PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FIFTH PARLIAMENT

FIRST SESSION

14 May 2004

(extract from Book 4)

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FIFTY-FIFTH PARLIAMENT — FIRST SESSION

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FRIDAY, 14 MAY 2004

QUESTIONS ON NOTICE

TUESDAY, 11 MAY 2004

WEDNESDAY, 12 MAY 2004

Friday, 14 May 2004

The PRESIDENT (Hon. M. M. Gould) took the chair at 9.33 a.m. and read the prayer.

ENERGY LEGISLATION (REGULATORY REFORM) BILL

Second reading

Debate resumed from 13 May; motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

Hon. BILL FORWOOD (Templestowe) — Before I was interrupted pursuant to sessional orders at 10 o'clock last night I was dealing with clauses 15 and 17 of the bill before the house. These clauses deal with the repeal of the significant producer provisions of the Gas Industry Act 2001. I was making the point that the Minister for Energy Industries had referred to the Essