's election, the pursuit by the opposition and hint of support for mandatory sentencing — something that goes to the heart of judicial independence and the ultimate discretion of the judiciary to determine appropriate sentences.

For all these reasons I indicate my support for the bill and indicate the government will oppose the foreshadowed amendment.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Hon. C. A. STRONG (Higinbotham) — I move:

1. Clause 1, page 2, lines 3 to 9, omit paragraph (b) and insert —

   "(b) to amend the **Magistrates' Court Act 1989** to clarify the operation of adjournments to undertake diversion programs and other powers of the Court.".

This amendment will delete the provision that allows for fixed-term appointments for deputy chief magistrates. Essentially, the opposition is moving the amendment because it sees fixed-term appointments for deputy chief magistrates as very much the thin end of the wedge of interfering with judicial independence and the clear separation of powers between the administration and the courts.

This imposition of a five-year fixed term clearly allows the administration to have a very significant power over the judiciary. However you may like to put it, whatever spin you want to put on it, if a judge knows that he only has a fixed-term appointment of five years, he or she will inevitably feel under some duress to conform with the wishes — spoken or implied — of the administration of the day.

Even if you mount an argument that says there is no duress implied, it is almost inevitable that a judge, Chief Magistrate or whatever would feel such duress. We see this very much as the thin end of the wedge of bringing in fixed-term appointments for the deputy chief magistrates. Who will be next? Will it be the Chief Magistrate, will it be judges? This is an attack on judicial independence. That is why we are moving the amendment.

I must say that I found Ms Mikakos's comments quite surprising. I know that as a good member of the government she must defend the government's position, but you can defend the government's position while not betraying your own feelings. How can you say that you vehemently oppose the view that fixed terms for the judiciary would in any way imply a threat to the independence of the judiciary? I cannot see how any logically thinking person could hold any other view, because if somebody is on a tenure, if somebody is on a leash, clearly they will be under duress, either actual or perceived. That would be a great disadvantage to our court system.

Therefore, I urge the government to seriously rethink this five-year fixed term for deputy chief magistrates, and I have moved the amendment accordingly. I signal that the other amendments that have been circulated in my name are consequential — they involve clause renumbering et cetera — and this first amendment will in fact test the government's intention. I have moved the amendment for those reasons.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised the Chief Magistrate has requested the amendment to section 7 of the Magistrates' Court Act 1989 to enable the Governor in Council to appoint deputy chief magistrates for fixed terms of up to five years. The Chief Magistrate has indicated that fixed terms for deputy chief magistrates would provide the court with flexibility both in meeting the operational needs of the court and in recognising the desirability of providing a range of magistrates with the opportunity to participate in the management of the court.

This is a carefully considered request to address the court's operational needs. The Chief Magistrate would not have suggested the amendment if it raised constitutional issues surrounding judicial appointments.

I am also advised the amendment is necessary to provide the Chief Magistrate with sufficient flexibility to propose changes to the number of deputy chief magistrates or the occupants of that office from time to time.

I am further advised that the amendment allows a magistrate to be appointed as a deputy chief magistrate for up to five years, and at the end of the five years the magistrate can either be reappointed or returned to the ranks of magistrates; he or she cannot be removed from the office of magistrate. I would like to reinforce that. The fixed-term deputy chief magistrate appointments will mean that deputy chief magistrates who are not reappointed will return to their previous office of

magistrate. I am advised there is no suggestion that their substantive office of magistrate would be affected.

Hon. W. R. BAXTER (North Eastern) — I want to support the amendment moved by Mr Strong. I do not intend to canvass all the issues of why I am taking this view, because I covered them last evening in my second-reading contribution. I just want to make a couple of remarks about what has been said this morning.

Firstly, Ms Mikakos was really scraping the bottom of the barrel when she was alleging that the former government's changes to the accident compensation system were somehow or other interfering with judicial independence. I think it needs to be recalled that the persons to whom she referred were members of what was in the nature of a tribunal, despite the fact that they had the grandiose title of judge, and because that tribunal went out of existence the people serving on it no longer had a position to go to. To allege that somehow or other they were sacked and therefore judicial independence was interfered with is really drawing a very long bow.

An even longer bow was drawn by the suggestion about mandatory sentencing. The former government did not introduce mandatory sentencing, yet this government — I think only in this session — introduced guideline judgments, which are not too far away from that; they just have another name. I do not think Ms Mikakos had substantive arguments at all.

Then we heard the minister saying the government is actually reacting to what the Chief Magistrate wants. This is the Parliament of Victoria. We are not on some sort of string that is pulled at the whim of the Chief Magistrate of the state of Victoria; we actually have to legislate for the good and the protection of the people of Victoria — this generation and those to come. I am not going to be swayed by any request that comes up to Parliament from the current holder of the Chief Magistrate's office as to what might suit his or her administrative convenience down at the Magistrates Court. We have a much more onerous responsibility and duty than that.

I think the arguments advanced by Mr Strong and others last evening against this proposal far outweigh any matter that the Chief Magistrate has raised via the minister this morning. I do not think the Parliament has any obligation at all to dance to the tune of the Chief Magistrate when there are greater issues at stake, and there clearly are greater issues at stake than those raised by the Chief Magistrate. The committee should support Mr Strong's amendment.

Hon. C. A. STRONG (Higinbotham) — I rise to thank the minister for his response. Quite clearly the government has indicated its determination to go on with this clause. I can only reiterate that although this is a small step it is nevertheless a step that will undermine the independence of the judiciary. It is a small step that undermines the separation of powers between the administration and the law, and that is such an important concept that even a small step is a very unfortunate step. Although the opposition acknowledges the government is committed to continue, I must say that I think this sets us down a very unfortunate and slippery slide.

Committee divided on omission (members in favour vote no):

Ayes, 21

Argondizzo, Ms	McQuilten, Mr
Broad, Ms	Madden, Mr
Buckingham, Ms	Mikakos, Ms
Carbines, Mrs	Mitchell, Mr
Darveniza, Ms	Nguyen, Mr
Eren, Mr (*Teller*)	Pullen, Mr
Hadden, Ms (*Teller*)	Smith, Mr
Hilton, Mr	Somyurek, Mr
Hirsh, Ms	Thomson, Ms
Jennings, Mr	Viney, Mr
Lenders, Mr	

Noes, 17

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hall, Mr
Bishop, Mr	Koch, Mr
Brideson, Mr (*Teller*)	Lovell, Ms
Coote, Mrs	Rich-Phillips, Mr
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Vogels, Mr
Drum, Mr (*Teller*)	

Pairs

Scheffer, Mr	Olexander, Mr
Theophanous, Mr	Bowden, Mr

Amendment negatived.

Clause agreed to; clauses 2 to 10 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

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

That the bill be now read a third time.

In doing so I wish to thank members for their contributions.

The PRESIDENT — Order! I am of the opinion that the third reading requires to be passed by an absolute majority. In order that I may ascertain whether the required majority has been obtained I ask those members in favour of the question to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

ENERGY LEGISLATION (CONSUMER PROTECTION AND OTHER AMENDMENTS) BILL

Second reading

Debate resumed from 4 June; motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

Hon. BILL FORWOOD (Templestowe) — The Liberal Party does not oppose the Energy Legislation (Consumer Protection and Other Amendments) Bill. The bill has a number of purposes. The first, as the title suggests, is consumer protection. The bill proposes to extend the government's price capping mechanism from the end of December 2003 to the end of December 2004 for electricity, and from August 2004 to December 2004 for gas.

In the second-reading speech the government makes clear that it favours competition. It says:

> The government favours competition rather than government intervention as a means of setting prices with a safety net for those consumers that require it.

The Liberal Party agrees with that absolutely. We of course are the champions of competition; members opposite are late arrivals at that view. It goes on, and I agree with this too:

> Effective competition is the best form of consumer protection …

Mr Gavin Jennings interjected.

Hon. BILL FORWOOD — I am glad the Labor Party is finally catching up with the views of the Liberal Party:

> Effective competition is the best form of consumer protection and the government is taking steps to ensure that competition is enhanced.

We agree with that. The minister has made much of the fact that the small end of the market is not yet fully developed but that more retailers are coming into the market in both gas and electricity, and that the churn rates have yet not reached the levels he regards as suitable.

Another part of this bill extends the capacity of the Essential Services Commission to hold another inquiry — and it will do that — to ensure that before the government finally does away with its price capping regime, which it calls consumer protection, the market is fully developed. The Minister for Energy Industries, Mr Theophanous, suggests that a churn rate of around 15 per cent is required. I am not sure why he believes that is the level it needs to be. As I said, the Liberal Party does not oppose this particular measure at this time.

However, we believe that it is time the government turned its attention to where we go from here. This is an evolving market, and I am keen to put on the record that TXU has said in correspondence to me:

> A clear road map for transition is required, and this can only be achieved if a commitment to moving to full competition as quickly as possible is made.

That is not what we get with this legislation. The legislation will extend the safety net provisions to the end of December 2004, and there will be a review halfway through, but TXU and others believe a road map out of a regime of protection, such as is contemplated by this legislation, needs to be developed.

I make the point in passing that while the government lauded its achievements with the price controls as energy prices were kept in check, when it announced this Mr Theophanous said that while competition has emerged, the energy market is not yet fully effective when it comes to driving prices down, and that is why he has kept this in place. The controls the government put in place when it made its last determination in relation to the price requests did of course distort the market. Mr Theophanous is not keen to admit this, but government intervention will always distort the market. That is why the government is right when it says in its second-reading speech that competition is the most effective form of consumer protection.

In a press release of 26 March the Victorian Farmers Federation (VFF) is reported as saying:

> Farmers will lose under government's power price rise.

Let me outline to the house what happened. The government decided it would put a cap on, and that it did; it put an average cap on. As a result the retailers decided they needed to ensure that their cash flow was not too greatly impinged so they changed the internal mix. The VFF economics committee chairman, Mr Crick, points out in the press release of 26 March:

> Farm off-peak electricity prices across western and central Victoria will jump by over 15 per cent on April 1 as a result of the state government's electricity price policies.

While on one hand the government's desire to ensure that there is a consumer safety net kept the average down across some of the users, it had the adverse effect of putting the price up for other users — not as many users, I admit, but a bunch of people, particularly in the dairy industry, who had structured their affairs around the use of off-peak power. The result of the government's intervention was, of course, to increase those prices substantially. Mr Crick is reported as saying:

> The government's price cap and rebate policies are clearly biased towards nine-to-five town businesses which rely on peak electricity and hurt farmers who use higher proportions of off-peak electricity.

While we do not oppose the bill, we make the point that every time the government meddles in the market there will be some sort of adverse consequence on one class of client or another, and it is the responsibility of this government to consider, as TXU and others have said, a transition away from this system. Let us make sure we have a competitive market and that market matures as quickly as possible, but let us also plan the way out of it.

I know the member for Box Hill in the other place, Mr Clark, raised this issue with the minister in the parliamentary Public Accounts and Estimates Committee hearing. I must say that Mr Theophanous does not often disappoint me, but he did disappoint me in his response to that issue. The farmers have a legitimate point in relation to this.

In a letter to me dated 15 May, the general manager policy, Mr Clay Manners, said, and again I quote:

> The VFF is highly critical of the manner in which the state government has implemented its consumer protection measures using its reserve powers of retail price regulation … The government's approach has resulted in significantly increased electricity prices for particular customer segments, for the benefit of other customer categories.

We have this system in place, and it is going to stay in place until 2004. We do not object to that. We believe we need a mature market, and let us get on with it. But let us also get on with planning our way out of the heavy, black hand of government. I refer to the black hand of the Bracks government meddling in the pricing structures of essential services such as gas and electricity.

This bill, as I mentioned at the outset, has other amendments. I have analysed these, and I will briefly touch on some of them in the short time available to me today. The other amendments are, I suspect, by nature primarily what we would call belt and braces. Parliamentary bureaucracy and the draftspeople do not change. If there is ever any doubt whatsoever that a piece of legislation may be misinterpreted, then the bureaucracy and others will ensure that mechanisms are put in place to shore these things up.

A number of other amendments in this act do just that. For example, clause 9 of the bill before the house deals with the general powers of Vencorp. The general powers of Vencorp are contained in section 162 of the Gas Industry Act 2001. If you turn to clause 9 of the bill you find it says:

> In section 162(1) of the Gas Industry Act 2001, after "this Act" (where twice occurring) insert ", the Electricity Industry Act 2000".

Section 162 states:

> (1) Without limiting the generality of the powers conferred under this Act or any other Act, VENcorp may —

and it lists the general powers of Vencorp.

Given the words 'under this Act or any other Act' one would wonder why we need to include the words 'the Electricity Act 2000'. I accept that this is belt and braces and so we may as well put it in, but it seems to me the reason is there. No great reason has been given other than that, at least none that I am aware of.

You could also turn to clause 10 of the bill where it says in relation to non-commercial functions:

> After section 163(4) of the Gas Industry Act 2001, insert —
>
> "(5) This section applies to VENcorp's functions under this Act, the Electricity Act 2000 or any other Act".

All that deals with is the fact that the minister, with the approval of the Treasurer, may in writing direct the board to do certain things. One would wonder why it was absolutely necessary to include that. I presume parliamentary counsel decided it is in the interests of the state that the belt-and-braces principle be applied to this, and so it shall be when this bill goes through without the opposition of the Liberal Party.

The bill also deals with third-party access for transmission controls, and the second-reading speech makes the point that there has not been a problem but it is necessary to clarify this — that was the expression used in the briefing, for which I am grateful. It was described as a fall-back position, if necessary, but these clauses make it clear that third-party access must be made available to the transmission lines so that there can be competition or alternative mechanisms for the transmission of electricity across the state.

The bill also requires guidelines for access to land to be developed, and again the commission may require a licensee to enter into a lease for the land. The farmers, of course, do not like that; they would prefer to see negotiations on a one-to-one basis, but this reserve power already exists. This is something that was described during the briefing as a fall back — only there for use if necessary, and I guess that is the case.

The bill also inserts a new section 79AA that enables the minister, after consultation, to give directions. This just replicates the directions in the gas act that go into the electricity act. So, as I pointed out earlier, we are ensuring the belts and braces are in place.

However, just like the previous bill this Parliament just passed, this piece of legislation has two section 85s in it. Not one, but two! Honourable members in this place would know that section 85 is a mechanism whereby the rights of individuals to take action in the Supreme Court are diminished — I think that is the polite way of putting it.

Hon. P. R. Hall — Taken away.

Hon. BILL FORWOOD — Taken away; thank you Mr Hall. Their rights are taken away. When the opposition was on the other side we heard a lot about section 85. There was never any discussion about whether there was merit in using the mechanism, just about the fact that the use of section 85 was evil and wrong, and Parliament should avoid the use of section 85 at all times and at all costs.

It is slightly ironic — he says ironically — that two bills in a row that are brought into this place by the government have section 85s in them: the one we have just passed and the one I have just mentioned which has two in it.

The first section 85 deals with immunity from action under section 76 of the National Electricity Law. The National Electricity (Victoria) Act 1997 is part of a national scheme for the management of electricity. Its preamble tells us that a National Grid Management Council, formed following decisions made at a Premiers Conference lead to plans for a coordinated electricity market. This is the act that set up the national electricity market. There appears to be some doubt about the protection of players in relation to this.

We need to have some immunity for Nemmco and network service providers. For that reason we have a section 85 statement. It also includes an immunity in relation to the failure to supply electricity. We are not sure that that is actually required, but the government has decided in its wisdom that the use of a section 85 statement is warranted in this case and has brought in that statement.

The second one relates to amendments to the cooperative scheme, which is an interesting situation. This statement deals with actions taken by the federal government through the Australian Competition and Consumer Commission. In the Hughes case there was a finding that the ACCC acted outside its powers, so what we are doing here is going to a very odd act, the Co-operative Schemes (Administrative Actions) Act. It was brought into this place in 2001 to deal with the Hughes matter, particularly in relation to agricultural chemicals, to validate past actions. It states:

> The purpose of this act is to validate certain invalid administrative actions taken by commonwealth …

The piece of the bill before the house that I am talking about at the moment is another retrospective validation of past actions to prevent individuals taking action in those circumstances — again a use of section 85.

I do not want to labour this point too much, but I have sat in this place for a fair amount of time over the years and listened to Mr Theophanous rabbit on about section 85s. He went on and on and on about how bad they are, how many there are and how evil they are. I want to put on the record a few quotes showing Mr Theophanous's attitude towards section 85 statements in the past, just as a matter of consistency. I would not ever come in here and accuse either Mr Theophanous as a person or the government of hypocrisy. I would not do that.

Hon. R. Dalla-Riva — Others might.

Hon. BILL FORWOOD — Others might, but I would not do that. However, I would suggest that what is seen as a fair target in opposition vanishes somewhat when one gets into government. I make the point for the benefit of honourable members opposite, and Mr Hall would recall this, that there were a number of us in the coalition party room in the old days who used to seriously question the use or overuse of section 85s. I

am not sure members of this government are doing that, and I think they should.

Mr Theophanous was a great one for going on about section 85s. He was still doing it even after getting into government. The comments of Mr Theophanous about section 85 that I really liked were made in debate on the Australian Grand Prix (Further Amendment) Bill on 28 November 1995. He got up and said he opposed the bill and supported the reasoned amendment, and then he went on to say:

> I will talk about the government's trampling on people's rights through both this bill and other actions.

He went on about rights and rights and rights.

> This project entails the removal of people's right to seek compensation for damages from a range of matters …

The end of the world was coming. Later on in his contribution Mr Theophanous said:

> The bill is an indication of the way the government operates — simply with the stroke of a pen it removes the fundamental right of men and women in business to seek proper compensation through the courts for harm caused by its actions. We have seen it time and time again with bill after bill.
>
> Section 85 of the constitution is changed to the extent necessary …

I interrupted and said, 'You did it too!', which happens to be a statement of fact. They did it then, and I make the point that they are doing it again now.
Mr Theophanous overreacted and said:

> That is an absolute lie; you have no idea.

Of course in the circumstances the President made him withdraw the comment, and he did withdraw. However, he went on to say:

> Mr Forwood's statement is an untruth. It is not true, and he knows it is not true. More than 100 bills that have come before the house have varied the constitution to the extent necessary to prevent people taking action in the Supreme Court.

Hon. P. R. Hall — That is not being hypocritical, is it?

Hon. BILL FORWOOD — Thank you, Mr Hall. That is not being hypocritical. It is not being particularly consistent, but it is not being hypocritical at all. I take the point.

The Liberal Party does not oppose the passage of this piece of legislation. In summary, we believe the government needs to think seriously about how long it intends to keep this price-capping regime in place. It distorts the price signals in the market.
Mr Theophanous and I have had conversations about how we will see a new base-load generating power station in Victoria if the price signals are not sent correctly, and they cannot be sent correctly as long as the government has its black hand in the system.

With those few words about that and my comments about Mr Theophanous and consistency in relation to section 85 statements, I reiterate that the Liberal Party does not oppose the legislation.

Hon. P. R. HALL (Gippsland) — In recent years in every sitting of Parliament we have had legislation of a similar nature to what is before us today — that is, legislation which amends to some extent the Electricity Industry Act and the Gas Industry Act along similar lines to these amendments.

The main intent of this bill is to extend the energy consumer safety net out to December 2004, but the bill also makes a range of other technical amendments to both the Electricity Industry Act and the Gas Industry Act, the Essential Services Commission Act, the National Electricity (Victoria) Act and the Co-operative Schemes (Administrative Actions) Act.

There are a number of acts involved here, but, as has been said, the principal amendment is the extension of the energy consumer safety net out to December 2004. Because we have had so much legislation of this nature I thought consultation on this bill may not have generated much response. People seem to find these bills a little bit tedious, and I thought their similarity in each sitting of Parliament would perhaps cause the enthusiasm of the interest groups to wane — 'Here we go again' is probably the thought that crosses their minds. However, consultation on this bill elicited a surprising amount of interest from retailers and generators of energy in the state and from consumer groups.

Rather than give a fulsome analysis of the bill before us, in my contribution this morning — after all my colleague the Honourable Bill Forwood has done that thoroughly in his contribution — I thought I would go straight to some of the responses the National Party received when it undertook its consultation. The responses we have received go to the matters of interest and importance in this bill.

I will start with the response I received from Origin Energy. It replied to me on 2 May this year and made this comment:

> Origin Energy strongly opposes the extension of the energy consumer safety net under the bill, and in particular the extension of price regulation, to the end of 2004.

The company explains that view with this statement:

> It is our view that longer term consumer interests are best served through the development of effective competition in the retail energy industry. The regulation of deemed and standing audit tariffs has suppressed retail headroom to unsustainable low levels whereby retailers lack the incentive to justify substantial levels of investment in customer acquisition activity. This was confirmed by the Essential Services Commission in its *Special Investigation: Review of the Effectiveness of Full Retail Competition for Electricity*. Competition will not develop to its full potential without the removal of price caps to encourage competitive activity.

I think that is right. It is a view that was also expressed by the Honourable Bill Forwood — that is, if we are to achieve the maximum of competition in the electricity and gas markets, a notion supported by the government in the second-reading speech, then sooner or later we have to let go and let the market operate on its own two feet. I agree. I also agree with the sentiment expressed in the second-reading speech that the competition is still evolving; it has not reached its maximum potential just yet.

It is interesting to note with full retail competition how many people have taken the option of choosing to switch retailers. In the electricity market that figure is only 8.5 percent — only 8.5 per cent of consumers have actually switched retailers.

Less than 5 per cent of consumers in the gas market have changed their gas supplier. I am informed that the majority of those have switched to companies which supply dual energy. Certainly the impact of competition has not been great. Those figures indicate that we have still a fair way to go before full retail competition is effective and has been taken up by consumers across the state.

TXU also made comments to me in a letter dated 14 May. In part, the letter states:

> Generally TXU supports the intent of the bill in clarifying the powers of market system operators such as Vencorp and Nemmco, as well as the powers of distribution and transmission owners to obtain easements for the installation of energy utility assets. Each of these amendments will assist the industry obtain the benefit of greater certainty.
>
> The bill also extends the consumer protection safety net until 31 December 2004. We understand the reasons for this, but we urge all stakeholders to address the test criteria for effective competition to determine whether the reserve powers are required after 2004.

As the Honourable Bill Forwood said, they go on to say that we need a clear road map for transition as quickly as possible. TXU also says in its response to me:

> Coupled to this is the need for a sustainable solution to the equalisation of distribution pricing for metropolitan and rural/regional customers. The current 'year-to-year' arrangements are compounding the uncertainty and hurting competition.

I certainly agree with that. What we have seen this year is a network tariff rebate of $57 million in place but that has been reduced from a support power payment — a special power payment — of $118 million in the previous year. Taken on a year-by-year basis, we have seen a reduction by more than 50 per cent this time around. One wonders what will happen in the future. As TXU rightly says, we need to put a stop to this uncertainty and put in place a permanent arrangement to ensure that rural and regional customers are not disadvantaged with respect to electricity pricing.

I turn to one of the generators of electricity in the state, International Power, formerly known as Hazelwood Power, which also made extensive comments about aspects of the bill. The first comment was in regard to the extension of the consumer protection safety net to December 2004. The letter states:

> International Power believes that this extension is supportable as a further means to ensure a smooth transition to full retail contestability … However, we note that this will mean that the transition has now been in place for a three-year period. Given that rate of take-up of competition and the exercise of customer choice at the 'mum and dad' level has recently accelerated significantly, we suggest that this should be the last time that this protection needs to be extended.

I still think we have a fair way to go before that option of choice is exercised by a great number of mums and dads. Nevertheless, that company is making the same point as others who responded to the National Party — that is, we cannot go on forever with this consumer safety net in place. International Power indicated its support for the insertion of sections 76, 77 and 78 of the National Electricity Law into section 8 of the National Electricity (Victoria) Act 1997.

It made one other interesting comment about an aspect of the bill which has hardly been touched upon yet, and certainly was not mentioned by other respondents to my invitation for comment. It referred to bolstering the powers of direction on Vencorp via the Vencorp board and said:

> As we understand these provisions effectively widen the powers of direction of the minister to the scope of the whole Electricity Industry Act 2000, beyond the current part 4 (powers of Vencorp), and part 2 (introductory including licensing) only.

> In International Power's view, this provision is of serious concern. It is not at all clear why the minister needs this power of direction in the electricity context.

For those who know the act, the existing powers of the minister to direct Vencorp are limited to certain situations. One relates to keeping the lights on, for example, and ensuring there are adequate supplies of electricity. International Power is concerned that this direction that the minister is now able to give Vencorp is far too broad and interferes in a less desirable way than the market should be asked to bear. Those powers are contained in clause 21 of the bill. Further on this point International Power says:

> In electricity, intervention powers beyond those already provided for under current legislation, represent sovereign and regulatory risk that deters investment decisions.

The letter goes on to say:

> The addition of the risk that ministers of state may choose to intervene in a manner that distorts market outcomes makes investment progressively less tenable, a trend that will ultimately leave Victoria short of the new investment required for reliability.

I agree with that sentiment expressed by International Power. If it is to be a true competitive market, which as indicated in the second-reading speech the government wants to see, then once again the power of the minister to intervene and direct the regulator of the market needs to be monitored very carefully and used wisely and sparingly so that the market is not distorted.

Because the minister responsible is not here I will not expect a response on the issues in the summation of this bill, but in due course the minister could do me the courtesy of responding to some of those issues I have raised on behalf of retailers and generators.

The last respondent to my request for consultation is one of the consumer groups, in this case the Victorian Farmers Federation. Interestingly, I thought the Victorian Farmers Federation, being one of those consumer groups, would wholeheartedly support the retention of the extension of the consumer safety net out to December 2004. Essentially what they have said in response to the bill is 'Not if it is done in the way that it is currently done'. We have a sort of Clayton's regulation, as the VFF suggests. Yes, the government exercises a cap on the total increase or decrease in prices but not within different tariff structures.

What happened with energy prices in 2003 under the provisions of oversight by the minister? For electricity prices the government told companies like AGL that its average price rise for 2003 can be only 3.1 per cent. It is the same with AGL/Pulse. With Origin/Citipower the government said that the price must be reduced overall by 4 per cent, and the same with TXU. With Origin Energy, the government said that the price would stay the same.

In the gas market government allowed AGL to increase the price by 3.1 per cent overall, Origin Energy to have a zero net effect increase, and TXU gas prices to increase by 9 per cent overall. Take, for example, AGL Electricity — 3.1 per cent increase overall, but between classes there is actually no control. The experience is that most of these companies boost some particular classes, that is, with prices well above 3.1 per cent, but in other classes the price might be decreased. There is no consistency or regulation between different classes of consumers.

The VFF has expressed frequently over the last couple of years its views on the impact increases in off-peak tariffs are having on dairy farmers, and in particular irrigators who use off-peak electricity to drive their particular pumps.

The VFF surprisingly said 'We're not all that keen on the government maintaining a consumer safety net if it is done in the way it is currently done. If there is going to be regulation then it needs to be extended to tariff classes as well as an overall price increase'. That was a learned comment. They point out that the safety net has a few holes in it.

The National Party will not be opposing the bill as such, but serious concerns have been raised in my contribution. In due course I would expect to have some response from the government on those concerns.

This is a subject that will probably come back to the house again next session, and we will welcome some further input. The review of the Essential Services Commission will once again be informative and will help us further define the introduction of full retail competition in electricity and gas markets, and we look forward to the outcome of that.

With those few words I indicate that the National Party will not be opposing this bill but looks forward to a response from the government in due course.

Hon. C. D. HIRSH (Silvan) — I am not going to spend a lot of time on the detail of the Energy Legislation (Consumer Protection and Other Amendments) Bill. Mr Forwood certainly spoke about it at some length and Mr Hall's comments responding to various retail and generation organisations, as well as a consumer group that had communicated with him, were also quite interesting.

I will speak about the main purpose of the bill, which is, of course, to extend the safety net for another 12 months until the end of December 2004, to make sure that domestic and small business energy consumers have access to electricity and gas at tariffs that are overseen by the government and on terms and conditions approved by the Essential Services Commission (ESC).

Given that full retail competition for electricity customers started in January 2002 and for gas customers in October 2002, it is, as Mr Hall mentioned, starting to emerge, but to date is still in its infancy and is not yet ready to control gas and electricity prices for the public. That is important.

I know that in the other place the member for East Gippsland wanted an amendment to extend the safety net for another 12 months, thus delaying the possibility of full competition next year. The government chose to reject that amendment. It would seem to me that the middle path of continuing to control prices for another year, with a review commencing in six months, is the proper way to go.

The road map Mr Forwood spoke about will, I presume, be developed to some degree when the review takes place. One would hope that some direction will be given.

Hon. Bill Forwood — I say that is too late.

Hon. C. D. HIRSH — Do you? Anyway, I presume the minister will be aware of your comments and Mr Hall's comments on that.

The bill also simplifies the process of providing augmentations to the regulated parts of Victoria's electricity transmission grid, thus ensuring adequate supply. The transmission company must give access to land for augmentation purposes, and then Vencorp runs a competitive tender for transmission upgrades. This part of the bill is quite important to make sure that at no time will there be a problem with supply and that proper competition can be used to control in its own right gas and electricity prices. The Essential Services Commission can direct a transmission company to enter a lease arrangement for augmentation purposes.

The amendments made by the bill are necessary to underpin the separation of planning and ownership of the regulated parts of the Victorian electricity transmission system that has been in place for a number of years and is overseen by the ESC through its administration of SPI Powernet's and Vencorp's transmission licences. Vencorp, of course, is responsible for planning augmentations to the transmission system, and it identifies future augmentation needs for that system.

The recent Snovic upgrade is an example of the successful implementation of this policy. Land access issues were not raised in these negotiations, and the project was completed quite successfully. Some aspects of the augmentation were contestable, and Vencorp conducted a tender process for those aspects.

While not needed in that case, the amendments will provide greater certainty for participants involved in future contestable augmentations. Mr Forwood talked about the belt-and-braces approach: the extra care being taken in the bill to ensure, I guess, that the pants do not fall down at any stage, which would be rather disastrous in such an important industry in Victoria. They should remain firmly in place around the waist.

The bill also clarifies the operation of Vencorp's general powers and functions under the Electricity Industry Act and the ministerial powers of direction in relation to Vencorp's electricity industry activities.

Mr Hall seems to be having a bit both ways. I noticed in his speech that on the one hand he wants to see a road map and full competition immediately; yet on the other hand he is rather concerned that full competition is not happening yet. He was having a bit of both, I think.

The bill also amends the cooperative schemes to validate administrative actions taken by the commonwealth authorities or officers under the Victorian gas legislation. These are important to support the conferral of functions, powers and duties of the Australian Competition and Consumer Commission under the Gas Industry Act 2000–01.

I want to say something on section 85. The reason for limiting the jurisdiction of the Supreme Court is that the National Electricity Law provisions safeguard the public interest in ensuring that those involved in the safety and security of the electricity system, with the performance or the exercise of functions and powers under the National Electricity Law and the supply of electricity generally are able to take the necessary action with confidence that immunity against indeterminate civil monetary liability might apply. It is an important addition to the bill.

Hon. Bill Forwood — It is trampling on peoples' rights.

Hon. C. D. HIRSH — It depends which people we are talking about. If we are talking about pensioners up the street who may end up with an electricity company going broke through having to pay out enormous

amounts of money — that might be a bit of a long straw — that is a possible outcome of not having a section 85 in the bill.

Hon. Bill Forwood — I never thought I would hear you defend the top end of town.

Hon. C. D. HIRSH — You would like me to.

Hon. Bill Forwood — Now you are.

Hon. C. D. HIRSH — In some respects. Mr Forwood, when you — all right, I will stop in a moment, President.

When you go along the line of full competition it is most important that supply not be manipulated in any sense. Supply is the crucial part of a fully competitive environment to particularly protect small individual consumers at the lower end of the income scale and small businesses owners who are often struggling with very narrow profit margins to make their way through their lives and through their businesses.

I will not going keep going any more because I think I am getting a lot of signals from a range of people that I ought to stop, so I will conclude. I found both contributions interesting. I enjoyed reading the second-reading speech and the contributions in the lower house, and I commend the bill to the house.

Motion agreed to.

Read second time.

Third reading

Mr GAVIN JENNINGS (Minister for Aged Care) — By leave, I move:

That the bill be now read a third time.

In doing so I thank Mr Forwood and Mr Hall for their contributions and Ms Hirsh for her critique of their contributions in the course of this debate.

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

Bells rung.

Members having assembled in chamber:

The PRESIDENT — Order! In order that I may ascertain whether the required majority has been obtained I ask those members who are in favour of the question to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

PLANNING AND ENVIRONMENT (METROPOLITAN GREEN WEDGE PROTECTION) BILL

Second reading

Debate resumed from 5 June; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation.

Hon. D. McL. DAVIS (East Yarra) — I am pleased to make a contribution to the Planning and Environment (Metropolitan Green Wedge Protection) Bill and indicate that the Liberal Party will not oppose it.

At the beginning of my contribution I want to make a number of points about green wedges. The issue of green wedges is important to Victoria, to Melbourne and to those interface areas between the city and the country. It is very important for the community's benefit that this issue be well handled and developed. The issue of green wedges goes back to the 1950s and through the 1960s and 1970s. It is important to place on record some of the history of the development of the concept of green wedges. I am informed that the first discussion of metropolitan plans for Melbourne and so forth goes back to the 1950s, as does the first flagging of the idea that there be appropriate reservations of green territory. The concept developed very strongly in the late 1960s and early 1970s, and I particularly want to pay tribute to the Honourable Dick Hamer who, as Premier, was prepared to work very hard to lay aside certain areas of the city, in particular some of the major metropolitan parks, to ensure that as Melbourne developed, as it did so quickly through the 1970s and again through into the 1980s, there were sufficient reservations of green land.

As we know, the *Age* has long supported the development of appropriate green areas in and around the city, particularly these major areas of land which act, as I think the *Age* has repeatedly described it, as the lungs of the city. I personally have a very strong commitment to ensuring that development is appropriate and that there are solid areas of reservation so that people can not only recreate but so that the

values associated with those green areas are strongly reinforced.

Prior to the last election the government said the earlier version of this bill was urgent and demanded that it be passed very quickly immediately prior to the election. Those who were here then will remember the great urgency that was attached to passing the bill and, in fact, it was passed through the lower house. The election was then called and the bill lapsed. It has now taken the government some five months to bring it back. I place on record the opposition's view that the bill was not urgent at that time as the government claimed — clearly it was not because the government did not bother to follow through with it at the earliest opportunity after the election. It was clearly used as a political issue — an issue to gain political points with some important environment groups, and there is nothing wrong with that per se, but it should be balanced against the government's decision to introduce a series of other policies, particularly Melbourne 2030, which links with this but is much wider than green wedges.

Melbourne 2030, as people are aware, attempts to consolidate the city by placing a set of boundaries around it. It attempts to increase the density of inner and middle suburbs in a way that, I believe, will create a series of problems. I flag some of those issues, because they strongly cut across the issues surrounding this bill.

Melbourne 2030 was endorsed by the government just prior to the election. A consultation process occurred, but I do not believe that was sufficient. I know the meetings held in my area were poorly attended and in no way reflected the broader community and certainly the broader community's views. On other planning bills I have placed on record my concerns about the government's implementation of Melbourne 2030 and how it will impact not just on my electorate but on many other areas both in the inner city and in the middle suburbs of Melbourne.

It is my strong view that the plan will be backed by significant government pressure. We are already seeing the makings of that. There is Royal Park, where the games village has a separate purpose but nonetheless is fundamentally a development site that will be fitted into the rubric of Melbourne 2030. There are areas in my electorate like the Kew Cottages site, which I have talked about in this house before, and areas like Box Hill, major regional centres and airports. All sorts of areas are involved, and they will be turned into activity districts under Melbourne 2030. Enormous pressure will be applied on councils to enforce the associated increases in population and density.

We are already seeing the results of that pressure at the local council level. I understand the opposition that has built up to the overdevelopment, as some see it, of the games village in Parkville. In my electorate I have watched the process operating with respect to the Kew Cottages redevelopment — an important redevelopment as I have said in this house many times which I support. But I believe it should occur in an appropriate way rather than the inappropriate model that is being bulldozed through by the Boroondara council, which is clearly under significant pressure from the Bracks Labor government. It is clear those proposals are being bulldozed through.

The government's population requirements for many of these municipalities are clear. Boroondara is a good example, because we will see 20 000 to 30 000 extra people within its boundaries within the period of time covered by Melbourne 2030. It is clear the government wants these redevelopments and that density, despite the fact that it will be done with local opposition and will be done in a way that appears not to be cognisant or pay heed to heritage values, to the values of appropriate development and values that relate to the residents in those areas who want a certain lifestyle and a certain form of building in the area and who do not want an alternative vision or view imposed on them.

Indeed, in the context of the bill it is important to say that while the bill deals largely with appropriate protection of the fringe of Melbourne and the edges of the city, it is not sufficient just to focus on green wedge issues and the protection of those areas, but on areas in and around the city and the middle suburbs. The bulk of Melbourne's population lives there and, indeed, under Melbourne 2030 the population in those areas will grow. If that is the case I believe the protection of appropriate areas of parkland or other recreation areas should be a high priority. I do not believe that is being focused on as a sufficient priority; the government is pressing forward with these things.

In this context I briefly outline the way the process is operating in the City of Boroondara. It is clear that the joint committees and working parties of various types that are being set up by the government and local councils are committees with a preordained conclusion. In my experience, whether at Parkville or Kew or some other areas that I am aware of, the committees have not paid heed to the local community and have operated as a device to conduct bogus consultation and to push forward with this preordained agenda to achieve certain density outcomes and outcomes, in the case of at least

one of these sites, to sell for a sufficient amount of money.

It is clear to me that a key feature of the bill is the reaction of those people who live and work in the areas in the large arc around the city who will have to live with the proposals in this bill when they become law. It will change the way planning operates in those areas. Instead of as-of-right development all developments will need the approval of the minister to go ahead, and the minister will have significant power to stop development by simply doing nothing.

All those developments that occurred in those areas will require the specific approval of the minister, and I place on record that this is a recipe, in my view, for very bad planning outcomes; for entirely politically driven outcomes in some cases and on future occasions — I am not casting any aspersions on the current minister — may leave planning ministers vulnerable to pressures from a series of angles. I do not believe the planning process will be improved by this particular aspect. I think there is a real risk that the process at a future point could be abused and that we may see the very clean and open planning processes that we have had abused and influence brought to bear to allow planning developers to go ahead or not go ahead as the case may be.

Returning to my view of the green wedge concept I again place on record the tremendous respect I have for the Hamer government's foresight in laying aside some of those large parkland areas in the 1970s. The concept of wedges at that time was an important one, and I think it encapsulated something of the era. We have moved forward to a more encompassing concept as time has gone on.

I also want to note the contribution of the Honourable Rob Maclellan, who was the first to adopt a process requiring planning scheme amendments to be dealt with in both houses of this Parliament. That applied with the Upper Yarra Valley and Dandenong Ranges planning schemes. This was the first time that that concept had been brought forward, and it added a very high level of protection to those areas. It is a model that has been adopted and has operated well. It is important to place on record that that is the current situation. Those two areas have derived significant protection from that. It was Liberal Party policy in 1999 to apply a similar scheme to the Mornington Peninsula, and in 2002 two significant areas would have been tagged as green wedges. That is an important point to place on record.

I also want to note that there have been significant issues in terms of the coordination of these proposals as they have been developed. I know the rural zones review reference committee involved a significant set of issues. There was a series of workshops for the rural zones review going through November 1991 and so forth, and the reference group concluded that the existing rural zones needed to be changed to include clearer zone purposes and tighter use and development controls. However, when the government reports came through, the reference group had not been sufficiently consulted and was quite unaware of the full details. It wrote:

> The reference group was unaware that these zones were in prospect. The existence of the two zones and their detail may have had a marked bearing on the recommendations of the project teams.

That is from the January 2003 options paper. The reference group went on to say in March 2003:

> The reference group makes no comment on the green wedge zone but considers that there is potential to merge aspects of the rural conservation zone with the new environmental rural zone.

That is another government consultation group undertaking significant work that was not fully brought into the equation, and there is a real question about the completeness of the government's approach on some of these matters. The coordination between some of the government's policy development processes has not been sufficient.

I also want to note that concerns are being expressed by other groups about aspects of the 2030 plan as it works its way through. There are a whole series of issues.

I should make one further comment on the rural zones review and the Planning and Environment (Metropolitan Green Wedge Protection) Bill, which is discussed in a letter from Mrs Anne Stoneman of Hurstbridge. She made comments to the shadow planning minister, the member for Hawthorn in another place, Mr Ted Baillieu, basically complaining about the quality of the government's communication process and the coordination between the government's various arms of activity. She says in her letter dated 13 May regarding the rural zones review and the interplay with the green wedge protection bill:

> I have received a meaningless response from the Department of Premier and Cabinet in answer to my letter to the Premier regarding the rural zones review and am forwarding you a copy as requested.
>
> I have again written to the Premier (a copy of which I am forwarding you) requesting his response.

The question she raises is whether the state government has a valid right to enact this legislation over private land and whether the state government has a valid right to enact this legislation without providing for compensation to be paid to private land-holders for their proprietary rights. There are concerns being raised by people in those areas affected by the green wedges, but the letters and responses being provided by the government to those people do not satisfactorily address the real issues they are raising. They do not properly and fully lay out the government's actual position and how it will affect individuals, particularly these land-holders.

In a separate letter to Premier Bracks Mrs Stoneman asks a number of questions:

> I will repeat the questions I asked of you and request the courtesy of your response.
>
> Why weren't all key stakeholders, i.e. all materially affected land-holders in the three affected zones, given written notification of this review which, if implemented, may severely impact on them?
>
> Why did your government fail in this responsibility to brief the reference group about draft implementation plan 5, green wedges, October 2002?
>
> What was the purpose of your government not briefing the reference group on the draft implementation plan 5?

In other words, the government has not properly consulted, has not bothered to go through these processes in a sufficient way, and has not had the courtesy to properly respond to and address the issues. If these government proposals are going to impact on individuals, they have a right to be told directly by the Premier and the Minister for Planning.

I note that the letter of response was not from the Premier but from a ministerial correspondence unit manager, and that highlights the point I am making — that is, that there are real questions about the way this process has been conducted, the coordination of the process and the preparedness of members of the government to give an honest and direct response to land-holders who may be affected. That is of considerable concern.

Returning to Melbourne 2030, there are significant issues around that strategy. The opposition has had a series of consultations with a number of stakeholders and interest groups who have legitimate points to make about both Melbourne 2030 and the Planning and Environment (Metropolitan Green Wedge Protection) Bill — this bill.

I want to place on record the comments of one very significant group — that is, the National Trust. Although it has been in the news today in terms of its cohesiveness, it is nonetheless a significant group in our community. It is a group I and the opposition strongly support. We believe it will have an absolutely critical role in ensuring that as development occurs across the city sufficient notice is paid to heritage and that prized heritage assets are protected properly. It is important that groups like the National Trust as part of our community's activities do put forward their views and advocate strongly to ensure that heritage and the things they stand for are properly protected.

A letter of 13 May from the National Trust to the shadow Minister for Planning, Mr Ted Baillieu, makes a number of points about this bill and about Melbourne 2030. The letter says it is supportive of protection for Melbourne's growth corridors and rural lands. It says, I believe correctly, that it should support the prevention of those rural lands being eroded by ad hoc and unsupervised subdivision and residential sprawl. That is something we all support and certainly something the Liberal Party supports. However, the letter from the National Trust goes on to say — and I want to quote from this at length because it is very important to have these things on the public record so that the government is aware of them, the community is aware of them and members can make the proper decisions:

> … the trust is extremely concerned by the Melbourne 2030 planning strategy and some of its directions. The policy thrust towards a more compact city via nominated major activity centres in the inner suburbs threatens our heritage. For instance, the recent VCAT decision (*Ashlyn P/L v. Yarra City Council* — the NKYA development) could pave the way for wholesale destruction of inner city heritage precincts. It encourages developers to press for intense high-rise development of sites occupied and surrounded by low-rise historic buildings within the named activity centres. This applies to almost every part of Richmond, Collingwood, Fitzroy, Northcote, Brunswick, Port Melbourne, South Melbourne and St Kilda. The planning scheme heritage overlays for these places are under attack.
>
> The trust fears a disorderly and destructive frenzy of speculative activity that will ruin Melbourne's international reputation as a Victorian-era city and its reputation as a favoured tourist destination. It is not only the central city that residents and tourists value and visit. Melbourne's attractiveness also relies on the picturesque specialised shopping/restaurant and entertainment strips of the inner suburbs, from Toorak Village to Bay Street, Port Melbourne, to High Street, Northcote.
>
> The trust has written to the Minister for Planning asking that VCAT take a balanced view of Melbourne 2030.

I have a copy of the letter in my possession. It continues:

> At present, Melbourne 2030 is vague and open to widely differing interpretations. It will not be a useful planning tool until structure plans for each principal and major activity centre are established. The trust believes, in any case, that the notion of activity centres is not suitable for the inner suburbs and many middle-distance suburbs.

The government and the community need to listen to the National Trust on this issue. We support appropriate development and appropriate development on sites that will lead to higher density, but the Liberal Party does not support open slather that will compromise important heritage values and the significance of some of these areas. I place on record my view that the National Trust is quite right in picking up on these points. The trust has rightly pointed to these inner suburban areas. I am concerned, as the trust has alluded to, that the middle suburbs will also be deeply affected.

Earlier in this speech I gave the example of the Kew Cottages site where heritage values and proper parkland values will very likely be compromised by the government's current proposals. As the National Trust said, Melbourne 2030 is vague and open to widely differing interpretations, and there is every chance that a terrible outcome will result for Victoria, for Melbourne and for suburbs that I and others in the Liberal Party at least, and I am sure some in the Labor Party, respect and want very much indeed to preserve.

In other areas there is talk of activity districts such as the one over the Camberwell station. In my view they have not been thought through very carefully by the government. For example, in that area there is no proper access in and out by road. There are trains and trams, but there is not sufficient road access to that area to build a high concentration development. It will lead to massive traffic congestion. These are the issues that the government should think of with the 2030 plan and the interplay with the green wedges protection bill.

In conclusion I want to place on record the opposition's concerns about the ministerial powers. We want to make it clear that there are genuine issues about how this will operate in what will become a huge swath of territory in a big ring around Melbourne. The development in some cases could be inappropriately stalled or it could be pushed forward by the minister. It is important that the house considers that a future minister, who may have less than noble motives, may be in the position to in effect give the nod to a development, and the councils in those areas could then roll over and allow development to progress in a very direct way.

It is a real issue in terms of the way political parties operate and will operate in the future — and I do not make any direct reflection on the current minister, I hasten to add. When developing proposals of this nature and putting in place systems that will stand for a lengthy period, one has to design them in a way that ensures future individuals holding key positions are not in a position to, for their own interests or party interests, compromise key values of the community. There is a prospect that that can occur with this bill.

The opposition does not oppose the bill; it strongly supports the concept of green wedges. I have the highest regard for Sir Rupert Hamer and his government, and I look at its strong development of conservation issues — green wedges being one of those issues — in the 1970s as being a role model for many of us in this chamber and in the broader community. The problems with this bill may well visit the community in future years. I hope those concerns I have placed on record today are not in fact realised.

Hon. P. R. HALL (Gippsland) — I welcome the opportunity to make some comments about the Planning and Environment (Metropolitan Green Wedge Protection) Bill. It is not a long bill; it only contains five clauses and is eight pages in total. The bill is not difficult to read and is fairly straightforward. However, the second-reading speech is not nearly so concise; the second-reading speech covers 12 pages!

So far as second-reading speeches go, it would have to be one of the worst I have ever read. Second-reading speeches are supposed to give an accurate description of what the bill is about. It goes to that in part. A few of those 12 pages contain a description of the bill, but the rest of the second-reading speech is padded out with much political jargon that simply criticises the former Kennett government. I know criticism of previous governments is part of the game we all play in politics, but surely not in a second-reading speech. That is simply not the place for such commentary. Second-reading speeches go down in history; they are an historical record of what new legislation before the house is all about. It is inappropriate and churlish that the government should resort to criticisms of former governments in second-reading speeches, as we have here today.

I say to the government that it is about time it lifted its game, took its task of governing Victoria seriously and stopped the smart-alec political jibing that only demeans the position this government holds as the government of this state. It was important for me to get that off my chest because I do not accept the need to have this smart-alec political commentary in second-reading speeches. It is simply not the place for it.

That being said, I turn to the bill itself. As the title says, it is about metropolitan green wedge protection. One might ask what the National Party's interest is in a metropolitan-type bill. There are several reasons for our interest. Firstly, page 2 of the bill asks what is a metropolitan fringe planning scheme. It mentions 17 municipalities which have at least part of their municipality in the proposed green wedge areas.

It is interesting to note that the changes that were made to the upper house by the Parliament earlier in this sitting mean that many of these fringe metropolitan areas, so described, will actually become part of the new 'country' upper house seats. In the region I would hope to represent after the next election I can see that metropolitan municipalities like Cardinia, Casey, Frankston, perhaps the Greater Dandenong City Council, the Mornington Peninsula Shire Council and the Yarra Ranges Shire Council will all be part of a so-called country electorate under the new upper house electorates, which are yet to be accurately defined by the electoral commissioner but are flagged as being part of country Victoria.

It is hypocritical for this government to say that under the new upper house changes country people will be well represented. On the one hand it says that these are country areas, but the bill before us today talks about these areas as being metropolitan fringe areas. One of the key points I made during the course of the debate on upper house reform was that we are diluting the representation of country people by including metropolitan areas within so-called country upper house electorates.

As I said, the second-reading speech is 12 pages long and is padded out with a lot of political rhetoric and unnecessary jargon, but once you get to page 7 of the second-reading speech, which is just over halfway through, you start to get some worthwhile commentary about the bill itself. The second-reading speech says:

> This bill does not directly control development of green wedge land. It does not change the land use rules in planning schemes. But it does establish processes to ensure that proposals to change those rules are subjected to a more rigorous examination than has previously been the case, commensurate with the likely impact of that change. In essence this is what this bill does.

Indeed it does. That is an adequate description overall of what the bill does. It talks about a more rigorous examination than has previously been in place. That more rigorous examination is brought about in two essential ways. Firstly:

> It requires any planning authority other than the Minister for Planning to get the approval of the Minister for Planning before preparing any planning scheme amendment that would change the urban growth boundary or otherwise change the planning schemes in relation to green wedge land.

That means that municipal councils, which traditionally are the bodies that originate planning scheme amendments, will not be able to do so in this green wedge land area without prior authorisation from the minister. The second-reading speech sets out some of the reasons why that permission will be required. I agree with some of those, but it also makes a bit of a mockery of this government's claim to be a hands-off government and appreciating that local government should be autonomous in its own right. Here it is playing somewhat of a heavier hand in the traditional role of local government to bring about planning scheme amendments.

The second area where there will be greater scrutiny or examination of planning scheme amendments arises from the fact that the bill requires that amendments will not come into effect unless ratified by both houses of Parliament. It goes on to explain that this is not normally the case. Normally, planning scheme amendments are presented to Parliament. They can be disallowed, but it is unusual for planning scheme amendments to require the express approval of Parliament.

However, we had such an example a couple of weeks ago when a planning scheme amendment was required to have the approval of Parliament. That related to the Melbourne Airport strategy plan, an exercise in which this house considered that plan which was required to be passed by both houses of Parliament before it could be implemented. That was an example of what we might expect from this legislation. There are many more instances where planning scheme amendments for the 17 listed councils on pages 2 and 3 of the bill will be required to be presented to Parliament and approval sought before they can be implemented.

In essence, that is what this bill is about. How it will impact on land-holders is an important issue that we should further consider. To make an assessment of this I turn firstly to an editorial published in the *Age* on 2 October last year. October of last year seems a fair while ago when I am commenting on a bill that is currently before the house, but this identical bill was before the house prior to the proroguing of the previous Parliament, and it is a reintroduction of that legislation. That is why the editorial that I refer to in the *Age* of October last year is relevant to the legislation we have before us today.

In part the editorial says:

> While Melburnians' quality of life will benefit, some will pay a higher price than others. Farmers are entitled to be concerned, despite Premier Steve Bracks' claim to have crafted 'right to farm' legislation. This proposes a ban on subdivisions below 40 hectares, a size that is of questionable commercial viability, and hurts farmers in another way. Selling land for residential subdivision was the 'ultimate harvest' to fund their retirement.

That is true. Many farmers as they get older see the land they hold as their superannuation, their retirement fund. With good intentions in years gone by they purchased land with that express intent, knowing that they could subdivide it later in life and use the proceeds as retirement income. That will certainly be a lot harder for them to do in these green wedge areas.

The editorial goes on to say:

> Another problem is that, despite talk of wetlands and wildlife, much of the land is degraded and lack of management is eroding its value as open space. Weeds and pests such as rabbits spread if left unchecked.

Once again I concur with that view. You simply cannot say that all of this unsettled land, land that has no housing on it and is not intensely developed, is good quality agricultural land. Some of it is very degraded and unsuitable for commercial agriculture. Therefore, the government must ensure it puts resources into managing this land properly and not creating a haven for pests, weeds and animals, as has been the case in other large areas of public land in more rural areas of Victoria.

Those comments in the *Age* editorial are headed:

> Legislation is needed to protect green wedges, but fair implementation presents a challenge.

The National Party agrees with that; the implementation certainly presents a challenge, and a lot of issues remain that need to be worked through.

The National Party's further interest in this bill relates to one of our traditional constituency groups — primary producers — many of whom have enterprises in green wedge areas. Consequently their welfare is our concern. In terms of the consultation the government undertook with its 2030 proposed green wedge vision for Melbourne and the component of it which is called the green wedge proposal, the Victorian Farmers Federation (VFF) made an extensive submission on that process, and I refer to some of the issues it raised in that submission.

First of all it says on page 3 of its submission on the green wedge implementation plan:

> The Victorian Farmers Federation provides in-principle support for the concept of protecting productive agricultural land for urban encroachment. There are a number of significant practical problems involved in applying this principle to land within the so-called green wedges surrounding Melbourne.

I will not quote them all, but it goes on to list things like diversity. If you look at all the proposed green wedge areas encompassing 17 municipalities, they all have differences, and perhaps different approaches are required in different areas.

The VFF also comments that large areas of land within green wedges can be defined as non-productive agricultural land, and I just commented earlier that many of these areas are not useful in terms of commercial agricultural enterprises. I also point out that in many green wedge areas the land has already been subdivided into small allotments, well below the minimum required for a viable agricultural enterprise. I further point out that land values in those green wedge areas make consolidation of land titles into farming enterprises prohibitive in terms of cost. It simply costs too much to buy extra land for a commercial farming enterprise.

The VFF also mentions the fact that local government rates in green wedge areas are higher than in other rural areas, making it difficult for farmers to exist. The submission talks about the weed problem and the neglect by past land managers. It talks about the close proximity of the green wedge areas to urban developments creating problems such as vandalism and complaints about noise, smells, traffic, et cetera for farmers. The VFF makes all these points and says that this is not a straightforward process. There are many issues that need to be worked through.

It is an extensive submission. I am not going to go through all of it, but I want to mention a couple of points that it makes. First of all it makes a couple of comments on the issue of the urban and rural interface. In part it says, and I quote:

> Many owners of land abutting urban development will be left stranded by this proposal. It may be that the land is unsuitable for agriculture and even if it is good agricultural land, close proximity to urban development will probably make commercial farming unviable. There must be some flexibility in the planning provisions to recognise special circumstances allowing amendment to zone boundaries.

I agree wholeheartedly with that. It is becoming more and more difficult to earn a living off the land, particularly with the additional costs associated with land closer to Melbourne. That needs to be acknowledged and recognised if any time amendments

are sought to planning schemes. The submission also makes a very good point that:

> In some situations it may be necessary for the government to purchase land, creating parks as a buffer between urban and rural. Low-density rural living should also be reconsidered as a viable option for some areas to act as a buffer between urban and rural land.

I turn now to page 7 of the submission where it says:

> Government must recognise that its green wedge proposal is using agricultural industries as a tool for preserving non-urban land surrounding Melbourne.

That is perfectly true. What is being proposed here is designed to maintain the green, clean environment of the suburbs around Melbourne. Essentially the government is saying it will put restrictions in place so that agricultural use is the main vehicle for ensuring this remains clean, green, undeveloped land.

The Victorian Farmers Federation (VFF) has expressed a view, with which I agree, that farmers are being used to help Melbourne in terms of protecting that green environment. If that is going to be the case, if farmers are going to be the vehicle for ensuring that that green wedge remains green, the government has a responsibility to do everything it can to ensure those farms remain viable. The submission from the VFF outlines some of the inhibiting factors. It talks about high local government rates and complaints from neighbours about smell, noise and dust. It talks about weeds, vermin, vandalism and urban dogs attacking livestock. If the government wants people to stay on farms in these green wedges, it has a responsibility to address some of those issues.

There are a lot of good issues, including ones I have not had time to raise, which the Victorian Farmers Federation has put forward to the government and which need resolution. The important thing from here on in is that the government sit down with organisations like the VFF and other interested land-holder groups and sort through some of these issues.

The submission from the VFF was critical that it had not had the degree of consultation that should have been afforded to it. This is an opportunity for the government to rectify that and, as the green wedge implementation plan proposals are worked through, ensure that organisations like the VFF are at the forefront of negotiations with it.

With those words I indicate that the National Party will not be opposing this piece of legislation. We see some merit in it, but we also see issues that need to be addressed. I urge the government to look at the issues I have raised this morning and work with organisations like the VFF to ensure that this green wedge plan is implemented in a way that is fair for all.

Hon. H. E. BUCKINGHAM (Koonung) — I rise to support this bill and thank the honourable members on the other side for their contributions. Today is World Environment Day and it is appropriate that we should be debating this bill today as the Bracks government continues to legislate to protect the environment.

This is a short bill of 8 pages which will bring enormous positive outcomes. It is good legislation. It is also world-class legislation which will undoubtedly be used as a benchmark and precedent by all governments that wish to protect their cities and rural areas.

The Planning and Environment (Metropolitan Green Wedge Protection) Bill 2003 delineates the 12 green wedges and establishes the urban growth boundary, thereby preventing unsuitable development of land of environmental, social and economic importance. I note that in the lower house debate on this legislation the member for Hawthorn observed that although described as green wedges, these areas are more like a large green doughnut surrounding Melbourne. I prefer to describe the land as a green halo around Melbourne protecting rural Victoria and Melbourne from unsuitable planning.

As has already been stated, before this legislation, land use in green wedges was controlled by 17 individual councils with 17 different planning schemes. There had never been a consistent approach to protecting these areas. Establishing boundaries is the first step in protecting this land and also, importantly, protecting the rights of the landowners within these green wedges. This is about local solutions for local issues. It is not one-size-fits-all legislation. There will be an action plan for each green wedge to ensure that individual features are managed as well as being protected. Uses to be protected by green wedge legislation include land with potential for agriculture, scenic landscapes like the Dandenong Ranges, Melbourne's open space network, water catchment areas, Melbourne Airport, the sewerage plants at Werribee, and other areas with opportunities for tourism and recreation.

This is about protecting what we love about the physical lifestyle you find in Melbourne and managing urban growth. These are not mutually contradictory terms — you can create a physically desirable environment and manage urban growth, and that is exactly what this legislation does.

Koonung Province forms the western border of the southern ranges green wedge area which contains

national parks such as Churchill and Bunyip, recreation and tourism facilities close to Koonung such as Lysterfield Lake Park and the Dandenong Police Paddocks Reserve, tourism features such as Puffing Billy, and water storages such as the Cardinia Reservoir.

The core planning provision guidelines will enable councils to control land use in green wedges and they will be in place this year. Establishing the boundaries is the first step in protecting the green wedges, and this will be the outcome of this legislation. The next step in finalising the core planning provisions will be shaped by evaluation of the Melbourne 2030 submissions.

The bill does not directly control development of green wedge land, and it does not change the land use rules in planning schemes. However, it establishes processes to ensure that proposals to change these rules are subjected to more vigorous examination than in the past.

What are these checks and balances? The legislation requires prior agreement from the Minister for Planning before a planning authority can exhibit a planning scheme amendment which would affect metropolitan green wedge land or amend or create an urban growth boundary. It also requires ratification by Parliament of any amendment to or creation of an urban growth boundary or the allowance of additional subdivision within the green wedge. It requires prior ministerial approval of the core planning provisions, and it provides for parliamentary disallowance of changes to the core planning provisions.

The metropolitan green wedges are important not only to the residents in the areas of the green wedges but also to people of the whole of Melbourne. Despite general support for the concept of green wedges, experience has shown that they can be compromised by ad hoc amendments. The bill proposes to overcome this problem by providing that amendments which have the greatest potential to negatively impact on the green wedge principle — those which allow for subdivision into more or smaller lots — will only come into operation if ratified by the Parliament.

The requirement to obtain the minister's authorisation to commence an amendment process is designed to avoid public concern about amendments which are contrary to Melbourne 2030 policies. It will provide some protection to councils pressured to prepare amendments which would be contrary to the Melbourne 2030 policy. Planning authorities are already required to consult the minister in relation to amendments which affect green wedge land. The inclusion of Parliament's control on approving amendments is a response to past actions which have devalued green wedge concepts.

This is world-class legislation. This is about government showing a vision for the future and planning for that future while protecting commerce and the environment. The previous government did not want to protect green wedges. It allowed ad hoc housing and development to encroach on green wedges. You could build anything there except a brothel or a cinema.

The Bracks government will protect green wedges by law. There will be no further housing subdivision. Existing rights will be maintained. Land use will be limited to agriculture, small-scale tourism and recreation. We will exclude brothels and cinemas, but we will also exclude child-care centres, display homes, funeral parlours, service stations, hospitals, industry and offices.

We will also limit but not exclude function centres to 150 people or less. These centres must be connected to agriculture, rural industries or wineries. Sport and recreation facilities will be limited to equestrian-based leisure and sport activities. Manufacturing sales will be limited to complementary rural industries. Research centres will be limited to agriculture, rural industries or wineries. We will limit hotels to only 80 rooms, and they must be connected to agriculture, rural industries or wineries. Retail will be limited to market and plant nurseries.

This is much-needed reform that redresses a conspicuous blind spot in Victoria's planning scheme. I am proud to commend to the house legislation that protects green wedges and their strategic importance for farming, tourism and the environment, and more importantly our future.

Hon. PHILIP DAVIS (Gippsland) — I rise to speak on the Planning and Environment (Metropolitan Green Wedge Protection) Bill. I am intrigued by comments from the government, and I shall pick up Ms Buckingham's comment that hotels will be restricted to 80 rooms. It occurred to me that it effectively means that it would not be possible to have any sort of effective conferencing or convention centre facilities because we know that 80 rooms is not a sufficient number for such a unit to be viable. I do not know that we would proudly boast that we will restrict that sort of development, because that would not be in the interest of the wider community.

At any event, I make some general remarks about the bill, particularly from an agricultural perspective. While the opposition has properly set out, as my colleague the Honourable David Davis did, that we will not be delaying the passage of the bill, we cannot enthusiastically applaud it. But we do enthusiastically applaud the notion of the protection of areas of our community from an environmental and social perspective. That was the initiative of the Hamer government, so the concept we are considering today is not a new concept in the sense that green wedges were inspired by a Liberal government in the 1970s.

The Liberal Party has a proud record in regard to green wedges, but the way the current government is proposing to deal with what have become known as green doughnuts clearly creates real challenges for communities around the interface fringe of Melbourne that primarily and historically have been farming communities.

I want to talk about the difficult challenges that exist. I have met with a number of the farming communities in this context. I recall that before the last state election I was in Gembrook meeting with potato farmers who had particular challenges in relation to the potato industry, but especially issues of the values of our community and society as reflected in local regulatory restraint on their farming operations.

Recently I met with members of the Sunbury branch of the Victorian Farmers Federation (VFF), who also reflected those particular concerns. They may have been there for more than one generation, indeed two or three generations, actively farming their land, but today the values that are being imposed by government departments and agencies, the planning controls that have been imposed, are clearly providing a real challenge to their ability to discharge their obligations to the commercial business of farming.

It is inevitable that the increment in the number of citizens residing in the urban areas of Melbourne will have an impact on those farming communities. There is no recognition of those impacts in the way this legislation has been developed. The VFF submission on green wedges points out:

> The VFF is also concerned about the lack of consultation with rural landowners in the development of the government's green wedge proposal. During the two-year development process for this proposal, the views of farmers as primary stakeholders have been neglected.

I put that on the record to show that, notwithstanding that we are where we are today in terms of the bill, farmers in the rural-urban interface areas feel extraordinarily frustrated that effectively they do not have a voice on many of the matters that intrude upon their ability to operate, yet they are now in a formal sense being designated as the custodians of the future of an aesthetic amenity, the vista, for people whose interest in those interface areas is essentially as residents rather than as operators of farming businesses. Therefore, they have increased costs both in a direct sense and in an indirect sense — for example, the difficulty of moving machinery and livestock on roads because of urban encroachment.

Because of the restrictions that will now be imposed on subdivision, they will find it difficult or impossible to exchange parcels of land — that is, to subdivide and sell one parcel of land so as to acquire a different or larger parcel of land elsewhere. This will further inhibit their ability to operate. Many of them will now be trapped in essentially unviable agricultural units, units of land which are too small for it to be reasonable to viably sustain a traditional agricultural activity. They will not even have the flexibility to change that agricultural activity because of the constraints of the objections to any changes to the land use.

There are practical difficulties with the proximity of absentee land-holders, or weekend land-holders, who do not maintain their properties, and therefore there is the encroachment of weeds from the properties of people who are not interested in agriculture onto the land of farmers who are trying to undertake a particular activity.

There are pest animal problems such as foxes — foxes, of course, are obvious — but the difficulty for the farmer is that because of the urban encroachment it is impossible for the farmer to deal adequately with the foxes by shooting because there will be objections by land-holders who do not understand the need to control fox predation. Similarly there is a problem with urban and town dogs that perambulate through the farming community causing difficulty for livestock owners.

The other day I was told a story about the number of occasions on which either departmental livestock inspectors or representatives of the Royal Society for the Prevention of Cruelty to Animals (RSPCA) have visited farming communities, certainly in the Sunbury area, as a result of uninformed local citizens — people who are not farmers but live in that area — lodging complaints about the condition of stock suggesting that a farmer had neglected his livestock.

A particular example of that was a fellow who was involved in the thoroughbred horse industry who had a complaint that his horses were too thin and that they

were being starved. Well, of course, anyone who knew anything about the racing industry would have well understood the lean condition of a racehorse compared to a pony the children ride, which is tethered at the back door at weekends waiting for the kids to go for a ride and the rest of the time it has its head in a bucket of oats and chaff. There is a difficulty in terms of the understanding of the concepts between the people who have a tradition of agricultural practice and those who are new residents in those interface areas.

Why do I specially raise this? Europe now has a strong and long tradition of recognising that there is a quality-of-life component for citizens who wish to experience the visual greenness and openness of the countryside. Therefore agricultural land has been protected, and there are restrictions on development to ensure that further subdivision and encroachment of urban areas into agricultural regions does not occur. There is a financial cost to the farming community of providing those natural scenery environments. The result, therefore, is that there is an equation delivered by way of government subsidies.

Agriculture is very heavily subsidised in Europe. In a visit to Germany in 1998 I had specific discussions with the German departments of agriculture and environment. I was well interested in this notion — a completely well-accepted principle — that if you are going to restrict the ability of the farming community to undertake its legitimate activities because of prescriptions about land use and further prescriptions about subdivision, then there must be some ability for those farming communities to be supported. That is a very deliberate policy, as we well know, and a very high level of subsidy is paid in the European Union.

It is certainly something I saw in the United Kingdom too. Indeed, subsidies are paid to farmers in Great Britain in relation to a policy on the growth and protection of wildflowers from the point of view of collecting seeds so they can be dispersed, and other farmers can obtain subsidies from re-establishing plants that had not been common in a particular district — again to improve the visual vista and beauty of the region for, in this case, not local residents particularly but the tourism industry. Subsidies are paid to farmers in Scotland for maintaining herds of Scottish highland cattle because they add to the richness of the environment from an aesthetic point of view.

The point I am substantially making here is that the government, by developing a green doughnut, has created an additional burden for many people in the farming community who will find it difficult to bear in a financial sense. I believe there is an obligation on us all as parliamentarians, in both government and opposition parties, to think seriously about the changing expectations we as legislators are imposing on citizens in our community as a reflection of changing values in society. We are in a position today where we are not interested purely in the straight-out production economics of agriculture as being the central driving force of the way we manage land in the state, indeed in Australia. In Victoria, which is more closely settled and is a much smaller state with only 3 per cent of the Australian land mass, we are looking at broadacre land increasingly from the perspective of the other social amenity roles we expect it to play in respect of environmental protection, but also increasingly, as we have seen, the visual amenity that adds to the quality of life for citizens of the great city of Melbourne and its urban areas.

In so doing we are bound and obliged to consider how we can relieve the burden of cost on those farming communities and ensure that in future, as restrictive covenants are effectively placed more and more on the farming community, we do not leave them entirely alone to bear the burden of costs, which inevitably they will have to bear, for the community's pleasure. It enables them able to drive through areas that remain open land under agricultural use.

I have to say that I feel a great deal of sympathy for those farmers I have been meeting recently in regard to these matters. I am not entirely sure what the solutions are, but they are certainly in the hands of government, both state and local, and there will have to be arrangements set in place for local government rate relief. Many of the farmers are being taxed out of existence to the extent where they cannot any more deal with their land in any material way and therefore have to simply pay the cost of the very high rates and have a supplementary income away from the farm to be able to sustain that way of life.

Hon. J. G. HILTON (Western Port) — It is with great pleasure that I make a contribution today to the Planning and Environment (Metropolitan Green Wedge Protection) Bill. As this bill is unopposed I will be brief. Today, as honourable members will know and as my colleague has already mentioned, is World Environment Day. Indeed it is a privilege to be a member of a government which has such a commitment to the environment. This bill is just one example.

Green wedges, as honourable members have indicated, are areas that have been set aside to conserve rural activities and other natural features that exist between growth areas of Melbourne. They are distributed in a

broad arc — or, as my colleague Helen Buckingham said, a halo — around metropolitan Melbourne. Some of them are included in my electorate of Western Port Province — that is, the Western Port and Mornington Peninsula green wedges.

The green wedges have a variety of uses and these include providing opportunities for agricultural use — for example, market gardening and wine growing, preserving conservation areas which are near to where people live and providing opportunities for tourism and recreation.

Melbourne as we know it is experiencing significant growth in population, and this expansion in growth creates demands on land for houses, community services and general infrastructure. The Melbourne 2030 plan aims to focus growth in areas which are best able to support this growth. The green wedges are an integral component of this plan. The wedges themselves have been likened to lungs enabling the city to breathe and not be subject to the same pollution problems which affect other cities — for example, Los Angeles. This legislation provides greater protection for green wedges and also greater certainty for owners of properties within green wedges as to the appropriate uses of their land.

While 12 areas have been designated green wedges, each green wedge has its own unique features and this has been recognised with the intention to develop an individual action plan for each of them. These action plans will be subject to extensive consultation between relevant councils and other stakeholders. Anyone who has been involved in local government knows planning is an issue which arouses great passion in the community, especially if the issue has a direct impact on vocal members of that community.

With Melbourne 2030 the Bracks government is bringing certainty to the process by defining the growth boundary areas, establishing a set core of planning provisions to better regulate land use in green wedge areas and protecting green wedge areas from inappropriate subdivision and development. Of course, it is this third objective — protecting green wedges from inappropriate subdivision — that we are discussing today.

It is acknowledged that this bill does not directly control the development of green wedges or change the land use rules in planning schemes, but what it does is ensure that any proposal to change these land use rules requires approval from the Minister for Planing before any planning scheme supplement is prepared. This component of the legislation will give comfort to local communities that councils will no longer be embarking on schemes which are not compatible with green wedge principles and that major developers will not attempt to invest significant resources on projects which they know will ultimately be unsuccessful.

On the particular issue of subdivision within green wedges the bill proposes that any amendments that would increase the subdivision potential of green wedges will not come into effect unless approved by both houses of Parliament. The purpose of the legislation is to ensure the protection of our green wedge areas, the maintenance of which is essential for us to maintain our standing as the world's most liveable city. This is a first-class piece of legislation, and I commend it to the house.

Sitting suspending 1.00 p.m. until 2.02 p.m.

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Mineral sands: rail gauge standardisation

Hon. PHILIP DAVIS (Gippsland) — I direct my question without notice to the Minister for Resources. In Parliament in 2001 the Treasurer described the investment in the rail standardisation program and said it:

> … will secure the development of the emerging mineral sands industry in Victoria's north-west. It is estimated that up to 1 million tonnes of mineral sands will be shipped from the north of the state down through the port of Portland over the next five to seven years.

The former minister responsible for resources in this house committed the government to establish a standard gauge rail link from Mildura to Portland. Last week at the Public Accounts and Estimates Committee hearing the current Minister for Resources said:

> Mineral sands is part of my portfolio area, and rail standardisation is an important part of the development of that industry.

What effect will the government's decision to cancel rail standardisation have on investment in and development of the mineral sands industry?

Hon. T. C. THEOPHANOUS (Minister for Resources) — Mineral sands and the resources industry are in my portfolio area, that is correct. However, transport and rail are not in my portfolio area. I am happy to talk about the mineral sands industry, because it is an emerging industry. We expect it will create a significant amount of employment in Victoria. I

recently visited the Douglas heavy mineral sands project near Horsham and looked at what that company is intending to do. That project on its own is a 10-year mine. It is extracting more than 400 000 tonnes per year of heavy mineral sands, which will be mined and processed.

Hon. Philip Davis — It won't be able to transport it anywhere!

Hon. T. C. THEOPHANOUS — The mineral sands industry has a range of options for transporting its product. Let me say that it is certainly the case that it will be able to continue to mine its product and to develop those mines and transport the product to the appropriate places as well.

As I have said before in this place, it is a bit much for the opposition to be coming in here and criticising — —

Hon. Philip Davis — On a point of order, President, the minister is debating the question. The question was quite specific: it relates to the effect of the government's policy to cancel rail standardisation in relation to the mineral sands industry. President, I ask you to draw the minister back to the question and tell him to stop debating the question.

Hon. T. C. THEOPHANOUS — On the point of order, President, in explaining the government's position on these important policy issues it is, of course, important to reflect on alternative policies out in the community. In this instance the position taken up by the opposition is very relevant in trying to get some kind of cooperation regarding approaching the federal government. So it is very relevant — —

Hon. Philip Davis — On a further point of order, President — —

The PRESIDENT — Order! Without pre-empting what the Leader of the Opposition was going to raise on his point of order, I advise that he cannot raise a point of order while a response to the point of order is taking place. However, the minister is starting to stray from the point of order he was raising and was moving into debating the issue. I ask the minister to conclude his point of order so I can rule on it.

Hon. T. C. THEOPHANOUS — I have concluded my point of order, and I am happy to continue answering the question.

The PRESIDENT — Order! On the point of order raised by the Leader of the Opposition, the minister has spent over 1 minute responding to his answer and was starting to stray. I ask the minister, if he has not concluded his response, to wind up his answer.

Hon. Bill Forwood — Done again!

Hon. T. C. THEOPHANOUS — It will take you a long time, Bill!

One of the important considerations involved in the issue raised by the Leader of the Opposition is the stance of the federal government in relation to the funding of railway standardisation projects. As members in this place know, the federal government has not been prepared to support rail standardisation in Victoria. Its reasoning for not supporting rail standardisation is that it claims somehow rail standardisation — —

Hon. Philip Davis — We are talking about the state.

Hon. T. C. THEOPHANOUS — Well, you asked the question but you do not like the answer. This is the problem! The fact is the federal government is not interested in helping to fund rail standardisation in this state on the basis that it claims it is not a national — —

Hon. Philip Davis — On a point of order, President, the minister has been speaking for nearly $3\frac{1}{2}$ minutes and has failed to respond to the question, which relates to state administration and does not relate to the matters raised by the minister about federal arrangements. It relates to the Victorian government's decision to cancel rail standardisation and the impact that will have on the investment and development of the mineral sands industry. President, I ask you again to bring the minister back to the question and ask that he does not continue to debate the question.

The PRESIDENT — Order! The minister has been responsive to the question raised by the honourable member with respect to mineral sands and the mining of such. I ask the minister to conclude his answer in the 40-odd seconds remaining to him.

Hon. T. C. THEOPHANOUS — Mineral sands is an emerging industry in this state. It has been developed as a consequence of the actions taken by this government in setting both the policy framework in place through the Victorian Initiatives for Minerals and Petroleum program and a range of other programs. We will continue to promote an industry that the opposition did nothing about when in government.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — Together the mining and processing plants will create a total of

150 full-time jobs directly and three times as many indirectly. How many jobs will be lost because the Victorian government has cancelled the rail standardisation project?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I am unable to answer in relation to the project that the member has asked me about because, as I said before, the rail standardisation project is not in my portfolio area. I am unaware of any job implications in relation to the mineral sands industry.

Women: small business strategy

Hon. KAYE DARVENIZA (Melbourne West) — My question is to the Minister for Small Business. Just over a year ago, before the election, I asked the minister about the program she launched, Showcasing Women in Small Business. Now that a year has passed will she advise the Council how the program went?

Hon. M. R. THOMSON (Minister for Small Business) — I thank the honourable member for her ongoing interest in this program. It is a program that I am very proud of because it actually came from women in business who I met as I travelled around Victoria in the life of the previous government. A number of women in country Victoria raised the issue of access to finance and how to approach financial institutions. I have one story in country Victoria — an incident I do not believe would occur any longer — of a woman who expressed concern to me. She started and ran a little manufacturing business in country Victoria. She was at the point of expanding the business and the factory and went to a financial institution to get a loan so she could employ more people and develop her business. She was asked whether or not she had her husband's permission!

It was from anecdotal stories such as those and the lack of confidence in dealing with financial institutions that we launched Showcasing Women in Small Business. It was an opportunity for women to network and mentor, but most importantly, an opportunity for workshops and seminars for women about finding their way around the financial maze. *Show Me the Money* is a manual that came from the women throughout country Victoria with whom I met. Some 500 business women across Victoria have participated in the workshops and seminars. The booklet was written by a woman for women. It has case studies in it about women, and it is a practical guide for women on how to approach financial institutions and the questions to ask about the various financial packages that are available.

Eight workshops have been held in metropolitan locations and 14 in regional locations. They have been held in Melbourne, Bendigo, Sunshine, Shepparton, Narre Warren, Hamilton, Mulgrave, Benalla, Ballarat, Sale, Horsham, Wedderburn, Keilor, Gippsland, Wangaratta and Wodonga. The feedback from women who have participated has been very strong, and that is supportive of the program.

Hon. Andrea Coote — What about Monash Province?

Hon. M. R. THOMSON — There were, I think, two in Monash Province. I will check for the member.

It has been a very successful program, and it has been successful as far as the attendees are concerned. It has been so successful that when I talked about it at our Listening to Small Business programs the men say they want one. Here is an example where yet again the women have led the pack.

I announce to the house that further seminars and workshops will be held at Richmond town hall on 11, 16 and 23 June. I urge members to encourage women who are in small business and who can be the beneficiaries of these workshops to take advantage of them.

Electricity: network tariff rebate

Hon. BILL FORWOOD (Templestowe) — My question this afternoon is to the Minister for Energy Industries, who is also the Minister for Resources, the Honourable Theo Theophanous. On 27 March in answer to a question by the Honourable Geoff Hilton about the network tariff rebate the minister informed the house that the average electricity bill throughout Victoria would not rise by more than 3.1 per cent. What action will the minister take to protect dairy farmers who over the past two years have suffered off-peak power cost increases of 108 per cent in the Origin region and 122 per cent in TXU's region, where this year an average dairy farmer will now pay around an additional $500 and $390 respectively because of this government's action?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — When this government came to power it was faced with a privatised electricity system. That privatised electricity system was based on the idea that it would be a user-pays system. Prior to the sale occurring there was a single price across the state — a uniform tariff.

We realised that if you simply allowed the market to determine prices there would be massive differences in prices, particularly in regional Victoria and especially for the farmers in regional Victoria. So we instituted a

process and Parliament has just passed an act which extends the reserve power of the minister over pricing in relation to this state. We also put in place a system for the transfer of funds to subsidise country Victoria because of the differentials in network costs which exist between regional Victoria and the city.

Last year we spent $118 million on that program as a result of the actions that were taken by my predecessor, and this year we instituted a program called the network tariff rebate. I am not sure of the honourable member's figures, so I am unable to verify that they are accurate, but I can tell the house this: when I made the announcement of a 3.1 per cent general increase across the state in line with inflation I also indicated that it would be possible for the tariffs to increase above that 3.1 per cent figure by a maximum of 5 per cent — so the leeway could be up to as much as 8.1 per cent or it could be down in the other direction with significant reductions to under 3.1 per cent, as long as the average is 3.1 per cent. That was the policy framework that was put in place.

In addition to that, we applied the network tariff rebate, and in applying that network tariff rebate we attempted to ensure that those differentials were in fact maintained within that 8.1 per cent maximum framework for tariffs.

The two actions working together are designed to do two things: firstly, to protect Victorians, particularly those in regional Victoria, from the excessive price increases that would occur if the market were simply allowed to operate as it is at the moment because of the limited market power that they have; and secondly, to try as much as possible to equalise the amount paid for electricity between regional Victoria and metropolitan Melbourne within the budgetary capability that I have outlined.

Supplementary question

Hon. BILL FORWOOD (Templestowe) — I guess the answer to my question about what action he will take is nothing. Let me put it this way: does the minister believe that the decision to cap the prices in the way that he did led to an increase in off-peak prices in farming communities?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — Let me reiterate, because the honourable member obviously does not understand this issue: the fact of the matter is that without my intervention and without the intervention of my predecessor, off-peak prices or any other prices you want to mention in regional Victoria would have been massively higher than they are currently. That is the situation, and every person in regional Victoria, including those farmers he referred to who have off-peak power, can look at their bills and see an amount of money which is a rebate paid to them by this government out of taxpayers funds in order to try and equalise the level of payment. So to say that we have done nothing is absolutely incorrect, and the honourable member is simply being mischievous.

Dementia: government initiatives

Mr VINEY (Chelsea) — I refer my question to the Minister for Aged Care. I refer the minister to a recent report by Access Economics on the rapidly increasing number of people with dementia. Can the minister please advise the house of what the Victorian government is doing to respond to the increasing number of people with dementia in Victoria.?

Mr GAVIN JENNINGS (Minister for Aged Care) — All members of the Australian community could be very grateful for the work that was undertaken by Access Economics on behalf of the Alzheimer's Association of Australia when it released a report last week entitled *The Dementia Epidemic: Economic Impact and Positive Solutions for Australia*, because not only does it outline the dimensions of the problem but it also provides constructive solutions for governments and public policy on health into the future.

I would like to briefly point out to the house that the dementia epidemic has arrived. According to the report, in Australia there were over 162 000 people with dementia in 2002, including 6000 people under the age of 65 with younger onset dementia.

Dementia is the second-largest cause of disability burden in Australia after depression and will become the largest by 2016, continuing to outpace other chronic illnesses. In fact Access Economics estimates that by the year 2040 over half a million Australians will suffer from dementia. At the moment the economic burden to this nation on the basis of support to those in our community who suffer from dementia and economic loss is in the order of $6.6 billion, which is estimated to grow within the next 50 years to 3 per cent of gross domestic product. But Access Economics does provide some encouragement. The report states:

> However, the current returns from expenditures on medication and carer support can be expected to reduce the total costs to government substantially below what they might otherwise have been, through delays in admission to residential care. Every year residential care is delayed saves the government $30 632 per entry avoided. And the quality of life of people with dementia, their families and carers will be enhanced through these interventions. It is for these reasons

we have to tackle the constraints to services and invest in research.

The Victorian government has responded in a number of ways in terms of providing that level of support over the last two years within the framework of an initiative, *Dementia — Care and Support in Victoria 2000 and Beyond*, which was launched in November 2000 and which provides the way in which we will improve services over time and provide for adequate research and support for people with dementia and their carers.

The government has a $60 million annual program available within aged persons mental health services for those suffering from psychiatric symptoms associated with dementia. Within a $9.8 million program for carers a healthy emphasis is placed on those who care for people with dementia.

Specifically for dementia care the government provides $2 million annually to the Alzheimer's Association of Victoria to provide support to the community, and $2.5 million is provided to a program known as cognitive dementia and memory services, which provides early detection and intervention to support those people in the community.

I am very pleased that this week I am announcing four new programs into research that will apply to dementia services throughout the acute public health sector in Victoria. Those projects will be in the West Gippsland Healthcare Group, Southern Health, Bairnsdale Regional Health Service and Ballarat Health Services. The total of those projects will be in the order of $265 000. Again, that is a demonstration that we are caring for the needs of people right across the width and breadth of Victoria to provide appropriate support and to ensure our acute health system is mindful and respectful of the ongoing needs of people with dementia. I am pleased to have announced those projects to the house today.

Libraries: funding

Hon. D. K. DRUM (North Western) — My question is for the Minister for Local Government. Prior to the last state election the Victorian Country Public Libraries Group presented a submission to the government regarding operational funding for public libraries. My question deals with operational funding only. Given that country libraries have additional operating costs, could the minister explain to the house what consideration was given to the VCPLG's submission that called for a base minimum contribution from state government of $10 per person?

Ms BROAD (Minister for Local Government) — In answer to the member's question I can indicate, as I have previously to the house, that in every year since the Bracks government has been in office operating funding to libraries has been increased, and it has been increased in the 2003–04 budget to record levels.

The formula used to allocate total funds to libraries takes account of a whole range of factors. Having recently spent some time considering how that formula is applied I can indicate that the formula is very carefully applied to ensure that libraries which have declining or static populations are protected so that growth funds are reallocated to growth areas, but not at the expense of libraries which have static or declining populations. That is a very important principle.

In relation to the submission the member has referred to, that would be a very significant change in terms of the allocation of the current fund, one which would be at significant cost, unless of course there was to be a very dramatic increase over and above the increases which the Bracks government has already applied. In the absence of that, the application of the formula he has referred to would be at very significant cost to libraries in other areas which are the beneficiaries of that funding. I believe the allocation formula which is being applied is a fair and decent formula which benefits all libraries within the envelope of increased funding under the Bracks government.

Supplementary question

Hon. D. K. DRUM (North Western) — I thank the minister for the answer. With librarian wage increases over 5 per cent this current year due to their 2001 enterprise bargaining agreement and the consumer price index running at approximately 3.4 per cent, local government contributions have been forced to increase by over 5 per cent. How does the minister explain the government's increases in the goldfields region, which is in essence 5 cents a person for the next year? That works out to be fractionally over 2 per cent. In real terms, the funding works out to be approximately a 1.5 per cent decrease for funding for library operational costs.

Ms BROAD (Minister for Local Government) — As I have already indicated to the member, library operating funding has increased in every year of this government, so increases have to be seen in that light. As Minister for Local Government of course I am aware of the cost pressures on local government just as state budgets are under cost pressures which have to be managed. In addition to the operating fund increases which I have referred to, starting in the 2004–05 year

this government also will be applying additional funds to purchases of books and materials for libraries. Under the government's Living Libraries program — —

Hon. D. K. Drum — On a point of order, President, the question dealt specifically with operational costs. The minister is now starting to talk about the Living Libraries program, which only has to do with the capital funding.

The PRESIDENT — Order! The honourable member raised a question on the funding arrangements for libraries and costs associated with libraries. The minister is answering the question. I ask the minister to continue in the 5 seconds remaining.

Ms BROAD — To conclude, if the member does not want to hear about capital funds for libraries, that is his choice. The government continues to fund increases in operating costs.

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

Sport and recreation: Active Girls breakfast

Mrs CARBINES (Geelong) — My question is to the Minister for Sport and Recreation. The minister has previously advised the house of his commitment to promoting women in sport and recreation. I ask the minister to advise the house what action he has taken to encourage greater participation of teenage girls in sport and recreation.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I welcome the member's question and her interest in the participation of Victorian girls and young women in sport. The Bracks Labor government supports a range of initiatives designed to increase the participation in sport and recreation of all Victorians, but as part of that commitment it also has a strong focus on encouraging the participation of Victorian women. This includes women of all ages, ethnic backgrounds and levels of ability in a wide range of sports.

Members would appreciate that some time ago I highlighted the obesity rates that have more than doubled in Australia over the last 20 years due to a combination of lifestyle, poor diet and lack of exercise. Most people of all ages are not active enough. Statistics show that barely half of all Victorian girls aged between 5 years and 14 years are involved in organised sport outside school.

Earlier this year I advised the house of the Leader Newspaper Sports Star of the Year awards at which I presented the Active Girls award. That program involves delivering advice and training in media, public relations, time management, sponsorship and marketing to the award winners. The girls then attend our Active Girls breakfast as role models for teenage girls.

I had the great pleasure of hosting the Active Girls breakfast last week at which 44 schools were represented. The event provided a very healthy breakfast, of course, and an excellent opportunity for sportswomen, either as administrators or participants at elite level, to share their experiences with over 600 girls from across Melbourne. Each table was hosted by a role model ranging from well-known female athletes such as Olympic swimming champion Giaan Rooney to sports administrators. This provided an opportunity for the girls to ask questions of those role models as well as hear of their experiences, and hopefully to be inspired to be more active.

The role models encourage other young women and girls to participate not only as players but to obtain coaching or sports administration qualifications or to take up positions on boards or committees in community groups. These girls can see how women manage their careers, family and social lives while remaining physically active.

The government is encouraging greater physical activity among people of all ages, all abilities and all backgrounds. This was a great highlight of the year. It was fantastic to see so many young girls inspired and obviously enthusiastic about getting out there and participating in sport in one form or another.

The government is getting on with the job, governing for all Victorians, while the opposition is still divided. It stands for nothing, and we know and everyone knows that it does not care.

Multimedia Victoria: contracts

Hon. W. A. LOVELL (North Eastern) — I direct my question without notice to the Minister for Information and Communication Technology. Under level 2 accreditation for central agencies all purchases greater than $100 000 are required to be put out to public tender. Can the minister assure the house that all contracts greater than $100 000 entered into between Multimedia Victoria and suppliers of goods and services relating to the telecommunications purchasing and management strategy were in fact put out to tender or three written quotations were obtained before contracts were awarded?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — I have no reason

to believe the telecommunications purchasing and management strategy (TPAMS) project team, which is operating in an environment to produce the best possible outcomes for our telecommunications services in this state, is doing anything other than it is required to do under its arrangements in dealing with telecommunications, both voice and data. The TPAMS team is working at producing the best opportunity for the Victorian government leverage of new technology and convergence to ensure that the best technology is available to the government when it comes on stream and is appropriate to government utilisation and will provide the best possible unit cost savings for telecommunications for the Victorian government.

It is a program that will provide the Victorian government and the Victorian community with an opportunity for a competitive marketplace in telecommunications to ensure that we are getting the best possible deal in telecommunications and that Victorian communities are benefiting from that leverage.

Supplementary question

Hon. W. A. LOVELL (North Eastern) — Given that the question was about contracts greater than $100 000, we were not really asking about their professional ability. With respect to the minister's answer, can the minister explain why the following three contracts — a system design integration manager worth $176 000, a senior project manager worth $176 000 and a project manager worth $110 000 — were not put out to tender nor were three quotes sought?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — The member might want to have a look at the question she wishes to ask. If she is talking about positions that have been put in place as part of the TPAMS team, then positions are based on quality and the capacity to do the job.

Hon. W. A. Lovell — On a point of order, President, the minister has not answered the question. The question was, under level 2 accreditation for central — —

The PRESIDENT — Order! The honourable member in raising a point of order cannot just repeat the question. The member has to raise a point of order through the Chair.

Hon. W. A. Lovell — Under level 2 accreditation for central agencies all purchases greater than $100 000 are required to be put out to public tender.

The PRESIDENT — Order! I do not uphold the member's point of order indicating the minister was not responsive. The minister is entitled to answer the question in any way she sees fit. She has answered the question, so there is no point of order.

Energy: greenhouse strategy

Ms HADDEN (Ballarat) — I refer my question to the Minister for Energy Industries. Can the minister advise the house as to how the Bracks government is getting on with the job of meeting the greenhouse challenge for the energy and resources industries in Victoria?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I thank the honourable member for her question. The challenge for greenhouse energy is perhaps one of the most important challenges the government is facing in the next little while. I am delighted today to be able to release a consultation paper, which is called *Greenhouse Challenge for Energy*, and I am happy to make it available to members because it is designed to begin the debate about Victoria developing a response to what the Parer review suggested at a national level, which was a national abatement scheme or a national emissions trading scheme.

This paper is designed to stimulate discussion and consultation in Victoria in relation to Victoria developing its own abatement scheme. In launching this consultation paper today I remind honourable members that we are faced with these important and critical facts.

The energy sector accounts for almost three-quarters of the state's greenhouse gas emissions. During the 1990s, greenhouse gas emissions in Victoria from electricity generation alone grew by 41 per cent. Growing energy demands means that emissions will continue to rise unless steps are taken to reduce the greenhouse intensity of our energy system.

The government is not going to ignore this challenge. It recognises that a balanced approach is needed, one that values equally our economic, social and environmental goals. As a state we cannot simply ignore what is happening internationally and what the community is saying about greenhouse gas emissions. The fact is that a set of goals was established at Kyoto. Australia has not signed up to those goals, but that does not mean that we are immune from them, and it does not mean that the Victorian government can simply ignore them.

When I talk to industry energy providers, they tell me that more than anything else they want certainty. They

want to know what the game plan is and what will be required of them in the long term. This is about Victoria again taking the lead, as it has in many other ways, in relation to the electricity and energy sector and developing its own set of arrangements for Victoria, if necessary, for an abatement scheme or a greenhouse emission reduction scheme. In order to do that the government needs to consult with the community, because this issue affects the entire community.

I urge honourable members to look carefully at the issues in this paper that are coming up for consultation, because they seek to identify a range of things. For example, how should the need for investment certainty be balanced against international greenhouse abatement targets. These are the issues of the day relating to a greenhouse strategy, and this government is determined to challenge them.

Federation Square: financial management

Hon. PHILIP DAVIS (Gippsland) — I raise a question without notice for the Leader of the Government in his capacity as Minister for Finance. Under the administrative orders he is responsible for the accountability and reporting provisions of the Financial Management Act. Yesterday he tried to shift responsibility for the financial management and reporting of Federation Square on to other ministers. What action has the minister taken to ensure that the provisions of the Financial Management Act that he administers are complied with by all other ministers?

Mr LENDERS (Minister for Finance) — I thank Mr Philip Davis for his question. As I have outlined before, as the Minister for Finance I am responsible for the framework within which the government operates, but specific budgetary issues in other portfolios are the responsibility of the relevant ministers in those portfolios; hence my answer to Mr Davis's question yesterday.

In relation to what particular measures I take as Minister for Finance under either the act or the direction to ensure that other ministers, departments and agencies follow through on the requirements of the Financial Management Act, there are a series of things that I as minister and the Department of Treasury and Finance do to monitor this.

I am happy to share with Mr Davis information on the range of things we do in relation to financial directions. I just signed off on a series of new financial directions the other day. One of the things I look forward to doing when I go home at the weekend is reading new financial directions under the Financial Management Act and how they can add to the governance of this state! I think it was direction 44 that I was looking at last weekend.

We do a range of things related to instructions that are given to chief financial officers in government departments and agencies about how they should comply with the act. That advice goes out regularly. We actually put out a model set of accounts. In the month of June all the chief financial officers who have been waiting for this model will finally receive it now that it has been signed off. The model financial direction that they receive will be the one that they look at. We have a fictitious department and a set of accounts for that department. This is distributed every year to the chief financial officers and they look at that. Then the new innovations we have in government on how to do the accounts are actually done.

This happens, and it is reviewed periodically. I look at these briefs and I ask questions about them. When I am satisfied with them I sign them and they are sent out to the chief financial officers. They set a series of guidelines so that the government can be confident that there is transparency and that reporting procedures are complied with.

This year for the first time we have explored — last year it was piloted in the Department of Treasury and Finance and this year it will go out to all of the chief financial officers — the sending of electronic reminders to people as to how they can comply with annual reports and financial directions so that chief financial officers in large agencies can do it. Some of the smaller agencies — and they may be small community groups somewhere in regional Victoria, perhaps in Mr Davis's electorate — might have a large volume of convoluted documentation from government. They will get a succinct reminder of their requirements under the Financial Management Act.

Under this act and the directions that arise from it in my capacity as the minister responsible for the framework in which the government operates, we send out a series of advice and instructions to departments. We do what we can to help agencies and departments follow through on the requirements correctly, because we want to assist them in providing that information. It is only if information is in place that annual reports can be produced and we can be confident that the Victorian community will have adequate information as to how taxpayers funds are being managed and whether the government's objectives and outputs are being targeted and met.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — I do not intend to respond to the minister's hypothecation about fictitious companies and accounts. Is the government-owned Federation Square Management required to comply with the accountability and reporting provisions of the Financial Management Act for which the minister has direct responsibility?

Mr LENDERS (Minister for Finance) — I think between yesterday and today I have answered Mr Davis's question.

Housing: energy efficiency

Hon. J. H. EREN (Geelong) — I refer my question to the Minister for Housing. The government's Victorian greenhouse strategy is helping to make Victoria a more sustainable state. As today is World Environment Day, what is the Bracks government doing to help improve the energy efficiency of public housing and make Victoria a more sustainable state?

Ms BROAD (Minister for Housing) — I thank the member for his question and his continued interest in public housing and the government's greenhouse strategy on this, World Environment Day.

Improving the energy efficiency of Victoria's public housing stock and that of low-income households in Victoria are key initiatives of the Victorian greenhouse strategy, which is helping to make Victoria a more sustainable state.

The first key initiative involves energy efficiency upgrades in public housing. A pilot program to upgrade the energy efficiency of existing public housing is currently being implemented, funded by $1 million from the Victorian greenhouse strategy. Seven projects are currently in progress across Victoria and due to be completed during this year. The focus of these projects is to comprehensively insulate existing public housing that is energy inefficient and improve its thermal performance to an equivalent four-star rating.

The program to improve the energy efficiency of public housing is supported by: a partnership between the Office of Housing and the Sustainable Energy Authority Victoria; implementation of Office of Housing construction standards which are designed to achieve a five-star energy rating in all new public housing; planned completion of 600 solar hot water units in detached housing by the end of June; and completion of solar panel pre-heaters for bulk hot water systems in five high-rise buildings servicing approximately 900 households, with a further 10 installations planned this year.

The second key initiative is the energy task force project. The neighbourhood renewal branch, in partnership with the Sustainable Energy Authority Victoria, is implementing the energy task force initiative. This initiative is currently piloting the success of retrofitting low-income public and private households with energy efficient improvements in the neighbourhood renewal locations of Corio and Norlane in Geelong, Eaglehawk and Long Gully in Bendigo, and Broadmeadows.

For many low-income households energy bills can be a significant cost in proportion to their income. In some cases 10 per cent of annual income may be spent on electricity and gas. By retrofitting houses and improving their energy efficiency the Bracks government is helping to keep energy costs down for people on low incomes.

I am pleased to advise further funding of $3 million announced in the recent state budget to expand the energy task force project over the next four years. This delivers on an election commitment made by the Labor Party during the 1999 election campaign. This successful model will improve the quality as well as comfort of approximately 750 homes per year and save these households around $100 on their energy bills. It will also result in a reduction in greenhouse gas emissions, which supports the commitment of the Bracks government as outlined in *Growing Victoria Together*.

Through the energy task force the Bracks government is helping people to stay warmer this winter, to save on energy costs and to protect the environment.

PLANNING AND ENVIRONMENT (METROPOLITAN GREEN WEDGE PROTECTION) BILL

Second reading

Debate resumed.

Mr SOMYUREK (Eumemmerring) — It is with pleasure that I rise today to speak on the Planning and Environment (Metropolitan Green Wedge Protection) Bill 2003. I take this opportunity to congratulate the opposition parties for supporting this important piece of legislation.

This bill delineates where the 12 green wedges are located and establishes the urban growth boundary.

This boundary will assist in preventing the encroachment of development onto land with tremendous environmental, social and economic importance.

The bill builds on and is consistent with the metropolitan strategy, Melbourne 2030. Policy 2.4 of this strategy expresses the intent to:

> Protect the green wedges of metropolitan Melbourne from inappropriate development.

Initiative 2.4.4 says that there should be in place legislation:

> … to provide protection for areas of high environmental and scenic value in metropolitan green wedges such as … the Dandenong Ranges, the Yarra Valley …

Melbourne 2030 was drafted after wide consultation with the community and therefore has wide support.

It is appropriate at this juncture to note that this legislation is not intended to stop growth on the fringe of Melbourne. The intent of this legislation is to channel this growth in a more coordinated manner within the designated growth areas of Melbourne. As my electorate of Eumemmerring Province contains one of the fastest developing growth corridors in Australia with more than 80 families moving into the City of Casey every week, the people of my electorate are anxious to see the legislation pass through Parliament. They are genuinely concerned about the prospect of ad hoc development in this region and they want the lungs of the city — I speak of course of the green wedges — to be protected from inappropriate urban development.

Hitherto, land use in the green wedges has been controlled by 17 individual councils — five of which are located within my electorate — with 17 different or disparate planning schemes. There has never been a concerted and coordinated approach to protecting these green wedges. The effect of this bill and the changes to the core planning provisions the government will introduce later this year will be to halt the encroachment of inappropriate urban, commercial and industrial development into areas of high agricultural productivity value, of which there are many examples in Eumemmerring Province.

As a result of this legislation, protection will be afforded to significant environmental resources in my electorate such as Lysterfield Lake Park, water resources such as the Cardinia reservoir, and economic resources such as vineyards, agricultural production and the tourism industry. These changes will provide certainty for all sections of our community including developers, residents and councils. It is with pleasure, therefore, that I commend this bill to the house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

VICTIMS OF CRIME ASSISTANCE (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Debate resumed from 3 June; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. W. R. BAXTER (North Eastern) — I am pleased to indicate that the National Party is very happy indeed to support these minor amendments to the victims of crime legislation. Over the years the community has come a long way in acknowledging that persons who are the victims of criminal activity, whether it is assault or sexual abuse of one sort or another, are entitled to some sort of compensation from the community for the hurt and suffering they experience. The psychological damage done to those people can inhibit their lives for many years and perhaps for their entire lives.

I am pleased to see that the government is acknowledging in this legislation that psychological evidence can be taken into account by the tribunal, because the existing act, if interpreted literally, would exclude psychological evidence as being non-medical, in favour of psychiatric evidence, which clearly is; yet psychologists are used more and more in this sort of work. Of course psychiatrists are as scarce as hens' teeth in our community, particularly in country areas in places like Wodonga and Wodonga West.

The National Party is pleased indeed to be supporting an amendment to the act which will allow evidence from psychologists to be taken into account by the tribunal. We have also noted the worthy amendments to the act to allow for interim awards. I understand there has been some provision for that in the past under the existing legislation, but to a degree it has not been used as widely as it might have been because of the fear by some magistrates that ultimately no award at all would have been made and the person who received the interim award would be left in debt to the state.

I understand these amendments provide a discretion for magistrates as to whether the interim award must be paid back to the state in the case of an interim award having been made but it subsequently being determined that no award is to be made. I have sufficient confidence in the magistracy and the tribunal to believe that will be used carefully and sensitively and that the taxpayer will not be left unduly out of pocket, and nor will unfortunate persons who have received an interim award which is subsequently not upheld be left in the invidious position of owing the state money if they are not in a position to repay it.

The National Party has always had the view that legislation such as this needs to be exercised by a tribunal in such a manner that it can ensure that the opportunity to rort the system is not there. There is some evidence from time to time, at least anecdotally, that some claimants for a payout under this legislation may be gilding the lily a bit, and it is very hard to prove one way are another whether the injury they allegedly sustained was the result of criminal activity. I do not think that fear should interfere with society's capacity to be generous to those who are victims of crime, but at least it sends a warning that we do not want this to be seen as some sort of cow's teat, so to speak, that would enable people to get on some sort of drip feed to which they are not entitled.

I have confidence that the system will not allow that to happen, but it needs to be observed that regrettably we have in our community some people, perhaps a class of people, who are ever on the lookout for some way of getting something to which they are not strictly entitled. I have studied the bill with a good deal of careful scrutiny to ensure that I am convinced that we are not with these amendments opening up that door. I am so satisfied and therefore prepared, on behalf of the National Party, to support the legislation.

Hon. C. A. STRONG (Higinbotham) — In rising to speak on the Victims of Crime Assistance (Miscellaneous Amendments) Bill I indicate that the opposition will support the legislation. It is important to acknowledge that a great deal needs to be done for victims of crime. All too often we hear about the perpetrators of crime, their civil liberties, the problems they go through when they are sentenced for crimes, and all too often they have their sentence remitted in some way as a result of some personal problem or some problem with their family or because they have young children to be looked after. In so many ways the perpetrators of crime are looked after by the system. They have all sorts of counselling.

There is an enormous focus on the perpetrators of crime, whereas it is the victims of crime that the community should be thinking more about, because they are the ones who are affected. They are the ones for whom the community and the government should be feeling sympathy. They are the ones to whom we should be trying to provide help and support. Yes, we need to think of the perpetrators, but we also need to think very deeply and compassionately about the victims of crime.

The bill makes relatively minor amendments to the existing Victims of Crime Assistance Act, which the opposition supports. Perhaps it is worth briefly touching on what they are. Possibly some of the most useful amendments are the minor changes to the provisions allowing for interim awards for victims of crime. In many cases a victim of crime has an immediate need for help and support for counselling and so on. It is not a question of such needs being deferred until a tribunal hearing with evidence and all the rest of the paraphernalia that goes on with any quasi-legal process being put in place, the needs of a victim of crime are in many cases very immediate and close to the event of the crime that has caused them the problems.

Unfortunately, the way the current interim award process has been interpreted by many magistrates is that they have felt some reticence about granting interim awards simply because there is the fear that if a final award does not uphold an interim award it is the state that will have to pay. Why magistrates should be worried about that I am not entirely sure, because it seems to me that they should not be overly concerned about who pays; they should be more concerned about the needs of the victim of crime.

Those amendments to a small extent raise the importance of the victim and make it quite clear that if an interim award is not backed up by a final award then there is an option for claiming back that interim award from the victim if for any reason it was inappropriately given. It aims to relieve the magistrates of the concern they have apparently felt. Why they have it, I do not know. It seems to me that their compassion should be towards the victim, and if there is any question of doubt an interim award should be made as soon as possible.

There are also amendments in the interim award area that allow the registrar of the court to grant an interim award, so the award can be granted even more rapidly when it is needed, when the crisis is there, rather than, as I said before, going through the whole procedure of some sort of quasi-legal arrangement involving the leading of evidence and so on. I think those are

significant improvements that go to helping the victim rather than supporting the perpetrators of crime.

The bill seeks to correct an anomaly that has occurred with dates. The last amendment to the bill specified certain dates between which people could claim for pain and suffering as a result of some crime perpetrated upon them. There were one or two people who should have been able to make that claim, but because of the way the clause was drafted they were not able to avail themselves of that benefit. I understand a relatively small number of people were affected, but these amendments clear up the little problem that occurred as a result of specifying dates between which certain things can happen.

The bill also makes it easier for decisions to be made as to the actual scale of benefits to be awarded. As it is now, in many cases the magistrate makes an award of benefits based on the various evidence that is led and also, one presumes, on his understanding of the situation. Often there is somewhat of a variation in the quantum of that award. That is unfortunate insofar as it creates a degree of uncertainty in the whole system. People who come to the tribunal seeking its assistance are in some doubt as to the degree of assistance they will achieve, and the tribunal itself is unsure of the likely level of assistance to be given. The bill provides guidelines that will give guidance to the tribunal in determining the scale of reimbursement that is available for specified events. That will, once again, add some clarity to the situation.

The bill also has amendments that allow psychological evidence to be taken. Apparently in many cases psychological evidence is led before the tribunal, but the act does not allow such evidence to be led, which seems to be quite a clear inconsistency, as the tribunal is allowed to grant compensation for pain and suffering. The establishment of the degree of that pain and suffering requires, of course, psychological evidence to be led — yet as it now stands the act makes it difficult for that to happen. Amended provisions therefore make it quite clear that psychological evidence can be led.

Those are, by and large, the significant changes to the existing act. One can only say that these changes, particularly the ability to give interim awards, are very positive changes. One is left continually to wonder at the extent to which we as a community and as a government reach out the hand of support and compassion to the victims of crime. We all too often worry too much about the rights of the perpetrators of crime, too much about trying to reform the perpetrators of crime and too much about the experiences the friends and relatives of the perpetrators go through; but we worry too little about the impact of crime on the victim. Anything that we can do to redress that balance very much more to favour the victim is a positive step.

Although the changes outlined in the bill are relatively small I think they go some way along the continuum of changing the focus away from the perpetrators of crime to helping the victims of crime. The opposition has much pleasure in supporting the bill.

Ms HADDEN (Ballarat) — I rise to speak in support of the Victims of Crime Assistance (Miscellaneous Amendments) Bill. The purposes of the bill are set out in clause 1, so I will not go through all that. They are there for members to read.

By way of background, the Department of Justice recently reviewed the current services to victims of crime. The purpose was to look at how services were being delivered to victims and what is the best way to deliver services in the future. The *Review of Services to Victims of Crime* report was released in February of last year. The review committee was chaired by the member for Burwood in another place, Mr Bob Stensholt, who did an exemplary job.

The review made a number of recommendations about ways to improve the current processes for victims of crime and how they access the services and to improve the processes victims are required to go through when they lodge applications for assistance from the tribunal.

This bill will implement some of the recommendations by removing the current legislative restrictions on the making of interim awards to victims and by enabling some interim awards to be made by registrars. It will also enable the tribunal to determine a matter without a hearing if it involves an interim award or relates to making an interim award or if the tribunal has received the written consent of the applicant.

The other main features of the bill will correct an anomaly in the current legislation, the Victims of Crime Assistance Act 1996, by widening the circumstances in which victims of childhood sexual offences and assaults may apply for special financial assistance. That is set out in clause 9 of the bill, which amends section 77 of the principal act. The other key feature is that this bill will give the Chief Magistrate the power to make guidelines on non-procedural matters.

The key recommendations of the *Review of Services to Victims of Crime* report are mainly non-legislative, and a victim services task force has now been established to implement the recommendations. The recommendations, which relate to a tiered system of awards for victims, the establishment of a panel to

advise the tribunal and counselling benchmarks, envisage that services will be undertaken by a victim support agency to be established shortly and that the research will establish a comprehensive evidence base for improvement of services to victims. Once the research has been completed any required amendments to the act can be made.

Presently interim applications for assistance can be made by victims to a registrar of the tribunal. The process is rather cumbersome and can cause delays for victims, who of course need to have a system that is simple and quick so they can receive the proper counselling assistance that they need soon after an incident.

The bill will enable registrars to make interim awards up to a prescribed limit, and that will ensure that the tribunal is more responsive to the urgent needs of victims of crime. It will also make the current processes more efficient, and this amendment recognises that the number of interim applications received by the tribunal has increased dramatically.

Registrars will also be empowered to make interim awards up to a prescribed limit which will be detailed in regulations after consultation with the key stakeholders and, in particular, with the Magistrates Court. This will allow tribunal members to focus on more complex applications. Registrars at the VPS3 level and above will be given power to make awards and will also be given appropriate training.

The bill amends the act to enable the tribunal to make an interim award or a decision in relation to an interim award in the absence of the applicant. The applicant has the right to a hearing in relation to any matter. The bill also gives power to the magistrates and registrars to hear interim applications on the papers filed with the registrar without a hearing and without the necessity of the victim having to give evidence. Certainly the interim award can be made on the application on the papers filed, and thereby a quicker response to the victim's immediate and interim needs can be made.

Of course, if an applicant is not happy with the amount made available as an interim award or if an interim application is refused, then the matter can be revisited when the application is finally determined. Every applicant has a right to apply to the Victorian Civil and Administrative Tribunal for a review of any decision made by the tribunal.

It was an election commitment of the Bracks government to reinstate compensation for victims of pain and suffering in the form of special financial assistance, and the Victims of Crime Assistance (Amendment) Bill 2000 was approved and that process was put in place for special financial assistance in certain circumstances.

The current criteria in the legislation have prevented a small group of childhood sexual victims who were intended to receive compensation from being able to do so. By expanding the range of circumstances in the legislation, this bill will ensure that this group is able to apply for special financial assistance in accordance with the original intention.

The bill will enable the issuing of guidelines. The Chief Magistrate may issue guidelines for the tribunal so as to better identify matters which can be taken into account in determining whether expenses of a specified kind are reasonable and any other matter which is related to the determination of an application. The guidelines are specifically in relation to non-procedural matters. Such guidelines are decision-related, as opposed to procedural. They are not intended to and will not fetter the discretion of the magistrate. The magistrate, as we know, decides every application on the specific facts and circumstances of that application, and that will of course continue to be the case.

It is intended that any guidelines made under the act will help to promote greater consistency in decision making, particularly in relation to what constitutes a reasonable expense as defined under the act. Greater consistency in decision making will assist the better management of the cases that come before the tribunal and will also assist in managing the expectations of both applicants and practitioners concerning what is required to back up an application.

It is important to note also that the date of 1 July 1997, which is set out in clause 9, is when compensation for pain and suffering was abolished by the former Kennett government; and 1 July 2000 is the date that the Bracks government reintroduced compensation for victims of pain and suffering.

This bill further confirms that the Bracks government is making a genuine commitment to victims of crime and is making sure that the system is responsive to the needs of the victim and is specifically designed to help the victim to recover from the impact of crime. I commend the bill to the house.

Hon. R. DALLA-RIVA (East Yarra) — I have great pleasure in rising to debate the Victims of Crime Assistance (Miscellaneous Amendments) Bill. I do so on the basis that I presented to this house — I guess

with some first-hand experience of seeing victims in — —

Mr Eren — I bet you did!

Hon. R. DALLA-RIVA — Mr Eren makes a laughing matter of it, but when I was a police officer — —

Ms Hadden interjected.

Hon. R. DALLA-RIVA — He was laughing, and I do not take that lightly. The fact is that when I was in the police force I worked a number of years in the area. As I said, I came across victims of crime at first hand. It is important in terms of my own discussion today just to put that on the record because we forget the victim of crime in the overall criminal justice system. I know from my own experience of dealing with victims — obviously we had a very close working relationship with them and we would see the impact of the offence — the pain that it caused to the victims, and I include police as victims.

It may be of interest to note that I have scars on my body from being subject to a vicious assault as part of my duties, so I know firsthand about the involvement of a victim of a crime — the impact it has emotionally and the impact it has financially. I have an important background in talking about this subject.

Ms Hadden — Why don't you talk about the pain and suffering!

Hon. R. DALLA-RIVA — I will talk about the issue of pain and suffering Ms Hadden. It is an issue that greatly concerns Victorians that all we seem to be worrying about is pumping money out into the community with no long-term effect in dealing with the underlying psychological and emotional issues associated with being a victim. When I talk about victims I talk about victims who have been subject to or closely related to murder, sexual assault, rape — the whole lot. These are vicious crimes that are committed, unfortunately almost on a daily occurrence. A lot of minor offences occur and the impact that we would presume would not be as severe, is quite devastating for many people in Victoria.

I was glad to hear the previous contributions because I think everyone has made positive contributions to this debate, but it is important to note that the bill is supported by the Liberal Party. The bill brings forward a range of issues, which I do not particularly wish to go into in great detail. The issue that I think is important in relation to pain and suffering concerns the victims of child sexual abuse in the context that some of these offences are dealt with summarily in the Magistrates Court.

I put on the record that we now may rely on psychological evidence in the determination of the assessment under the relevant act. That is a recognition by the government and by the report of the Victims of Crime Assistance Tribunal that psychological impact in terms of being a victim of crime is more than just physical or financial. I hate to tell the members of the government that, but it is more than financial.

I will discuss briefly the fact that when in opposition the government made a great song and dance about the fact that pain and suffering payments were taken away from victims of crime. I put on the record that I can guarantee there would be victims of crime who would give every dollar back rather than be a victim of the crime. That is not the issue. The issue is that we have victims of crime who do not wish to be victims of crime, but the reality is that they are. I refer to the 2001–02 annual report of the Victims of Crime Assistance Tribunal — —

Hon. J. H. Eren — We are putting them back in the system.

Hon. R. DALLA-RIVA — You are, in fact. The government is increasing the amount of payouts. I refer to page 15 of the report where it says there were 2311 awards made under the relevant act, which was an increase of 105 per cent on the previous year when there were 1130 awards. It means the tribunal awarded $13.9 million in 2001–02 as opposed to $9.7 million in 2000–01. I do not begrudge the fact that victims of crime are getting an extra $4.2 million, but I do begrudge it when I go to table 10 of the document and see what has been provided in counselling expenses out of the total money provided. It is 7 per cent of the $13.9 million provided as set out in the report! Only 7 per cent has been allocated to counselling expenses! My view and I am sure the view of many people in the community and many victims of crime is that the provision of emotional and psychological support should be increased.

I am disappointed that, while the bill has a range of great innovations in terms of fixing a number of areas, it does not say, 'We acknowledge that victims of crime suffer emotional and psychological damage'. On that basis I am disappointed that the government has not seen fit to include the fact that victims of crime are subject to psychological harm.

I support the bill, but I am disappointed that the government seems to believe financial payments for

pain and suffering are the panacea of this government's resolve for victims of crime. I believe there ought to be a better mechanism. The government has missed the chance, which is a shame not just for Victorians but for victims of crime now, and unfortunately, into the future.

Ms MIKAKOS (Jika Jika) — It is with great pleasure that I rise to make a brief contribution on the Victims of Crime Assistance (Miscellaneous Amendments) Bill. The contribution from Mr Dalla-Riva was extremely poor and is an indication that the member has not taken the trouble to read the bill and familiarise himself with what it is about, particularly as it relates to the issue of psychological counselling. I will briefly discuss the issue during my contribution.

I note that Mr Dalla-Riva said we are pumping money in with no effect. The Bracks government recognises that victims of crime are amongst the most vulnerable members of our society. The compensation they are able to receive through the victims of crime compensation scheme is an integral part of the healing process, because it helps victims to psychologically overcome their trauma and their experiences and to gain a sense that the state and the community recognises the great harm they have suffered and that we support them in undertaking that healing process. I completely reject the notion suggested by Mr Dalla-Riva about crime compensation having no effect. The victims of crime compensation is tremendous in its ability to assist victims. Of course, no amount of money will ever make proper redress for pain and suffering and harm that a victim has experienced, but it can assist them in undertaking that healing process.

For that reason I am proud to be part of a government that moved, back in 2000 in the previous Parliament, to reinstate compensation for victims for pain and suffering — something the heartless Kennett government abolished in 1997.

This legislation arose following an extensive review undertaken by a Department of Justice committee, chaired by the honourable member for Burwood in the other place. The review of services to victims of crime report was released in February 2002. That report found that there was a wide range of services available to victims of crime; however, service delivery was in fact fragmented and required greater coordination.

The report made a number of recommendations about how these services could be better coordinated. I note that a number of the recommendations that have been adopted do not require a legislative response, but they are being implemented through administrative means under the coordination of the victims services task force.

In respect of the Victims of Crime Assistance Tribunal that hears applications by victims for compensation, the report identified a number of problems victims experience in accessing the tribunal. In particular it identified difficulties with the processing and filing of applications — the process was determined to be far too lengthy and confusing — and also that the tribunal was not responsive to the needs of victims. The report made a number of recommendations for improving and streamlining these processes, and this bill seeks to implement those recommendations.

I want to focus in my brief contribution on some of the key features. One of them relates to the removal of the current restrictions that apply on the tribunal making interim orders. At the moment a number of magistrates are reluctant to make interim orders and interim awards to victims because, if a final decision determines that a victim is not eligible for compensation, the amount of the interim award has to be repaid to the state — it becomes a debt due to the state. Understandably some magistrates are reluctant to go down the path of awarding interim awards.

The bill is responsive to the need of many victims to be able to receive some level of compensation before their injuries have stabilised and a tribunal is able to assess them and make a final determination. What the bill will seek to do is enable interim awards and decisions to be made without a hearing unless the tribunal considers that in the particular circumstances a hearing is necessary or desirable. This will of course reduce the delays that are currently being experienced by victims in having their claims assessed.

The other administrative matter the bill seeks to change relates to the ability of the Chief Magistrate to issue guidelines for the tribunal in relation to matters that may be taken into account in determining whether expenses of a specified kind are reasonable. The magistrate hearing any case will, of course, have the ultimate discretion, but the guidelines are consistent with the approach of this government in seeking to achieve greater consistency amongst similar cases. The bill will enable such guidelines to be developed.

The other key issue that I want to touch on during my contribution relates to the issue of childhood victims of sexual assault, which involves a significant part of the legislation. I consider it a blight on our society that we have so many cases of childhood sexual assault. At the

launch of the Victorian Law Reform Commission interim report on sexual offences yesterday it was very interesting to hear from a speaker from the Royal Children's Hospital whose name escapes me. During her contribution at that launch she talked about the 150 or so cases of child sexual assaults every month that are referred to her unit at the Royal Children's Hospital. I was truly staggered by that figure. All I can say is that this is a serious issue for our society to grapple with, and I hope the current debate that has begun with the resignation of Governor-General Hollingworth will be the start of a lengthy process of our society seriously addressing this issue of childhood sexual assault and looking at ways of stamping it out in the future. It truly is quite staggering that we have in this state such a high incidence of childhood sexual assault.

Members would recall that in the previous legislation, in which we reinstated the ability of victims of crime to seek compensation for pain and suffering, we made a number of special provisions for victims of childhood sexual assault. This was in response to the fact that childhood victims of sexual assault are usually unable to report the offence for many years after it has occurred. Often offenders are known to their victims — they may well be members of the victim's family — and they are in a position of power and trust so the children are physically, emotionally and financially dependent on them. So we put in special provisions in respect of childhood victims to enable those victims to obtain compensation for pain and suffering where the abuse had occurred between 1 July 1997, which was the date when the compensation for pain and suffering was abolished by the Kennett government, and 1 July 2000 when the Bracks government reintroduced compensation for pain and suffering.

The Bracks government also introduced special measures in respect of sexual offences committed against a child at any time prior to 1 July 1997 if a person had been, on or after 1 July 1997, committed or directly presented to trial on a charge for a relevant sexual offence. It turned out that inadvertently we had excluded childhood victims we had intended to come within the scheme; they had fallen outside the parameters of the legislation because the perpetrator of the offence was dealt with summarily rather than by trial, or the offender died prior to summary determination.

This bill corrects this unintended anomaly in the legislation by extending the situations in which victims may apply for special assistance to include those where a person has been charged on or after 1 July 1997 with a relevant offence and those charges are heard and determined in the Magistrates Court or the Children's Court or the offender dies without the charges having been determined. These amendments will ensure that childhood victims of crime who fit within these categories will apply for special financial assistance.

In conclusion, this is a very important piece of legislation. It demonstrates this government's commitment to improving services for the victims of crime and in particular it demonstrates that we are responsive to the particular needs of victims of crime and that we will seek to assist them in recovering from the terrible impact of the crime that has been committed against them. I commend the bill to the house.

Motion agreed to.

Read second time.

Third reading

Ms BROAD (Minister for Local Government) — By leave, I move:

That the bill be now read a third time.

In doing so I thank honourable members for their contributions to the debate and their support for the bill.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

ROAD SAFETY (HEAVY VEHICLE SAFETY) BILL

Second reading

Debate resumed from 22 May; motion of Ms BROAD (Minister for Local Government).

Hon. D. KOCH (Western) — The bill I propose to speak to is the Road Safety (Heavy Vehicle Safety) Bill 2003. I draw attention to the main purposes of the bill — to amend the Road Safety Act and the Transport Act. This will enable effective enforcement of the road transport chain of responsibility laws, which are a federal initiative and are consistent with the work being done by the National Road Transport Commission.

This is an extremely important bill in that it provides the mechanism for evidence or documentation to be sourced where blatant law breaking may or indeed is continuing to occur. It will give the opportunity for

those who administer the legislation to gain information that currently they are not able to gain, be it through transport companies, consignors, receivers, drivers or otherwise.

From the opposition's point of view, obviously road safety is a major concern not only for ourselves but also for others of the travelling public. We see there are many mechanisms, this being one, that can make our roads far safer and can assist in lowering accident rates and indeed reducing loss of life.

We also see that if some of the current legislation is actually enforceable it will remove the opportunity and the need for further and greater use of speed cameras and the like, which is an ongoing tax that regrettably our communities have to bear.

In relation to this legislation, heavy vehicles are those with gross volume masses greater than 4.5 tonnes. As you will be aware, these vehicles are of various and many configurations. But this legislation refers not only to the movement of freight within the state and interstate but also to the movement of people in larger passenger buses.

We all recognise that not only the tourism industry but certainly the road freight industry is extremely competitive, especially on long-haul routes between capitals around the nation. The principal issues that bring this legislation into being are concern about road safety and driver fatigue. With long hours associated with lead times in transferring freight between our capitals and our provincial cities, we can appreciate that those are major concerns. Speeding is also one of those critical concerns, as are vehicle length, overloading and trying to meet what may be seen in the industry as unfair and unrealistic time schedules.

Like other members in this house, I had an earlier career in this industry. I see Mr Mitchell nodding on the other side of the chamber. I am aware of his involvement in the towing industry and the transport industry. On our side Mr Stoney also carries licence qualifications not only for heavy buses but also for articulated and other vehicles.

Over the years that I was involved there were plenty of occasions when I could see the shortcomings in the industry. At that stage — and it is some time ago — most of those were obviously associated with speeding and certainly extra weight.

Extra weight is hard to avoid. After I left the freight industry and went into the livestock industry, it became necessary on many occasions to put that extra beast on, or the extra four or five lambs.

Hon. B. W. Bishop — When there was only one left in the yard.

Hon. D. KOCH — Yes, and to service your client base you cannot leave a beast in the yard.

Hon. B. W. Bishop — Or you do not get the job the next time.

Hon. D. KOCH — If you want to offer service you deliver what they expect you to deliver. I know in my time some of those laws were flouted due to that one extra beast being put on to appease the client. As Mr Bishop states, if that beast did not get on you did not go back and get the next load.

We have seen some shortcomings, but in fairness to the industry I am the first to say that far and away the majority of those within the industry are law abiding. The bill only endeavours to curtail the activities of those outside the law.

Chain-of-responsibility legislation is catch-all legislation that places responsibility on various parties, including, as I mentioned earlier, those who consign, those who load and do the freight despatching, the transport operators and companies, drivers, and last but certainly not least, the receivers who on many occasions put the time schedules on the delivery of many loads.

This is a machinery bill. It tightens up existing legislation by allowing greater opportunities for enforcement officers to gather further information and documentation in order to carry out their duties. Some examples of the transport documentation that may be sought by these enforcement officers — and the enforcement officers I refer to are either transport police, Vicroads officers, or state police officers — may include an invoice, a delivery order, a consignment note, a load manifest, vendor declarations, export receival advice, a bill of lading, a contract of carriage, a sea carriage document and container weight declarations, and these would also relate to goods or passengers.

The bill will allow the enforcement officers, as mentioned earlier, in those three categories to enter transports whether they be en route or actually at the depot or outside a private residence if that is the registered office of the business. It also allows them to enter workplaces or registered offices.

From the workplace point of view enforcement officers have an as-of-right entry, whereas if the registered office happens to be at a residential address — as we appreciate so many of these are, as there are many

owner-operators who operate from home with family assistance — personal permission or a search warrant is necessary. It is important to note that these officers do not have the same right of entry to a residential address as they have at depots or transport management offices. They are required to have the personal permission of those who reside at the house — and in many cases that will be the family — and if that permission is not available to them, they can seek a warrant through the Magistrates Court, but only after substantiating the requirement for that warrant.

Importantly it should be noted that this bill has strong support across the Victorian and federal transport associations. It has received similar support from all state governments nationally, and it obviously has the support of the federal government. I note that Victoria is the first state to enact this legislation. From that point of view the Bracks government should receive some congratulations on furthering safety on our roads.

Concern is being expressed by individual private operators, especially those who have been harassed by overzealous Workcover officers in recent months. As members know, Workcover has been active, especially across small businesses rather than larger businesses, in the occupational health and safety area. Workcover officers have entered premises on an as-of-right basis causing much concern to many practising small businesses, and the transport industry certainly has not been left out. My office has received information from transport operators about occupational health and safety being the high mark for Workcover officers to come in and do their best to close the businesses down.

That should give us all concern. These are small businesses which are effective and offer marvellous services within their local communities. Yet there are some unrealistic expectations put on them without taking into account the size of the businesses and the likelihood of their having the capacity to meet the criteria. They are certainly beyond many small businesses.

Information about one particular business has come to my ears. The principal of that business was told, as the Workcover officer left the premises, that he had better get used the new regime under the Bracks government. The officer said that during the Kennett era they did all they could to keep small business alive in regional Victoria and were not too restrictive with their practices. He said that they were now under instructions from the Bracks government that if the business cannot conform there is no solution but to close it down immediately. That is the fear now being expressed to me by private operators who have found themselves in this situation. It raises much concern from their point of view, and in many cases they have found these investigations to be invasive, fruitless, time consuming and expensive.

Another operator suggested to me that if they received that sort of attention from this legislation the cost of compliance may in some cases be as expensive as non-compliance. Both the opposition and I certainly hope it does not get to that situation.

The only other query I raise about the legislation relates to residential offices located in non-family residences. It is fine where that residential office is under the family roof, but in some cases that does not happen, and I would be concerned about entry to these premises when the principal operator is not at that location. Who is protecting his interests and what right of entry would be exercised by the officers trying to execute their duties?

Taking the last two concerns into account, and bearing in mind that this bill's principal aim is to make everyday use of our roads and highways safer, I indicate that the opposition will not be opposing the bill.

Hon. B. W. BISHOP (North Western) — I rise on behalf of the National Party to make a contribution to the Road Safety (Heavy Vehicle Safety) Bill. The National Party is a strong supporter of road safety. The very nature of our electorates drives that along because we see a lot of road travel by all kinds of vehicles. We are strong supporters of road safety throughout Victoria, in fact throughout Australia.

The main purposes of this piece of legislation — and I will not go through all the clauses because there is a huge number — relate to increased inspection and search powers for inspectors and police. It will only address inspection and search powers relative to driving hours. However, we understand there will be follow-up legislation in future sessions of Parliament that will cover other issues such as overloading and mass dimensions — —

Business interrupted pursuant to sessional orders.

Sitting continued on motion of Ms BROAD (Minister for Local Government).

Hon. B. W. BISHOP — The bill also puts in place a chain of responsibility from driver to fleet owner, and it contains penalties for non-disclosure through the chain of responsibility.

I suppose, like a lot of legislation, the effectiveness of this bill will depend on how it works in the real world.

The proof of the pudding will be in the eating, as they say, and we will be watching the results very closely when this bill comes into effect.

The National Party does not oppose this legislation. As usual it has managed to consult widely, and the view expressed by all manner of organisations and people is that the bill is okay. However, there has been some concern expressed, as the Honourable David Koch mentioned, about possible intrusions into the transport industry by inspectors and police. The National Party's primary concern was whether there was sufficient consultation with industry in the run-up to the introduction of the bill. We asked this question during the briefing, and as usual I thank the departmental officers and the minister's adviser for the excellent briefing and follow-up we received on this and previous bills.

When we asked about the consulting process, it was quite clear that the National Road Transport Commission and Vicroads had undertaken broad consultation on this model legislation. There have been mail-outs, information sessions and extensive consultation. In addition there was also a narrower process established in August 2000 to facilitate an effective implementation of the chain of responsibility in Victoria, and that has been taken into account in developing the bill. It took the form of a working party chaired by Vicroads and comprised representatives from Victoria Police, the Victorian Transport Workers Union, the Victorian Road Transport Association, The Australian Trucking Association and the Victorian Workcover Authority. Given their answers in relation to the consulting process we were satisfied with that response.

The next issue we raised was: why should we be at the front of the pack? The National Party might differ slightly from my colleague the Honourable David Koch, because often when you are the first cab off the rank you are almost the test case. We make the point here that we have some concern about that process, and we urge all other states and territories to quickly get on track with this bill, because given the transport industry's ability to cross state borders quite easily, we see this as a national issue more than a state issue. That was the other process the National Party was slightly concerned about.

It is also concerned about which part of the model national bill was picked up in this. The response which we have noted is that the bill adopts only those parts of the national bill relating to investigation and enforcement powers. It does not adopt other aspects of the model legislation such as chain of responsibility offences relating to mass dimension and load restraint. We are picking up a proportion of that, and as we said before we expect other legislation to be introduced later in the term of this Parliament to address the other areas.

We have not been able — and I guess there is no blame attached to that — to get a real answer on when the other states and territories will come on board. But again, the National Party makes a very strong plea that they come on board fairly quickly to ensure we have a national approach on this legislation.

While I am on my feet I would like to compliment the Victorian and Australian road transport industry. It is absolutely essential to commerce and production whether it be manufacturing, agriculture or other industries. I take my hat off to them. As a farmer in the past I was involved in the transport industry, and it provides a great service. It is flexible and you cannot beat its point-to-point and door-to-door load delivery. We now have multimodal links between road and rail providing highly efficient transport delivery, and we get the best of both worlds. It has some tremendous equipment that is very expensive such as high horsepower trucks that are very comfortable and mean drivers are looked after. They are very efficient and ultimately benefit consumers as they vastly improve the operation of our transport systems.

National Party members were also concerned as we went through the bill about the definition of the words 'inspection' and 'search'. We have a response, and I thank the minister's office for providing that. It means that an inspector may conduct an inspection of a heavy vehicle even though he or she has no reason to believe an offence has been committed or the vehicle has been involved in an accident. An inspector may only conduct a search of the vehicle if he or she believes on reasonable grounds that one of those pre-conditions exists. The same provision applies to premises and my colleague the Honourable David Koch covered that aspect in some detail.

We asked the reason for the distinction, and we received a response that is worth putting on the record. It states:

> The reason for the distinction between the inspection and search of heavy vehicles and premises is that the powers that may be exercised during a search are more intrusive than those that may be exercised during an inspection. In particular, the search power permits the inspector to search for evidence, copy a wider range of documents than can be copied when exercising an inspection power, and seize and remove evidence.
>
> In addition, a member of the police force is not entitled to use force when exercising an inspection power, but may use

> reasonable force when exercising a search power. It is considered that an inspector should be required to have a reasonably based belief that specified circumstances actually exist before exercising these more intrusive powers.

That is our run through those issues. The National Party is also concerned that the powers of seizure and embargo mentioned in the bill could be difficult for transport operators. We read that they applied to documents, devices and other things. We wondered whether an inspector may be able to seize or embargo a truck or a load off a truck which would make it particularly difficult for the operator — if a truck or load is seized or embargoed it puts the operator out of operation almost immediately. The response on that was:

> The only way in which a heavy vehicle itself or its load could be seized or embargoed under the bill is if an inspector was specifically authorised to do so under a search warrant obtained from a Magistrates Court.

There is quite a deal of protection in there. It goes on:

> The Office of the Chief Parliamentary Counsel has confirmed that, in accordance with normal principles of statutory interpretation, the general words 'or other things' … are limited to the same kind of things as the particular words 'documents' and 'devices' which precede them. This means that an inspector could not rely on the general powers contained in the bill … to seize heavy vehicles or the load being carried on a heavy vehicle.

Slightly different concerns to those mentioned by my colleague the Honourable David Koch were raised with the National Party. A number of our operators were concerned that the inspectors may be able to come in and seize or embargo some computer components. If they were able to do that, it would make it particularly difficult for the transport company to continue working. We have not had a satisfactory response on that so I invite the minister to assure us in his summing up that our transport companies will not run into the problem of the seizing or embargoing of parts of computers making it difficult for people to run businesses.

When we went through the bill we were also concerned about the issue of an inspector seizing a logbook. That does happen from time to time in the transport industry. We had reasonable concerns about a couple of points. The first one was: how does the driver get home and how does the truck get home? They are reasonable concerns. The second concern was: how do they keep working if their logbooks have been taken away from them? I point out that you should be presumed innocent, not guilty in the first instance. We got quite a good response to that. It states:

> Vicroads has power under regulation 512 of the Road Safety (Drivers) Regulations 1999 to issue a replacement logbook to a person whose previous logbook has been seized. Vicroads will ensure that the application form a driver needs to fill out for a replacement logbook clearly provides for an immediate replacement post seizure prior to the commencement of the bill.

We believe that fixes that bit up. The other bit was answered thus:

> If a logbook is seized while a vehicle is in transit, the driver may continue to his or her driver base (location where vehicle is normal garaged or location from which driver normally works).

That gives us some comfort in relation to the issues we raised during the briefing on this bill. However, we make the point as I come towards the end of my contribution that a great number of our operators were concerned about over-officious intrusion by inspectors. As the Honourable David Koch mentioned, they have had some bad experiences with Workcover inspectors. They do not want that same sort of intrusion in their businesses relative to these issues. We in the National Party understand that and believe it is fair comment. We are quite happy to put that on the record.

As I said, we also had a concern about inspectors seizing not only documents but perhaps some computer equipment that would make it difficult for operators to continue their work. They operate on a tight time schedule — the loads have to be delivered and picked up on time — so it is important that they are punctual and right on the mark.

From talking to all the operators the National Party consulted, we found they are good operators and just as keen as we in the Parliament are to clean up the very small element we believe exists in the industry relative to these difficult situations in the chain of responsibility. However, as I said, we have some lingering concerns. They are not about the need for some sensible, practical and tough rules to clean up that small element that may remain in the transport industry — our real concern is the over-officious inspectors who may be about.

I conclude by saying that we will very carefully watch the operations of this bill, particularly the area where we believe some overly intrusive elements could creep into the situation. I very strongly urge other states and territories to get on stream as soon as possible so we can have a national approach to this situation in the transport industry.

Ms ROMANES (Melbourne) — I take the opportunity to say a few brief words about the Road Safety (Heavy Vehicle Safety) Bill. The bill before the house this afternoon introduces enhanced investigatory

and enforcement powers in relation to compliance with road transport and road safety laws. It is a critical part of the Bracks government's agenda to implement what is called the chain of responsibility to ensure that everybody who bears responsibility for conduct that affects a person's compliance with road transport law should be made accountable for any failure to discharge that responsibility.

Some members of the house may be aware that the government has in the past brought in regulations which have introduced the concept of the chain of responsibility into road transport law. However, those regulations have not been strong enough to achieve the end result the government is keen to see delivered in terms of enhanced compliance with legal hours and speed limits leading to improved safety on the roads as far as heavy vehicles are concerned. That is why this legislation is before the house today to enhance those investigatory and enforcement powers and improve compliance with road transport and road safety laws.

As previous speakers have mentioned, work has been going on on this issue across the country. The National Road Transport Commission has been examining national compliance and enforcement legislation to achieve a greater degree of compliance with road transport law. The measures in the bill before the house today are drawn from the model legislation the National Road Transport Commission has been sharing with jurisdictions across the country.

The bill provides greater tools to enforce and achieve a prosecution not only of the transport driver but also in some cases other operators, consignors or employers in the transport chain. It is a very important bill because it is looking to change the culture and create a safer heavy vehicle transport environment in this state.

It has, as other speakers have said, support from not only the Transport Workers Union but also the Victorian Transport Association and others in the transport industry. It is in everybody's interest — not only the general community but also the transport drivers and others in the industry — to have a safe, effective and efficient industry.

The importance of addressing these issues strikes us on a weekly basis. It was only a few days ago that I woke up to hear the news of yet another crash between a truck and a car, resulting in the death of the driver of the car on a country road somewhere in Victoria. Heavy vehicle road safety is an issue because it affects people across the state. Deaths involving heavy vehicles represent approximately 20 per cent of the road toll, whereas heavy vehicles comprise only 6 per cent of registered vehicles.

Already to the end of April this year 15 people died in crashes involving trucks. Many more have been seriously injured. While that is six less than for the same period in 2002, it is still 15 too many. The number of crashes involving trucks in rural Victoria in particular remains a significant concern. I am sure we are all aware of the extra danger with head-on collisions on long stretches of country roads. While the number is fewer in the 2003 than for the same period in 2002, the number of rural fatalities is double that in the metropolitan area. These are important issues. When speed and fatigue are involved then the heavy vehicle is certainly a tool of death in certain circumstances.

This initiative has to be seen in the context of the government's Arrive Alive! strategy which seeks to reduce Victoria's road toll by 20 per cent by 2007. It is one of a number of initiatives the government is taking to enhance road safety in this state. Members in this place would remember that in the 54th Parliament a number of transport bills were introduced to tackle drink driving, drugs and driving, speed management and many other issues relating to road safety, including pedestrian safety and motorcyclist safety. The Bracks government has been working actively to deliver on the Arrive Alive! safety strategy.

The initiatives taken are beginning to bear fruit. In fact, fatalities have been reduced from 444 in 2001 to 397 in 2002. This year to date there have been 19 fewer fatalities than for the same period in 2002. There is no room for complacency. The strategy is heading in the right direction and fatalities may be less than last year but there are still far too many. The government and the community have to keep working together and be eternally vigilant to address issues of road safety. In particular, this bill takes the lead.

I am pleased to hear the Honourable David Koch congratulate the government on the leadership role the Bracks government is taking in putting this legislation in place. Victoria is taking the lead, and is the first jurisdiction to implement these initiatives which, of course, will be closely watched. With that leadership role it is important that the bill be passed and put into practice. I commend the bill to the house.

Hon. R. G. MITCHELL (Central Highlands) — It gives me great pleasure to speak on the Road Safety (Heavy Vehicle Safety) Bill. The purpose of the bill is to amend the Road Safety Act and the Transport Act to enable a more effective enforcement of the chain of responsibility in the heavy transport industry.

It is important that the chain of responsibility comes into effect not only for the overwhelming majority of transport operators but also for the road operators, those who are pushing their contractors to a point where they risk injury and death to people including their workers, especially drivers who become fatigued. It is also a fact that many vehicles are substandard because they are not maintained properly.

Statistics show that while heavy vehicles comprise only 6 per cent of registered vehicles the risk of death and injury to other road users increases significantly when a crash involves a heavy vehicle. The chances of a fatal crash increases by around 10 per cent.

The number of truck crashes in rural Victoria is of significant concern. While the number so far in 2003 is fewer than in the same period in 2002, the number of rural fatalities is double that of the metropolitan area.

The Bracks government, as part of its solid commitment on road safety, developed the Arrive Alive! strategy which seeks to reduce Victoria's road toll by 20 per cent by 2007. The initiatives are focused on heavy vehicle safety and speed management.

Opposition members say they support the bill and road safety measures, but at the same time they support people speeding. They think that revenue raising from speed cameras is inappropriate, whereas they are a safety device. Statistics show that injury and damage rates have fallen.

Hon. G. K. Rich-Phillips — The road toll has fallen over four years!

Hon. R. G. MITCHELL — Thank you for the point. It is not only concern about death but the ongoing costs and the pain and suffering people suffer when injured in a car accident. The road transport industry has over recent years made a significant contribution towards improving industry safety. However, since 1991 there has generally been an upward trend in both the number of crashes involving heavy vehicles and the number of drivers of heavy vehicles being injured.

I thank Bill Noonan, secretary of the Transport Workers Union (TWU), who supports the government in this endeavour. He states in a press release:

> The chain-of-responsibility legislation is a wake-up call for transport operators who are taking short cuts and the TWU is backing this legislation the whole way.

That is important. At the end of the day TWU members including drivers deserve to work in a healthy and safe environment. The bill provides that chain of responsibility to protect workers and drivers who are being forced to work long hours to try to make ends meet with very little benefit to their financial position.

The bill is a great step forward to improving working conditions for drivers and other road users. Enforcement officers will weed out the bad drivers thus improving the transport industry and professionalism. I commend the bill to the house.

Hon. J. G. HILTON (Western Port) — All honourable members would be aware of the accidents occurring on our roads that involve large trucks. The victims are generally private motorists.

This is a major issue in Victoria, where deaths involving heavy vehicles represent approximately 20 per cent of the road toll. To the end of April this year, as has been indicated, 15 people have already died in crashes involving trucks and many more have been seriously injured. Whilst heavy vehicles comprise only 6 per cent of registered vehicles, the risk of death and injury for other road users increases significantly where a crash involves a heavy vehicle. It has been estimated that the risk of fatality in a crash involving a heavy goods vehicle increases by about 10 per cent.

It has been suggested that speed and fatigue, and sometimes a combination of the two, are the most significant factors in these accident statistics. It is well known in the heavy haulage industry that there are great pressures on truck drivers to break the law to maintain their contracts with their employers or the major players in the transport industry to whom they have contracted their services.

In April last year there was a program on the trucking industry in the *Background Briefing* series on ABC Radio National, which very graphically described the pressures under which the drivers of heavy vehicles work. A quotation from the program is:

> Many truckies in Australia are already running on the bones of their backsides. Anything that makes them even more economically marginal will add to the dangers on our roads.

Statistics which were taken up to the mid-1990s indicate that Australia has far more fatalities associated with the trucking industry per kilometre travelled than the United States, the United Kingdom, Germany or Canada.

The owner-drivers, who are the backbone of the Australian trucking industry, are under significant pressure from large transport organisations. The barriers to entry into the trucking industry are quite low. If you have an appropriate licence and the bank will lend you the money, you can buy a truck.

Of course the life of the truck driver has the illusion of being very attractive: one is one's own boss; one is able to travel around the country; one is independent yet part of a camaraderie with other truck drivers. Unfortunately, as is usually the case with illusions, the reality is very different.

There are many stories of owner-drivers who can barely make ends meet when, after paying for truck repayments, tyres, fuel and registration, they find that what is left is barely sufficient for their needs. Consequently owner-drivers find that their financial predicament causes them to work dangerous and illegal hours — in some cases more than 100 hours a week. And, even worse, it forces them to drive their trucks when they know that they are unsafe either because they cannot afford the repairs or because they cannot afford to have their trucks off the road for any length of time.

The common view amongst truck drivers is that they are very much the victims of the large transport companies which, if a driver is unable to complete a contract, can always find another driver who can. It is this situation which this legislation is designed to address. The principle of chain of responsibility already exists whereby it is an offence for an employer or person in an equivalent position to pressure the driver to break the law to meet his contractual obligations.

However, the police and Vicroads inspectors have had inadequate powers up to this stage to gather appropriate information to demonstrate that other parties to the contract apart from the owner-driver have contributed to the breaking of the law. This bill will allow both vehicles and premises to be searched and documentation examined to determine whether breaches of the law have taken place.

The purpose of this legislation is to protect truck drivers, improve the trucking industry and protect the wider community. It is a most welcome piece of legislation, and I commend it to the house.

Mr LENDERS (Minister for Finance) — I would like to thank all speakers, particularly Mr Koch, Mr Bishop, Ms Romanes, Mr Mitchell and Mr Hilton for their contributions to debate on this bill. I also thank the house for its cooperation in getting the bill through with the speed it has.

Mr Bishop specifically asked for some assurances about the circumstances in which the bill will allow for the seizure of electronic storage devices and electronic equipment. The reply I would like to give him is that an inspector would be entitled to seize and remove electronic equipment such as, for example, the hard drive of a computer or record-keeping device from a heavy vehicle or from premises if the inspector believed on reasonable grounds that the equipment provided, or may on further inspection provide, evidence of contravention of a road or transport law or an approved road transport compliance scheme. The inspector would also have the power to seize this sort of equipment under a search warrant. An inspector would also have power to seize electronic equipment if that is necessary to enable information on disk, tape or other storage device to be accessed.

The bill contains protections for people who have had that sort of equipment seized. The inspector would be required to return an item to the person from whom it was seized if the reason for its seizure no longer existed. Also the inspector would be required to return the item within three months after it was seized unless legal proceedings in which it would be required as evidence had been commenced or that three-month period had been extended by the court. I think that probably sums up the issues Mr Bishop raised. I commend the bill to the house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

APPROPRIATION (2003/2004) BILL and BUDGET PAPERS, 2003–04

Second reading

Debate resumed from 4 June and 22 May; motion of Mr LENDERS (Minister for Finance) and Mr LENDERS's motion:

> That the Council take note of the budget papers, 2003–04

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I am pleased to speak in the budget debate this afternoon. It is with interest that I read the Treasurer's budget speech and then saw the Treasurer appear before the Public Accounts and Estimates Committee and heard him talk about how solid this budget is and what a good Treasurer he is. He reminds me of the person who once claimed to be the world's greatest Treasurer, who we all remember fondly. Listening to the Treasurer talk about his achievements as Treasurer and how solid he regards this budget to be I am reminded of a quote by Margaret Thatcher, who said, 'Being powerful is

like being a lady: if you have to tell people you are, then you're not'.

The budget that was brought down last month is full of holes. It is a smoke-and-mirrors budget. This government likes to congratulate itself on sound financial management but unfortunately the facts do not reflect that. The government's performance over its three years in office shows a dismal record in budgetary performance. Although the Treasurer keeps telling us the government has recorded an annual budget surplus, it has achieved that on windfall revenue gains and uncontrolled explosions in government expenditure.

I would like to bring to the attention of the house some interesting figures. In addition to the one that came down last month there have been three budgets — three full financial years — for which this government has been responsible. In every single year the government has failed to achieve its budget. Every single year, every budget brought down by the Bracks government has been exceeded in terms of expenditure. It is only because of windfall revenue such as the $260 a minute that is pouring into the state coffers from speed cameras and gambling taxes that we are seeing a budget in surplus. The Treasurer for the first Bracks government budget in 2000–01 was Mr Steve Bracks, the Premier.

Mr Lenders — A very good Treasurer!

Hon. G. K. RICH-PHILLIPS — If he was a very good Treasurer, why did you get rid of him after six months, Mr Lenders? The first budget brought down by the Bracks government budgeted for expenditure of $21 588 million, yet a year later when actual expenditure figures were released we see that expenditure had exceeded budget by $670 million. In the first year there was a budget blow-out of $670 million.

For the 2001–02 financial year, after we dumped the first Treasurer and moved on to the second Treasurer, the government budgeted to spend $22 957 million; yet a year later the actual outcome for that budget showed that budgeted expenditure had been exceeded by $1284.5 million — another blow-out in expenditure by the Bracks government.

For the current financial year, 2002–03, budgeted expenditure was $24 760 million; and according to the budget papers which came down last month the expected expenditure against that budget will be $26.3 billion, or a blow-out of $1.5 billion. In each of the three years, this government has brought down a budget it has failed to meet. The first year blew out by $670 million; the second year blew out by $1.2 billion and the current year looks like blowing out by $1.5 billion; yet this government and this Treasurer are patting themselves on the back for good financial management. We have now seen the government overspend its budget by almost in excess of $4 billion, yet it claims to be good at financial management. It is due only to the windfall revenue — the speeding fines, the property taxes and the gambling revenue — that this government has managed to keep the budget in surplus.

We have seen a shifting of the deck chairs when it comes to the Treasury portfolio. In three and a half years we have had two Treasurers and two finance ministers. We started with the Premier, Steve Bracks, as Treasurer. That did not work, so he moved on after five months. Then we got the then Minister for Finance, John Brumby, as Treasurer and Ms Lynne Kosky as Minister for Finance. Then we moved on to Mr Lenders, who tells us he is a better finance minister than Ms Kosky and Mr Brumby.

An honourable member interjected.

Hon. G. K. RICH-PHILLIPS — Presumably Mr Lenders does not see himself as a future Treasurer! We are seeing the deck chairs shuffled on this. The financial portfolios of this government are being handed around.

Given that I have only a limited time I would like to turn to my own portfolio area of sport and recreation and the Commonwealth Games. I see the Minister for Sport and Recreation and Minister for Commonwealth Games has now returned to the chamber.

It is now well known that the budget for the Commonwealth Games has almost doubled. The taxpayers of Victoria are required to contribute $697 million for the Commonwealth Games. The total project will cost $1.1 billion, which is almost double the cost estimated back in 1999 when the state was bidding for the project. We have seen reasons for that. We have seen the state reject $90 million from the commonwealth for the Melbourne Cricket Ground redevelopment. As a consequence Victorian taxpayers have had to stump up an extra $77 million for that project.

We have seen a number of occurrences where the government has mishandled the budgeting of the Commonwealth Games. We are seeing the current Commonwealth Games corporation and the chairman being reined in by this government through the proposed formation of a statutory authority.

As a consequence of the blow-out in the Commonwealth Games budget other areas in sport and

recreation are suffering. One needs only to look at the promises made by the Labor government at the last state election to see examples of projects which have been dropped from the sport and recreation portfolio because of the blow-out in the Commonwealth Games budget. One of those projects, which I speak about wearing two hats — portfolio and local member — was the state volleyball centre, which was proposed for Dandenong. Last November the government promised $5 million would be contributed to that project to be developed at the site of the basketball centre in Dandenong, yet when the budget came out this year that project had been dropped. The people of Dandenong are missing out on that $5 million project because this minister has not been able to manage his budget.

We see the national ice-skating centre, a project which the government promised $10 million for at the last election, fail to get funding in this year's budget as well. Instead of providing any funding for that capital project the government allowed $400 000 for a feasibility study. The question has to be asked: if the government committed to the $10 million national ice-skating centre as a project, why is it now going back and spending $400 000 on a feasibility study to decide whether to go ahead with it? It was a promise. The Minister for Sport and Recreation and the Bracks government made a promise, and the fact that the government is now spending $400 000 on a feasibility study suggests it is going back on that promise and re-evaluating it. It is a non-core promise, a promise that did not get out of the election document and into the budget.

I can understand why the minister is sitting there with his head down when two key infrastructure promises in the sport and recreation portfolio have been dumped. The fact that one is in my electorate makes it even worse.

In the time remaining to me, I turn to what this budget delivers for Eumemmerring Province. There is funding of $121 million for the Pakenham bypass. That is welcome, and it is about time. Frankly, it is beyond time that the government got on to that project. In 2001 the commonwealth government provided $100 million in funding for the project, at which point the state government refused to come on board. In 1999, when I was first elected to this place and advocated this project, the Minister for Transport told the Shire of Cardinia that the Pakenham bypass was dead, it would not be built. He said the Bracks government would not sign up to it. It was only through sustained pressure by the local members and the federal government that the Bracks government finally, this year — four years later — said it would commit funds to the project. As a consequence of delaying the project for four years the cost has increased by roughly 20 per cent. It means an extra $42 million will be required to deliver the project because this government procrastinated and did not get on with the job when it should have four years ago.

The Pakenham end of the Pakenham bypass corridor is now one of the fastest growing parts of the state. The price of real estate is increasing dramatically, and this government needs to move very quickly to acquire the land necessary for the bypass at a reasonable price. The longer it delays the more expensive the project will become.

Other areas within Eumemmerring Province missed out in this budget. One of the government's commitments last year was to build a primary school — what is called the cheese factory primary school adjacent to the historic cheese factory in Berwick. That project has not seen the light of day; it did not get funded and has dropped off the bottom of the list. That is a recurring theme with education in Eumemmerring Province. The Minister for Education and Training wants to sell off the much-needed Timbarra secondary school site, and now the government is failing to provide a primary school that it promised the people of Berwick last year. An ironclad promise: 'We will deliver. Trust us; trust Steve Bracks'. What do we get! The primary school is gone. In Dandenong, as I have already mentioned, the state volleyball centre, another promise costing $5 million, has been dropped. The people of Berwick and Dandenong have missed out in this budget and have seen things promised to them by the Bracks government withdrawn.

I mentioned the Timbarra secondary school site. This site on the Timbarra estate is a joint site with the preschool and the primary school. It is an appropriate place for a secondary school to be developed. The land was purchased in the 1990s by the previous government with a view to having three levels of education — the preschool, primary and secondary — on that site, and now this government wants to flog off the site because it is a rapidly developing area with rapidly escalating land prices. The Department of Education and Training has sought to have the site rezoned from education to residential use, and as soon as that goes through we will see that real estate on the market and the people of the Timbarra estate in Berwick will have lost any hope of ever having a secondary school on the site.

Other promises are yet to be fulfilled. I refer to the Berwick hospital. Back in 1999 when there was a change of government the previous government was ready to run with the Berwick hospital, but almost four

years later the people of Berwick are still waiting for the Berwick hospital. We have seen various health ministers in this government equivocate on where and how to build it and who to get to build it. The result is that we do not have a hospital. Finally, there appears to be some progress on the site but it is unacceptable that the people of south-east Melbourne and more particularly the people of Berwick have had to wait four years for a project that was ready to roll when this government came to office. If it had got on with the job and honoured the contracts which had been written, the people of Berwick would have had a hospital opened two years ago, but as it is they are still waiting.

I refer to the Endeavour Hills police station. It was an election promise in 1999, and where is it! We do not have a site. We have a sign, but that is all we have. There is no police station. It is farcical when this government tries to blame the former member for Berwick and the council and play its usual game of blaming everyone but itself when in four years it cannot even deliver a police station for one of the fastest growing areas of Melbourne. It cannot get its act into gear and deliver a single police station.

I refer to the Dandenong saleyards. Last year the Premier announced that the Dandenong saleyards would be redeveloped. We recently had legislation for the Dandenong Development Board go through, but it is now more than 12 months since the Premier made that announcement of the development of the Dandenong saleyards, and we are yet to see anything. The government makes announcements, makes promises and fails to honour them. It is about time the government got on with the job and started delivering for the people of Eumemmerring Province.

Hon. C. A. STRONG (Higinbotham) — This budget is what I call a gambler's budget, not because of the gambling revenues flowing into it, but because it gambles heavily on the continuation of the good times the government has inherited. All this government's budgets have been built on the economic strength of the state and this nation. The state strengths are nothing to do with the Bracks government, because they were a legacy of the Kennett government, while the ongoing rivers of gold pouring into the state's coffers are a direct result of the extraordinary financial management of the Howard-Costello government in Canberra. It is a budget based on the assumption that that situation will continue.

I will have a quick look at that. Access Economics, in its latest forecast of April 2003, said that Victoria will fall from being one of the two fastest growing states in the past five years to one of the slowest. It says Victoria is heading for three years of minimal growth in domestic spending and virtually no job growth. This prediction was borne out yesterday in the quarterly economic growth statistics that showed that the Victorian economy had slid back compared with other states.

Our growth rate is now 1 per cent less than the national average. This gambler's budget is projected on a growth forecast of 3.75 per cent. The federal budget projects a growth forecast of 3.25 per cent. Although all the economists are predicting that our economy will slow, and the latest gross domestic product figures show that our economy is slowing, this gambling state Treasurer has assumed a growth forecast for Victoria much higher than the state average.

Access Economics also says that the growth area of the future will be in exports. How is Victoria placed in exports? The budget papers show that Victoria's domestic growth from exports has been rapidly declining in the last year. When we look at the increase in the Australian dollar; the effect of severe acute respiratory syndrome on the world economy; the sluggish United States economy; Europe, which is slowing down; and Japan, which is going into recession; you would have to be extremely optimistic — have a real gambler's streak — to assume Victoria's export growth will continue the boom of the last four to five years.

That boom has cost us greatly. Spending on wages and employment entitlements has grown on average by 7 per cent per annum in Labor's first term. What does this gambler's budget show? Instead of the 7 per cent growth we have had in the first term, this budget is looking for no growth. It says that wages growth will be in line with the consumer price index increases and, wait for it, no increases will be granted without an appropriate productivity bonus — in other words, it is saying that there will be no real growth in wages. Pull the other leg! That is certainly a gambler's assumption in every way.

Look at the spending initiatives the budget includes. It refers to spending initiatives of $846 million, but it reduces the budget impact of the spending initiatives to $550 million. How does it do that? It offsets those spending initiatives with this hoped-for $140 million productivity gain, which is on top of zero real wage growth and a further $150 million in demand contingencies. It puts contingencies in the budget and then uses those contingencies to reduce the expenditure. You would have to ask how realistic is it that these projections will come to pass. Based on the history of

the government you would have to say that it is highly unlikely.

Let us look at how the government has managed to produce budgets on the back of the Kennett and Costello legacies, how it has dredged these legacies for every last dollar. Let me turn to some of the tables in the budget, because they give an idea of how deeply these people have dredged our pockets to support their extravagance. If we look at table C2 in budget paper 2 we see, for instance, that taxes on immovable property have gone up — here we are talking about how much they have gone up in 2002–03 over what was the budgeted figure, so this is the 2003 budget verses the 2003 revised actual — by 6.7 per cent. Financial and capital transactions taxes have gone up by 27.8 per cent; insurance taxes by 8.5 per cent; motor vehicle taxes by 4.7 per cent; and taxes on other licences and levies have gone up by a staggering 79.8 per cent — that is just in the financial year 2002–03, it is not what they are extrapolating for the following year.

We see from table C3 in budget paper 2 that these people have their hands in our pockets wherever we go. Wherever we go this mob has got its hands in the pockets of the average Victorian citizen. When we look at dividends from government corporations we see they have actually gone up in 2002–03 by 42.1 per cent — this is not a projection for next year, this is how much they have gone up over the budgeted figure. Income tax and rate equivalents — what they charge government corporations and departments, schools and so on — have gone up by 31.2 per cent. Wherever we go these people have got their hands in our pockets.

What does it all mean? It means that since Labor came to office each individual family in this state has been slugged an extra $1900 to support its massive spending. What does it project for the following year? Let me tell you what it is projecting for the following year and whether these things will come to pass. Let us look at what it is projecting for payroll tax for next year over the 2002–03 budget — payroll tax is projected to rise by 3.9 per cent. Land tax is up by 17.4 per cent; land transfer duty is up by 16 per cent; other property taxes are up by 11 per cent; and the financial accommodations levy is up by 21 per cent. These are just taxes on property.

Let us look at gambling taxes. Taxes on private lotteries are up by 7.5 per cent; taxes on electronic gaming machines are up by 8.4 per cent; and taxes from casinos are up by 8.1 per cent. Look at taxes on insurance. There are taxes on life insurance, which is something everybody needs, and they are up by 11.1 per cent. Compulsory third-party insurance, which is also something that everybody needs, is up by 8.8 per cent. Insurance contributions to fire brigades — everybody needs to insure themselves against fire — are up by 11.9 per cent. Look at motor vehicle taxes. Vehicle registration fees are up by 14 per cent; stamp duty on vehicle transfers are up by 4.1 per cent; and other motor vehicle taxes are up by 12.5 per cent.

Wherever we turn they have their grubby hands in our pockets, and they are ripping it out at an incredible rate. But this where the gambler's budget comes in. How long can this go on? How long can they ride on the back of the Kennett legacy. How long can they ride on the back of what Costello and Howard have done in building a fantastically strong economy for Australia and for Victoria? How long can they trust their luck? When are they going to have the courage to say, 'We need to put something in the bank for a rainy day.'? Because that is what they have not done: they have not put a penny in the bank for a rainy day. They talk about a surplus of $150 million or $160 million, but they have a fictional productivity saving across the public sector of $140 million, and their surplus is just a result of that. When will their luck run out?

I do not think this is a positive thing for our nation or our state, because when you look at the world economy you have to say that now is the time to start being a little bit prudent. Now is the time to be a little bit prudent for the sake of the citizens of Victoria, and the government's imprudence will cost Victorians dearly. This is a gambler's budget — it gambles on the good times they inherited continuing on and on — —

Honourable members interjecting.

The ACTING PRESIDENT (Ms Hadden) — Order! Quiet in the chamber please.

Hon. C. A. STRONG — If you look at the international environment you have to say it is looking a little bit bleak. If they lose the gamble, it will be the citizens of Victoria who will lose. If they win the gamble, they will be extremely lucky and they will take all the credit. But what have they done? With all the money they have taken out of our pockets because their hands are continually in our pockets, they have not put one penny back to support the productive sectors of our economy.

Now that the economy is starting to get a little bit difficult it is time to put some money back into it. It is time to give some tax reductions to people. It is time to give some incentives to business. The export part of the economy is really facing a very testing time; there is

absolutely no doubt about that. The appreciation of the Australian dollar against all our trading partners is having an enormous impact on our ability to sell into these export markets. That is the absolute fact. The low dollar has been enormously beneficial to our economy and exports. Now that is turning around, what have you got?

An Honourable Member — More teachers! More nurses!

Hon. C. A. STRONG — Exactly! But when your luck runs out and you are skating on the edge then you will be putting those teachers and nurses out of jobs.

The ACTING PRESIDENT (Ms Hadden) — Order! Through the Chair, Mr Strong!

Hon. C. A. STRONG — Just wait! It is time to be prudent and put a little bit of money into the bank in case the times get tough. It is time to be a little bit like a squirrel and put away some nuts for the winter when things turn a bit cold. The government needs to be careful. The winds of change are out there, but this gambler's budget assumes they are not. This gambler's budget assumes that the good times will roll forever. Anybody with any brains knows that they do not. It is about time the government stashed away a little bit of prudence for when the bad times or the not-so-good times come. That is what I find to be an absolute disgrace in this budget.

The government can trumpet all it likes about its false expenditures. As other members have said, the government trumpets these things but nothing happens. But the absolute disgrace is that the government has reaped the legacy of four or five years of absolute abundance. If the government was one little bit prudent it would be putting some of that abundance away for a rainy day, because I think you would have to say there are definitely clouds on the horizon. And if there are clouds on the horizon then the rainy day is coming. If the government has put nothing away for that rainy day it is the Victorian citizens, particularly the ones the government purports to represent — the ones who live hand to mouth — who will suffer when the downturn comes. It is a crime and a dereliction of the government's duty not to have put something away for a rainy day. The government's constituency will suffer, and when it does that red map will suddenly become blue, and the mob over there will have caused it.

Ms ROMANES (Melbourne) — Mr Strong and I have completely different world views. When I read the budget papers and listen to the presentations made by the ministers in the Public Accounts and Estimates Committee, as I have done over the last few weeks, I see a government getting on with the job. I see a government which is determined to govern for all Victoria. It is very explicit in the Treasurer's statements and in the bills before the house — that is, the appropriation bill and the budget papers — that the Treasurer has two key objectives in terms of financial responsibility. Firstly, it is to secure Victoria's economic and financial base in these uncertain economic times. Secondly, it is to position Victoria to maximise opportunities when growth returns to the global economy. One key way of doing that is by the investment in infrastructure that the Bracks government has undertaken in the 54th Parliament and in this Parliament.

The investment in infrastructure has doubled under the Bracks government each year and will continue to do so. As well there has been the need, because of the dereliction of duty of the previous coalition government, to rebuild basic services in this state.

Many socially progressive initiatives are embedded in the budget for 2003–04, including increased investment in affordable social housing, increased support for aged care services, increased disability and child protection services and increased support for the public health and education systems. There are very important initiatives such as the three year human services agreements with non-government organisations.

I am pleased also to look specifically at Melbourne Province and to see some initiatives that will specifically benefit the people of the electorate I represent as well as many beyond. I am pleased that Princes Hill Secondary College will receive funding for modernisation which is long overdue and for upgrading the gymnasium to make it accessible for broader community use.

I am pleased to see provision for a new police station at Brunswick, which is also long overdue. There is $5 million in the budget for the relocation of the Victorian Foundation for Survivors of Torture, which is currently operating in less-than-desirable quarters at Parkville, but with this funding will be able to relocate in a purpose-built building at the former Brunswick Secondary College.

There are other important infrastructure initiatives such as the $1 million to integrate the port of Melbourne with the Dynon rail terminals and to progress the government's agenda to shift more of the freight onto rail, off our roads and away from more dangerous heavy vehicle traffic.

The government has provided for key initiatives through $56 million being allocated to total estimated investment for assets that will provide for Commonwealth Games infrastructure. I refer to the $31 million for key infrastructure such as the new pedestrian bridge to link the Melbourne Cricket Ground and other areas across the Yarra, for better lighting, and for the improvement of the Jolimont rail station. There is also $19 million for the temporary athletics track at the MCG and $6.5 million for a mountain bike facility, the replacement of the Olympic Park athletics track and the upgrade of the State Netball and Hockey Centre. They are all important asset initiatives to add to the quality of life and to prepare for the 2006 Commonwealth Games.

I said before that many of the initiatives reflect a socially progressive and decent government that cares for the welfare and quality of life of Victorians. I particularly focus on one area that is often forgotten in terms of its contribution to the building of community cohesion and lifelong learning for people in this state — that is, the commitment made through the 2003–04 budget of an extra $138 million as a major boost for arts and cultural projects.

The Minister for the Arts, the Honourable Mary Delahunty in the other place, should take credit for driving that program and achieving that increase in arts and cultural program funding. It will include $25 million to encourage community involvement in arts programs across Victoria. A key plank of the new arts policy that was launched by the minister a week or so ago is to embed the arts into the major work of government and to contribute to community building, innovation and lifelong learning. That will involve support for festivals, regional touring of performances and other arts activities, local governments, artists, organisations, history groups — all sorts of activities — as well as extra funding for libraries across the state as part of the arts and cultural program.

An important component of the extra funding in the budget for the arts is the additional and significant investment in Victoria's cultural institutions to put them on a sustainable footing for the long term. We have been through one of the biggest builds of cultural assets not only in the state's history but in the history of Australia. The former coalition government was part of that because a number of new cultural institutions have been built over the last few years. I refer to the Australian Centre for the Moving Image, to two big new galleries in St Kilda Road, Federation Square run by the National Gallery of Victoria, the State Library of Victoria refurbishment and of course the Melbourne Museum.

It has been important for the government not just to provide funds to complete the work begun by the former government and to add new initiatives as part of the program of providing a broad range of cultural institutions in this state but also to make sure they are run effectively and efficiently and to make them accessible, attractive, and relevant to Victorians and visitors. A problem had arisen particularly in relation to Museum Victoria and its lack of affordability for many people in the community because the entrance fees were so high. A wonderful asset built alongside the Royal Exhibition Building in South Carlton was not accessed and utilised as broadly as it could be. The Premier recently announced that Museum Victoria would change its entrance fee pricing structure and that children would be given free admittance and other fees would be reduced.

As a result of that important decision by the Bracks Labor government to address the sustainability and accessibility of our cultural institutions like the museum, people have responded in absolute floods. Last weekend I was talking to the chair of the board of the museum who said the previous Saturday, when they would normally have expected 900 visitors to the museum, they had 5000. That is a fantastic result from the change in the museum's entrance fees and puts it on a par with Federation Square and other cultural institutions without those onerous charges. It means that the lifelong learning and understanding of different cultures, our own history and cultural assets in this state are now available to all people in this state.

The reduction of entry fees to the museum in May led to an overall increase in attendance of 59 per cent. With a breakdown of the figures one can see what that means in terms of actual numbers. The forecast for adult visitors for that period was 7695; in actual fact 16 498 adults went through the door. For children it meant an increase from the forecast 3278 children visitors to an actual children visitors outcome of 11 003 — an increase of 236 per cent. For concession holders it meant a doubling from 5000 to 10 000 visitors. Most importantly, the change in entrance fee prices meant that instead of 16 500 school children visiting the museum, 27 000 visited in that month. The government's objectives in improving arts development and also access are on the way to being met by that initiative.

I conclude by reminding members that the cultural assets of Melbourne and the other important cultural assets around regional and rural Victoria are vital to achieve respect for rights and for diversity in our state. They are important in upholding concepts and beliefs in tolerance and understanding, in learning from the arts

and cultural performances and presentations that are made possible by a substantial investment in arts and culture.

It is not only great for the people of Melbourne and Melbourne Province, my own electorate where many of the major cultural assets are situated, but it is great for the economy of Victoria. The arts are a catalyst for a great investment in jobs, resulting in thousands of jobs and millions of dollars. The arts have proved to be great tourist attractions and have helped to make Melbourne a great drawcard as a tourist destination not only in Australia but internationally. The investment of an extra $138 million into arts and culture in this budget helps to put in place a vital piece of the tourism strategy jigsaw which is one of the centrepieces of economic development in this state.

The budget contains many important initiatives. It provides for key assets for the next four years, but it also addresses very human needs in a whole range of ways, including the important area of art and culture. I commend the budget to the house.

Hon. D. McL. DAVIS (East Yarra) — It is with some pleasure that I make a contribution to this budget debate. In doing so I will focus on my major area of responsibility, and that is health.

It is important to place on record at an early stage that the Bracks government was elected in 1999 and again decisively last year on a platform related to health. It criticised the performance of the Kennett government in the late 1990s, in particular alleged cuts to Victoria's hospital services in the early 1990s.

Hon. Kaye Darveniza interjected.

Hon. D. McL. DAVIS — It is true that cuts were made, Ms Darveniza, along with cuts to many other government services. That was done for a reason Victorians understood at the time: the state was in a financial mess as a result of the policies of the Cain and Kirner governments, as Ms Darveniza might well remember.

Towards the end of the Kennett government there was a significant injection of money into health, but it was clearly insufficient to turn around the perception that not enough money had been spent and that we needed to do better. I accept that judgment of the Victorian people with respect to health. There was a perception that the Kennett government had not done or spent enough. We have learnt from that period that we need to make clear our policies in these areas.

It is from that position that I want to move forward, and I state clearly and concisely that the Bracks government has begun to betray the platform on which it was elected. It was elected to increase health services in a constructive way across the state, including both capital spending and spending on a whole range of programs.

I have strong fears for the future of health services in Victoria, and I want to place my concerns on record as part of my contribution to this budget debate. The situation in Victoria is that before the last state election the Bracks government withheld important information from Victorians. I also place on record the fact that I wrote to the Premier on 25 September last year and asked him to provide annual reports to Parliament, as required by the Financial Management Act. Those reports were required to be tabled by 31 October, which was coincidentally the last day that Parliament sat before the election was called in early November.

Premier Bracks chose not to table more than 100 annual reports in the health portfolio. Those reports contained stunningly bad news for Victorians about the state of our health system. The financial situation of our hospitals and health services had massively deteriorated in the 12 months prior to that, and Mr Bracks hid those reports because they would have damaged his election prospects. I believe that was a travesty and that Premier Bracks will in the end pay a significant price for his deception of the Victorian people prior to the election.

The health budget is in deep crisis, and the financial health of our hospitals is also in deep trouble. When the annual reports for this financial year, which ends on the last day of this month, are tabled in this Parliament — and I presume they will be tabled before 31 October this year — Victorians will discover that those annual reports show an aggregate figure of more than $100 million in deficit for our hospitals, and that is because the situation has deteriorated much further.

Ms Bronwyn Pike, the Minister for Health in the other place, was asked about this when she attended the Public Accounts and Estimates Committee hearing and she became very agitated, as did Shane Solomon and Chris Brook, her two senior bureaucrats. They were agitated because the situation is getting worse. What we will see in the future are savage cuts to health services, the like of which Victorians have not experienced for decades. This is because the Bracks government will not be able to manage certain aspects of the health portfolio.

Eastern Health had a massive financial deficit of more than $5.27 million last year, and the situation for Southern Health has worsened. I could give a long list

of networks and hospitals where, as the Auditor-General has correctly pointed out, the financial situation of Victorian health services has declined. He also pointed out correctly that a number of significant laws had been broken in the raising of money by health services in country Victoria.

To address this problem the Bracks government has chosen to engage a series of consultants around Victoria, beginning in the Hume and Barwon regions. It will use those consultants to look for ways to cut services to Victorians in the city and the country. In the Hume region the Clearview group of consultants effectively recommended the closure of nine country hospitals, pulling the obstetric and surgical services out of small country hospitals that have served their communities well for many years.

I am reliably informed that a similar process is under way in the Barwon region. The Bracks government, when it discovered the way this process was occurring, stepped away from it in the Hume region and left the regional director, the consultants and those involved with that process hanging out to dry. They will find it more difficult to do that as this process goes on around the state. I intend to make it my business to uncover the dirty business the government is up to in terms of closing hospitals and reducing services around Victoria. Mark my words, they are very hard at it.

There are number of aspects to this. I believe in many cases the hospital networks have been given a very clear message by the department that they will need to cut services. They have been given targets. I understand that Monash Medical Centre is in deep crisis with respect to its financial situation. There is a scatter going around country Victoria as regional directors are sent on roaming missions to work with chief executive officers and chief financial officers in most of the rural health services and rural hospitals to bring their books into the best order possible by 30 June.

I am reliably informed that before 30 June last year there was an injection of more than $50 million in seven days into the metropolitan health services to bring their books into order. That is a new figure that has not been released anywhere but it is my belief that we will eventually establish that figure to be correct. I believe the same thing will occur this year. The Minister for Health and her officers will try to inject some money in to artificially prop up some of the health networks.

In its desperate search for additional financial resources the government has resorted to a plan for rural hospitals and their community bank accounts. As is outlined in budget paper 2 at pages 210 and 216, the government will rip the money out of those communities. I know that the angst and agitation this is causing in rural Victoria is very significant. There is no doubt that this will have a significant impact in rural Victoria. Schools have already been forced to send their money to the centre and now 70 rural hospitals will be forced to bank with a single Westpac bank account in Melbourne.

I took note of the editorial in last week's *Weekly Times* which drew attention to these matters. This week's *Weekly Times* says:

> Bendigo Bank has called on the Victorian government to halt the pooling of any more regional school, TAFE and hospital accounts in Melbourne.
>
> Bank spokesman Owen Davies said the strategy of centralising the accounts of government-funded organisations in Melbourne threatened the viability of community banks, credit unions and ordinary bank branches in small towns.

This program is ill thought through. The government has not understood that its insensitive application of this program will cause tremendous damage in country Victoria. Those towns that had their banks leave in the 1980s and 1990s — that process occurred in the country and the city — will be left high and dry. In many cases those communities have stepped forward and, using a self-help method, have been able to get banking services into their towns through the franchise arrangements they have developed with the Bendigo Bank.

I welcome those developments and say that those communities deserve to be supported and commended for the processes they have undergone. Those community banks are a critical service. The $1.2 million a year — the first amount of additional interest the government will collect under its estimates — will be garnered by the Minister for Health in the other place for her purposes, notwithstanding the damage that ripping that money out of country towns will do.

Hon. J. A. Vogels — It is about 2 per cent.

Hon. D. McL. DAVIS — Mr Vogels correctly points out that it is about 2 per cent. The damage that will be done to country towns is significant. In those small country towns, institutions need to work together in partnership with each other. The hospital, the school, and significant industries, if there are any — all those institutions need to work together cooperatively. That is what has occurred with the establishment of community banks. Many of those country areas, including the areas represented by Ms Lovell and Mr Koch, will face these difficulties as the Bracks government rips the money

out of those towns and sells them down the drain. I call on the minister to think very carefully about how harshly she implements these proposals.

Another aspect of the financial crisis in health is demonstrated by table 7.4 on page 135 of budget paper 2 — the so-called never-never table of projects the Bracks Labor government has decided will not be funded in this year's budget as per its election commitments. This is a bogus table of the worst kind. It lists a number of projects in the Department of Human Services under 'asset investment funding to be considered in future budgets'. When asked what that meant, officials from the Department of Treasury and Finance and the Department of Human Services could not deny that this means consideration and potential rejection of those proposals. They include the Royal Women's Hospital redevelopment, the Northern Hospital, Monash Medical Centre, Maroondah Hospital, Mornington Hospital, Maryborough District Health Service, Echuca hospital, Bairnsdale Hospital, the Goulburn Valley Health Service — and the list goes on.

We will see significant slippage in these projects over the next period as key projects in country Victoria and in the city are not funded in the way the Bracks government promised they would be. This is another sign of the financial stress the state government and the state health budget are under.

In the minute that remains to me I want to say something about the importance of the Auditor-General's recent report on better parliamentary appropriation processes so that people in this Parliament and the community can make more sensible assessments of the budget. These processes should more adequately inform members about actual government spending. The Auditor-General pointed out correctly that the output group process does not give us sufficient ability to examine where spending will come from and where it heads.

The Prime Minister has correctly pointed out in discussions with state governments that the health care agreements need greater transparency. I support that greater transparency. It is the exact opposite of what the Premier did before the state election when he hid essential financial and performance information from the Victorian people. I believe these processes should be improved. I believe this appropriation process in our Parliament should be improved. I believe, as a matter of principle, in the future we should have a proper process where there is a committee stage and where budgets are examined closely, line by line, in a systematic way so we can understand how appropriations are properly made. I call on the Bracks government to take these steps — —

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

Debate adjourned for Hon. R. H. BOWDEN (South Eastern) on motion of Hon. E. G. Stoney.

Debate adjourned until next day.

ADJOURNMENT

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

That the house do now adjourn.

Warrigal Road: safety

Hon. ANDREW BRIDESON (Waverley) — I have a single specific issue — it is not a set speech — to raise for the Minister for Sport and Recreation to relay to the Minister for Transport in another place. It concerns an article printed in the *Oakleigh Times* of 26 May and the *Waverley Leader* of 27 May about Warrigal Road being the worst road in Melbourne, particularly from High Street Road in Ashwood to North Road in Oakleigh South.

It is reported that there have been 265 injury crashes on that stretch of road in the five years from 1 July 1997 to 30 June last year. Two people have died in those incidents, 76 have been seriously injured and 249 have sustained minor injuries. One of the sergeants at the Oakleigh police station, Sergeant Andrew Douglass, is quoted as saying that this particular stretch of Warrigal Road was the 'worst piece of road in Melbourne'. The article states also:

> RACV traffic and roads chief engineer Peter Daly said the figures did not represent the total number of incidents on the road.

He is reported as having said that many accidents involve only property damage and therefore are not reported but the cost to the community is immense. The article lists the following: 30 crashes have occurred at the Princes Highway intersection; 25 at the Monash Freeway interchange; 22 at North Road; 20 at the Batesford Road intersection; 15 at the intersection with Waverley Road; 14 at High Street; and 9 at Middle Road.

I have just read the new plans for the proposed development of the Chadstone shopping centre. If those plans are successful there will be another right-hand-turn lane from Warrigal Road into

Middleborough Road which will only exacerbate the traffic problems. Nine crashes have occurred at Barkly Street, seven at the Boulevard and a further seven at Lancaster Street. I request that the minister investigate claims made by the local police and the Royal Automobile Club of Victoria and that he implement immediately traffic safety measures which will reduce the severity of injuries and deaths along that stretch of road.

Reserve–Park roads, Cheltenham: traffic lights

Mr PULLEN (Higinbotham) — My adjournment matter this evening is for the Minister for Transport in the other place. I congratulate the government on the installation of traffic lights and roundabouts in recent times in my electorate at such dangerous intersections as Bluff and Wickham roads, Bluff and Ludstone streets and Bent Avenue and New Street. I understand the upgrading of the priority of these and other intersections are based on crash statistics.

However, the particular place where I would like to see traffic lights installed in my electorate is at the intersection of Reserve and Park roads in Cheltenham. At this intersection is the Victoria Golf Club, Southland Auto Electrical, and Mick Doyles Auto Repairs. Incidentally, Mick Doyle was a class cricketer in his younger days with the Elwood Cricket Club.

There are a number of other golf clubs in the immediate vicinity, including Sandringham, Cheltenham and Royal Melbourne, plus a large number of factories which generate a huge volume of heavy vehicles as well as numerous cars. Just to the north of the corner is the New Cheltenham Cemetery. While the heavy vehicles are absent on the weekends many people visit the cemetery and golf clubs at that time. The worst aspect of the corner is when cars turn right from Park Road into Reserve Road. It is difficult to see cars travelling from the south on Reserve Road as they go up the hill. I again ask the minister to consider traffic lights at this dangerous intersection.

Mansfield Secondary College: apprenticeship program

Hon. E. G. STONEY (Central Highlands) — I raise an issue for both the Minister for Education and Training and the Minister for Environment in the other place regarding the issue of the school-based new apprenticeship program and the lack of government support in the workplace for it. This program gives students a taste of the real world. Years 10 and 11 and part of year 12 students go out one day a week. I refer in particular to the Mansfield Secondary College program, which has been extremely successful with 95 students being placed out of a complement of 400. Some businesses in Mansfield have taken several students, such as the shire council in Mansfield, Marks IGA, the Collopy Street cafe and the Mansfield District Hospital. However, students are being refused placements with Parks Victoria. Locally Parks Victoria is keen, but officers say there is no budget to take on students under this program. Given that the apprenticeship program will keep our children in rural towns, which is very important, will the Minister for Environment and the Minister for Education and Training ensure that their programs coincide with one another so that both programs reflect each other and the policy of the Department of Education and Training can be reflected in the policy of the Department of Sustainability and Environment to take people on in this school-based apprenticeship program?

Planning: Scoresby-Rowville employment precinct

Hon. B. N. ATKINSON (Koonung) — I wish to raise a matter with the Minister for Planning in another place. I wish to convey to the minister my concern about the delays that have occurred to this point in the consideration of amendments C22 and C23 for the Knox planning scheme. These amendments involve the Scoresby–Rowville employment precinct, which is a high-tech, leading-edge business park of international standard that will bring a significant economic impetus to the eastern suburbs, particularly to the City of Knox, and create directly some 4000 jobs. It is a project that is supported by all members of Parliament of both political parties who represent the Knox area.

I am aware that the minister has established a working group of Department of Infrastructure and council officers to resolve some issues the ministry apparently had with these amendments. I seek the minister's assurance that this matter will be expedited once the report of that working party is before her, because this is a very significant development for the City of Knox. Interestingly, the development is on the corner of Stud and Ferntree Gully roads. It will abut the Scoresby freeway, which the government calls the Mitcham–Frankston tollway. Even in the context of that project and the government's enthusiasm to progress it, which the rhetoric suggests, this is a significant project for that freeway as well. It would be an economic catalyst in this region for a range of other uses and would be significant in terms of the use and the function of that freeway. I seek the minister's early consideration of these two amendments and a favourable outcome for the City of Knox.

Libraries: funding

Hon. BILL FORWOOD (Templestowe) — The issue I raise is for the Minister for Victorian Communities in the other place. We have heard a lot about libraries in this place over the past week or two. I have with me a letter I recently received from Craig Anderson, chief executive officer of the Yarra Plenty Regional Library, in which he says:

> Can you imagine the difference a good book can make to those who live in aged care institutions?
>
> The Yarra Plenty Regional Library service provides library services to the residents of cities of Banyule and Whittlesea and the Shire of Nillumbik.

I point out that much in my electorate covers those local government areas. He continues:

> In addition to our eight branch libraries and the mobile library service, we also run a delivery service to aged care institutions in the area.

He makes the point that:

> Last year the van we use for this service made approximately 500 visits to institutions, with about 10 000 visits by residents. This is a well-used service which is much loved and appreciated by the elderly.
>
> It is now time to replace this vehicle. It is a 23-year-old van that has outlived its useful life. It has no airconditioning or heating; it is poorly lit and difficult to climb into, particularly for the elderly.

Obviously the library service wants a new van. Frankly, I support it and have written a letter of support in relation to this. He also says:

> The ability to actually enter the van and choose the book (or tape) they wish to read makes a world of difference to these people.

The library is applying to the Community Support Fund for additional assistance. We found the other day that $100 million a year is going into the Community Support Fund, and they have about — —

The PRESIDENT — Order! If conversations are going to take place in the chamber, I ask members to keep their voices down. If they must chat please do so while seated and do not stand around in huddles; otherwise members should leave the chamber.

Hon. BILL FORWOOD — Craig Anderson asked me to write a letter of support for an application to the Community Support Fund. I have done that, and I hope through this approach the minister will take an active interest in this particular application. This is the sort of use for which the Community Support Fund is important. This van reaches many people, particularly the elderly and the vulnerable in our society

An Honourable Member — Have a heart!

Hon. BILL FORWOOD — Thank you, that is exactly how I was going to finish. I ask that the minister have a heart and ensure that this project gets funded.

Woodchopping: white gum supplies

Hon. D. K. DRUM (North Western) — My question is directed through the Minister for Sport and Recreation to the Minister for Environment in the other place. I have had both personal contact and written submissions from the Wimmera Axemen's Association, which is looking for some assistance with staging some of its woodchopping events. These events are used to underpin regional shows, fairs and carnivals throughout Victoria.

At the recent Rheola charity fair, like many other community events that feature woodchopping — including the Melbourne show — an enormous amount of money was raised and was donated to the two adjoining hospitals. Woodchoppers are fantastic at raising money for various charities around the state, and woodchopping underpins many fetes and fairs.

The association that wrote to me is having trouble obtaining the wood it uses for chopping. It is white gum, and is good for the events and good to chop but has no other useful purpose. At the moment the association is paying top money through royalties to obtain this wood, but it is not getting wood that is up to the proper standard.

The axemen have to put in many hours, giving up their time not only to put the events on but also to go in and get the wood from the forest. They have to give up days of work and use their own cars to try to find the wood they need. They are now been charged over the odds for the wood. They just need a little bit of assistance to make their job as easy as possible, considering that the money raised by the events they put on goes to charity.

I am told that the cost of a good axe is in the vicinity of $300, and if it accidentally happens to hit the wrong bit of wood the axe can be broken or blunted, and that will detract from their ability to put on these charity shows. Woodchopping is one of the oldest sports still to be staged and, as I said, it underpins many charity events. It helps communities throughout Victoria raise a lot of money for their various charities and community projects needing additional assistance.

I ask that the Minister for Environment make it as easy as he possibly can for woodchopping associations to obtain their wood.

Adoption: parliamentary inquiry

Hon. W. A. LOVELL (North Eastern) — The question I raise through the Minister for Sport and Recreation is for the attention of the Premier in the other place. Over the next two days a group of women in my electorate has organised a statewide conference for a group known as Origins Victoria. Origins Victoria was formed here in Parliament House at a meeting held on 20 February 1998 at which over 100 women called for a parliamentary inquiry into past adoption practices in Victoria.

Following that meeting the group worked with the then shadow Minister for Community Services, the Honourable Christine Campbell, to achieve the inquiry. The inquiry became part of the ALP's women's and community services policy for the 1999 election. Following the election the then Minister for Community Services wrote to Origins to inform the group that the government had made a commitment to hold the inquiry during that term of government.

The need for an inquiry came about because Victorian women who had experienced the pain of losing children to adoption alleged that illegal and unnecessary practices were used to enable the adoptions to take place: practices that were not allowed under the Adoption Act. These women believed an inquiry would allow them to have their allegations heard and examined, and it was hoped this would enable healing to eventuate and maybe bring some sort of closure to what had been the most traumatic event of their lives. Three and a half years later these women are still waiting. The government promised them an inquiry and has cruelly failed to deliver it. In April I wrote to the Minister for Community Services and the Minister for Women's Affairs on behalf of these women, and to date I have not received a response from either.

The trauma of being promised an inquiry that now seems to have been snatched away from them — as cruelly as their children were — has only added to the pain and suffering these women face every day. I call upon the Premier to take action to ensure that his election promise to hold this inquiry is fulfilled and to prevent any further pain and suffering for these women.

Narre Warren-Cranbourne Road, Narre Warren: grade separation

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I raise through the Minister for Sport and Recreation a matter for the attention of the Minister for Transport in the other place. It relates to the provision of a grade separation on
Narre Warren–Cranbourne Road, Narre Warren, at the railway line, which is approximately 200 metres south of the Princes Highway. This is a major intersection, and its proximity to the Princes Highway means that considerable traffic congestion is generated when there are trains passing on the nearby railway line and the traffic lights on the Princes Highway are out of sequence.

The need for this project has been long recognised. In 1999, in its pre-election *Living Suburbs* document the Labor Party committed itself to provide:

> A $10 million grade separation and duplication of the Narre Warren–Cranbourne Road from Princes Highway to Fleetwood Drive to address the City of Casey's no. 1 road priority, removing the dangerous and congested rail level crossing.

I have to say that the people of Casey are still waiting, four years later. We have had no progress on that grade separation whatsoever.

Last August my former colleague the Honourable Neil Lucas raised this issue for the attention of the Minister for Transport. Rather than addressing the issue, the Minister for Transport criticised Mr Lucas for raising the issue — for having the audacity, in the minister's view, to raise the issue at all.

On 16 August 2002 the Minister for Transport indicated that the government was spending $22.5 million to fix Narre Warren–Cranbourne Road 'including a grade separation', to quote the minister's own press release. Ten months after the minister's press release we are still to see any action on that grade separation. It is about time the minister stopped putting out those sorts of press releases and got on with the job.

I ask: will the Minister for Transport start work on this grade separation, which is essential for the people of the City of Casey?

Foster care: funding

Hon. R. DALLA-RIVA (East Yarra) — I wish to raise a complaint with the Minister for Community Services in another place, through the Minister for Sport and Recreation. Before doing so may I say thank you from this side of the house for the six or seven

contributions allowed against the government's one. Following on from the statement of last night I thought I ought to put that on the record.

This issue relates to the matter of foster carers. It would be fair to say that everyone in this house and indeed every member of the Victorian community would see the importance of foster care as an integral part of the provision of services to children, those at risk, the disadvantaged and others in our community.

It is with much distress that I raise this complaint, given that we have just had the recent budget. It has been indicated, through a press release I understand from the minister, that the budget has an allocation of $16 million committed over four years to increase payments to foster carers.

The complaint goes to the fact that while it sounds like a lot of money the reality is that the Foster Care Association of Victoria has raised a concern — one the minister ought to be made aware of — that when the promised money is taken into account it works out to an allocation of $4 million. Although it is recurrent there is no automatic increase in that, so in four years time it is still $4 million even though the cost of living — speeding fines, land tax, stamp duty and everything else the government proposes to tax — will have gone up.

But I digress. My complaint is that this meagre increase will average out to an extra $15 per week per child. That is barely enough to cover the speeding fines that the poor foster carers are likely to incur as they travel to and fro, looking after the children, and I think it is a shame.

Mrs Carbines — On a point of order, President, the honourable member seems to be delivering a set speech to the chamber tonight, and I ask you to call him to order.

Hon. Philip Davis — On the point of order, President, I think it is quite clear that there is no point of order. The member has been developing a commentary, extemporising and leading up to raising a matter for the minister's attention. I suggest that point of order be ruled out of order.

The PRESIDENT — Order! The matter was raised with me last night, and I indicated to the house that I would advise the house on that matter. The member has about 38 seconds to pose his question, and I ask him to come to the point on the question he started with. He was going to raise a complaint with the minister, and I ask the member to pose his complaint to the minister.

Hon. R. DALLA-RIVA — I am making a complaint, and it is that 900 foster carers have left the industry over the last year. It is clear the budget is not achieved, and I make a complaint that the minister has failed to acknowledge and appreciate the funding needed in this area, which is clearly in crisis.

Fishing: commercial licences

Hon. PHILIP DAVIS (Gippsland) — I also make a complaint — and let us see if this gets an objection. My complaint is about the Orwellian nature of this government and the way it has used the power of the state over the individual, the authority of the state, to remove — —

The PRESIDENT — Order! I do not like to interrupt, but could the member advise the house to whom he is directing his question?

Hon. PHILIP DAVIS — I just made the point about the Orwellian hand of the state, but in particular I will direct the matter to the Minister for Agriculture in the other place, who has responsibility for fisheries.

The nature of my complaint is contained in a letter sent to me by a commercial fisherman at Mallacoota. I quote:

> On 8th April 2003 we received this registered letter advising us of the closure of our industry within 36 hours. We have not received or negotiated our compensation payment and were appalled at the way this closure was effected. Compensation should have been in place before closure. No consideration has been given as to how we are to survive with no income. Personally we have debts that have to be serviced and this was not even taken into account.
>
> …
>
> … We find it offensive and humiliating to be told to apply for unemployment benefits …
>
> Our family are fourth generation fishermen, three of which have fished full time in Mallacoota and at no time were we consulted or considered with this decision.

He concludes:

> It is not always about money. In our case we just want our job back. Who better to look after the environment than the fishers who rely on it for their living?

May I say this heartfelt letter reflects poorly on the government process. Irrespective of the debates we have had here — and I have had numerous exchanges across the table with the former minister responsible for fisheries, Ms Broad, about the justice of this policy decision — what I find appalling in this is the way the power of the state has been used to impose the will of the government without proper and due process and to so adversely affect individuals. It removes their

dignity — it removes the dignity of even having an opportunity to be heard. Not only is the dignity of employment removed from them but these people have been thrown onto the scrap heap of life by the government's action. It is an appalling way to treat anybody in our society. I think that for members of the government to behave in such a shocking fashion is a disgrace.

I ask that the Minister for Agriculture respond urgently to my request to advise these people of their rights to compensation, because they have to survive just as anybody in this society does.

Responses

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The Honourable Andrew Brideson raised the matter of traffic issues in Warrigal Road, and I will refer that to the Minister for Transport in the other place.

Mr Pullen raised the issue of traffic lights at the intersection of Reserve Road and Park Road, Cheltenham. I will raise this with the Minister for Transport in another place.

The Honourable Graeme Stoney raised the issue of school-based apprenticeship schemes, and I will refer that to the Minister for Education and Training in the other place.

The Honourable Bruce Atkinson raised the issue of amendments C22 and C23 of the Knox Planning Scheme, and I will draw that to the attention of the Minister for Planning in the other place.

The Honourable Bill Forwood raised the issue of the Yarra Plenty Regional Library Service van, and I will refer that to the Minister for Victorian Communities in the other place.

The Honourable Damian Drum raised the issue of the Wimmera Axemen's Association obtaining white gum for their respective events. I will raise that with the Minister for Environment in the other place.

The Honourable Wendy Lovell raised the issue of Origins Victoria and past adoption practices, and I will refer this issue to the Premier in the other place.

The Honourable Gordon Rich-Phillips raised the issue of grade separation on the Narre Warren–Cranbourne Road. I will draw that to the attention of the Minister for Transport in the other place.

The Honourable Richard Dalla-Riva raised the issue of foster carers. I will bring this to the attention of the Minister for Community Services in the other place.

The Honourable Philip Davis raised the issue of a commercial fishery in Mallacoota, which I will raise with the Minister for Agriculture in the other place.

Motion agreed to.

House adjourned 6.02 p.m. until Tuesday, 10 June 2003 at 9.30 a.m.

QUESTIONS ON NOTICE

Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Council.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.

Tuesday, 3 June 2003

Major projects: Melbourne Sports and Aquatic Centre

115. **THE HON. B. N. ATKINSON** — To ask the Minister for Local Government (for the Honourable the Minister for Major Projects): In relation to the Melbourne Sports and Aquatic Centre Stage 2 development:

(a) What is the budget for this project.

(b) When will these funds be allocated.

(c) When will construction commence.

(d) When will construction finish.

ANSWER:

(a) $50.0M (Note that an additional $1.2M was allocated in 2001/02 for early planning/design work on the project)

(b) The Government has approved an allocation of funds in the 2002/03 Budget Statements announced in May 2002 as follows:

2002/03	$7.0M
2003/04	$22.0M
2004/05	$21.0M
	$50.0M

Refurbishment of the Distance Education Centre (DEC), for which a separate allocation of $5.25M has been provided, will be delivered in conjunction with the MSAC Stage 2 project.

(c) Construction is expected to commence in October, 2003.

(d) Construction is expected to complete in late June, 2005.

Transport: Geelong bypass

124. **THE HON. B. N. ATKINSON** — To ask the Minister for Local Government (for the Honourable the Minister for Transport): With reference to the Labor Party policy released during the 2002 State Election 'Building for Tomorrow: Labor's plan for Geelong and South West Victoria', and specifically to the commitment to the Geelong Bypass Project, will the State Government proceed with this project without Federal Government funding support; if so, (i) how many lanes will the Geelong Bypass have; (ii) will it be a divided road; (iii) will there be traffic lights; and (iv) how many intersections will there be on the Geelong Bypass.

ANSWER:

The Victorian Government will proceed with the Geelong Western Bypass project irrespective of the Federal Government funding support. Options are currently being investigated with respect to the staging of the bypass if the Federal Government does not commit to its share of funding for the project.

Transport: Geelong road

133. **THE HON. B. N. ATKINSON** — To ask the Minister for Local Government (for the Honourable the Minister for Transport): In relation to the Geelong Road Project:

(a) What is the status of the estimated $136 million in contractual variations claims made by contractors.

(b) When will these be resolved.

(c) What will be the total taxpayer liability for contractual variations.

ANSWER:

(a) Approximately two thirds of all claims have now been assessed by Vicroads. Claims paid to date total approximately $7 million.

(b) The contractors are disputing some of Vicroads assessments of specific claims and these claims may be referred to arbitration. Resolution of the claims is expected by mid-2004.

(c) The final liability for contract variations will be known when the assessments and any dispute resolution processes are completed.

Transport: rail standardisation program

143. **THE HON. B. N. ATKINSON** — To ask the Minister for Local Government (for the Honourable the Minister for Transport): Of the $96 million allocated to the rail standardisation program — (i) where is this being spent; (ii) which rail lines will be standardised; (iii) what is their estimated cost; and (iv) what is their start and completion dates.

ANSWER:

The Government is committed to increasing the proportion of the Victorian rail network that is standard gauge.

At this stage it has not been possible to reach agreement with Freight Australia and other stakeholders to standardise the north-west and north-east freight lines.

In the meanwhile the Government is continuing discussions with Freight Australia and other rail users about cooperative arrangements for progressing standardisation, track access and other freight development issues.

The government is also providing funding for construction of the Corio Independent Goods Line. This will provide a standardised connection to North Shore and Lascelles Wharf at the Port of Geelong.

Innovation: synchrotron project

145. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Innovation): In relation to the Synchrotron Project:

(a) Why was the decision made to increase the public funding from $100 million to $157 million.

(b) From where will these additional funds come.

ANSWER:

I am informed as follows:

(a) The Victorian Government decided to increase State funding for the Australian Synchrotron to $157 million in order to move forward with building a larger, more powerful facility, which will be the leading synchrotron of its class in the world. This Government funding will cover the full cost of the synchrotron machine and its building, leaving the way clear for other investors to fund the core beamlines at the Australian Synchrotron. The Government expects the beamline funding to be assembled by interested groups, including other Australian governments, universities, other research institutions and industry associations, between now and when the facility opens in 2007, and beyond for additional beamlines as needed.

(b) The additional Victorian funding will come from the $310 million the Government has committed to the second generation Science, Technology and Innovation Initiative announced in October 2002.

Innovation: synchrotron project

152. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Innovation): In relation to the Synchrotron Project, have any Australian companies committed to using the facility; if so, what are the names of any companies that are committed to using the Synchrotron once it is completed.

ANSWER:

I am informed as follows:

The Government expects that a wide range of Australian companies will use the Australian Synchrotron. We anticipate research and development will be conducted through collaborative arrangements with research service providers including universities and organisations such as CSIRO.

The Australian Synchrotron Users Workshop in January 2003 saw many Australian companies, either directly or through their research and development service providers, becoming actively involved in planning the beamlines that will boost Australia's innovation capabilities.

MiniFAB, based in Scoresby, has already committed to funding a lithography beamline cleanroom.

Transport: railway level crossings

350. **THE HON. D. KOCH** — To ask the Minister for Local Government (for the Honourable the Minister for Transport):

(a) Does a 15kph speed limit currently apply for Glen Waverley line trains over the rail/tram level crossing at Gardiner.

(b) What speed limits currently apply for trains over the rail/tram level crossings at Kooyong, Riversdale and Glenhuntly.

(c) When was each crossing last renewed.

(d) Is it possible for the speed limit for trains over the Gardiner crossing to be increased to either 20, 25, or 30kph; if not, why.

ANSWER:

(a)&(b)

A 15kph speed limit applies to trains travelling through the train/tram level crossings at Gardiner, Kooyong and

Riversdale. At Glenhuntly a 30kph speed limit applies for electric suburban trains, with a 15kph speed limit for all other trains.

(c) The crossings were last renewed at Gardiner in October 2002, Kooyong in April 1999, Riversdale in November 2000 and Glenhuntly in 1995 for the centre and eastern tracks and 1998 for the western track.

(d) It may be possible for the speed limit of trains travelling through the Gardiner crossing to be increased. This crossing was recently renewed by Connex who intend to review the performance of the completed works before assessing the suitability of increasing the speed limit.

Women's affairs: consultancies

380. **THE HON. W. A. LOVELL** — To ask the Minister for Local Government (for the Honourable the Minister for Women's Affairs): What is the number and financial value of all consultancies undertaken by the Office of Women's Affairs in 2001-02.

ANSWER:

I am informed as follows:

Nil. There were no amounts charged to consultancies expense within the Office of Women's Policy for the year 2001-2002.

Women's affairs: Queen Victoria women's centre strategy

381. **THE HON. W. A. LOVELL** — To ask the Minister for Local Government (for the Honourable the Minister for Women's Affairs): When will the Comprehensive Strategy for the ongoing operation of the Queen Victoria Women's Centre be completed.

ANSWER:

I am informed as follows:

The Queen Victoria Women's Centre Trust is entering an entirely new phase in its development of a viable, accessible women's centre for Victorian women.

The Trust will be able to offer dynamic opportunities for commercial tenancies within the building following Grocon's recent decision to commence a phased departure from the premises as of July 2003.

The Trust is now updating its business plan into a broader strategy to reflect these emerging opportunities for commercial leasing of the building as well as other significant work opportunities provided by a grant from the Community Support Fund.

Women's affairs: Queen Victoria women's centre strategy

382. **THE HON. W. A. LOVELL** — To ask the Minister for Local Government (for the Honourable the Minister for Women's Affairs): When will the Comprehensive Strategy for the ongoing operation of the Queen Victoria Women's Centre be available to the public.

ANSWER:

I am informed as follows:

The Queen Victoria Women's Centre Trust is entering an entirely new phase in its development of a viable, accessible women's centre for Victorian women.

The Trust will be able to offer dynamic opportunities for commercial tenancies within the building following Grocon's recent decision to commence a phased departure from the premises as of July 2003.

The Trust is now updating its business plan into a broader strategy to reflect these emerging opportunities for commercial leasing of the building as well as other significant work opportunities provided by a grant from the Community Support Fund.

Transport: fast rail project — sleepers

430. **THE HON. D. KOCH** — To ask the Minister for Local Government (for the Honourable the Minister for Transport):

(a) How many new timber and concrete sleepers will be installed on each of the regional fast rail sections of track between — (i) Werribee and Geelong; (ii) Sunshine and Ballarat; (iii) Watergardens and Bendigo; and (iv) Pakenham and Traralgon.

(b) How many existing timber sleepers are being retained on each of the above sections.

(c) How many new timber and concrete sleepers have been or will be installed on the sections of track between — (i) Ballarat North Junction and Ararat; (ii) Cranbourne and Leongatha; and (iii) Sale and Bairnsdale.

(d) How many existing timber sleepers are being retained on each of the sections of line in (c) above.

(e) Is the number of sleepers per kilometre being altered on any of the above sections of track; if so, how.

ANSWER:

Response to questions (a) and (b)

Estimates of the numbers of sleepers are based on the contractors' designs.

Rail Section	Estimate of New Concrete Sleepers to be installed	Estimate of New Timber Sleepers to be installed	Estimate of existing Timber sleepers to be retained	Comments
Werribee and Geelong	85,578	3,000	18,384	
Sunshine and Ballarat	109,808	6,300	37,542	Ballarat north track (Sunshine-Deer Park West) and existing Bungaree alignment not included.
Watergardens and Bendigo	152,337	16,000	96,300	Bendigo up track Sunbury to Kyneton not included. Bendigo passing loops included
Pakenham and Traralgon	26,790	20,000	122,489	Latrobe down track not included.

Response to questions (c) and (d)

Rail Section	Estimate of New Concrete Sleepers to be installed	Estimate of New Timber Sleepers to be installed	Estimate of existing Timber sleepers to be retained	Comments
Ballarat North Junction and Ararat	nil	8,000	130,000	actual numbers
Cranbourne and Leongatha	nil	41,500	81,500	estimate only
Sale and Bairnsdale	nil	40,000	63,500	actual numbers

The number of sleepers for the South Gippsland line has not been finalised but is expected to be close to the figures indicated. Estimates assume that there are 1500 sleepers per kilometre.

Response to question (e)

The number of sleepers per kilometre is not being altered on any of the above sections of track.

Manufacturing and export: Agenda for New Manufacturing — partners at work

455. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to Partners at Work (High Performance Workplaces) funded under the Agenda for New Manufacturing:

(a) How much of the allocated $900 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The Honourable Member's question falls outside my portfolio responsibilities. The Honourable Member should direct his question to the Minister for Industrial Relations.

Transport: fast rail project — market research survey

461. **THE HON. D. KOCH** — To ask the Minister for Local Government (for the Honourable the Minister for Transport):

(a) Which individual, partnership or company was awarded the regional fast rail market research contract survey of 1600 rail users and 2200 vehicle drivers.

(b) What is the contracted cost of this survey.

(c) Was this work awarded by tender or on an invitation only basis; if so, how many firms tendered for the work.

(d) What questions were asked in the survey of — (i) rail users; and (ii) vehicle drivers.

(e) How many rail users and vehicle drivers are being surveyed along the Ballarat, Bendigo, Geelong and Traralgon rail corridors.

(f) What is the name of each of the 22 rail advocates chosen on or about 15 February 2003 and in which town or city does each reside.

(g) What is the name of each of the 13 councillors chosen on or about 15 February 2003 for discussions about the Regional Fast Rail Project.

(h) Are these advocates and councillors being paid either — (i) a meeting allowance; (ii) out-of pocket expenses such as travel; (iii) other remuneration in relation to participating in fast rail discussions.

(i) Where was the workshop held in the week commencing 17 February 2003 to discuss the fast rail project.

(j) What was the cost, if applicable of — (i) room hire; (ii) travel expenses reimbursed for use of public transport; (iii) travel expenses reimbursed for use of motor vehicles; and (iv) catering for this forum.

ANSWER:

(a) Sinclair Knight Merz.

(b) The contracted cost for the survey of regional travel patterns and preferences was $284,243.

(c) Proposals were sought from a Department of Infrastructure panel of providers who specialise in the area of transport modelling. Four companies from the panel of providers were approached, one of which declined to make an offer while the remaining three companies submitted conforming tenders.

(d) The rail user intercept survey asked 24 questions relating to passenger rail travel activities, such as departure station and time, arrival station and time, means of getting to and from the station and reason for travelling.

The car user intercept survey asked 16 questions relating to car travel in preference to rail travel, such as departure location and time, arrival location and time, details of return travel and reason for travelling.

In addition to the intercept surveys, both rail and car travellers were asked to participate in a stated preference survey conducted over the telephone shortly after the intercept survey.

The stated preference survey for rail users asked six questions and presented nine scenario choices based on train travel, such as time of arrival and departure at stations, waiting times and various travel scenarios at slightly differing times.

The stated preference survey for car travellers asked eleven questions and presented eight scenario choices based on comparisons between car and train travel, such as departure time, travel time, kilometres travelled, fuel cost, type of fuel, parking expenses, destination location/s and various scenarios comparing car and rail travel at slightly differing times.

(e) Rail user interviews:

Ballarat line: 467 intercept interviews, 246 stated preference interviews
Bendigo line: 659 intercept interviews, 276 stated preference interviews
Geelong line: 735 intercept interviews, 317 stated preference interviews
Latrobe Valley line: 408 intercept interviews, 186 stated preference interviews

Car user interviews:

Ballarat line: 297 intercept interviews, 31 stated preference interviews
Bendigo line: 220 intercept interviews, 33 stated preference interviews
Geelong line: 505 intercept interviews, 86 stated preference Interviews

Latrobe Valley line: 321 intercept interviews, 39 stated preference interviews

(f) Twenty-two (22) country rail users have been appointed as 'Rail User Advocates' to provide feedback about the new Regional Fast Rail services and V/Line timetables. Following an advertising and nomination process in November and December 2002, the Advocates were selected in late December 2002 by members of the project's professional and technical Service Planning Advisory Group, including Environment Victoria, V/Line and the Municipal Association of Victoria.

Fourteen of the 22 Advocates granted permission for their contact details to be provided. Their names and journey types follow.

Emily	Daffy	regular rail user between Geelong and Melbourne return
Ned	Meehan	regular rail user between North Geelong and Melbourne return
Damien	Carter	occasional rail user on the Melbourne-Geelong line return
Mark	Young	regular rail user between Bendigo and Melbourne return
Chantal	Craig	regular rail user between Castlemaine and Melbourne return
Charles	Chambers	regular rail user between Kyneton and Melbourne return
Michael	Hines	regular rail user between Sunbury and Melbourne return
Rob	McNabb	occasional rail user on the Bendigo line
Jonathan	Crockett	regular rail user between Gisborne/Riddells Creek and Melbourne return
George	Davidson Sr.	regular rail user between Ballarat and Melbourne return
Michael	Vale	regular rail user between Ballan and Melbourne return
Bob	Prewett	regular rail user between Bacchus Marsh and Melbourne return
Allan	Harnwell	regular rail user between Melton and Melbourne return
Caroline	Persico	regular rail user between Warragul and Melbourne return

The journey types represented by the other eight Advocates are:

Regular rail user between Lara and Melbourne return
Regular rail user between Woodend and Melbourne return
Regular rail user on the Melbourne-Bendigo line return
Occasional rail user on the Ballarat line
Regular rail user between Traralgon and Melbourne return
Regular rail user between Moe and Melbourne return
Occasional rail user on the Latrobe Valley line
Regular rail user between Trafalgar and Melbourne return

(g) As a member of the project's Service Planning Advisory Group, the Municipal Association of Victoria invited each of the 13 councils affected by the project to appoint a Fast Rail representative. The following council officers were confirmed in December 2002 as representatives:

Anne	McLennan	Macedon Ranges Shire Council
Terry	Hearne	Greater Geelong City Council
Andrew	Park	Moorabool Shire Council
Tim	Cottrell	Wyndham City Council
Rod	Conway	Hepburn Shire Council
Marg	Allan	Greater Bendigo City Council
Michael	Sharp	Hume City Council
Peter	Kulich	Baw Baw Shire Council
Fiona	Davey	Ballarat City Council
Michael	Ellis	Cardinia Shire Council
Andrew	Stephens	Latrobe City Council
Neville	Smith	Melton Shire Council
Ivan	Gilbert	Mount Alexander Shire Council
Angela	Munro	Mount Alexander Shire Council

(h) The Rail User Advocate positions are voluntary and were advertised as such. The council representative roles are also voluntary. They have been paid out of pocket expenses for travel to meetings, specifically a V/Line ticket or free car parking.

(i) The Service Planning Workshop involved approximately fifty people and was held on Thursday 13 February at the Stamford Plaza Hotel, 111 Little Collins Street Melbourne.

(j) The Workshop costs for room hire, travel expenses reimbursed for public transport and use of motor vehicles, and catering were:

Room hire:	$330.00
Travel expenses	
– train tickets for five Rail User Advocates:	$167.00
– taxi for MAV representative for travel home from facilitation training:	$37.00 (estimate)
Catering:	
– continuous tea, coffee and biscuits:	$9.90 per person
– lunch:	$22.00 per person
– Total:	$1,496.00

Attorney-General: school teachers — offences

520. THE HON. B. N. ATKINSON — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Attorney-General):

(a) How many teachers were charged with offences against their students in 1999, 2000, 2001 and 2002 and in 2003 to date.

(b) In each case — (i) what were the charges and the school involved; (ii) what convictions were obtained; and (iii) has the teacher been prevented from teaching in Victoria; if so, for what period.

ANSWER:

I am informed that:

I am advised that this question relates to matters falling outside of my portfolio responsibilities.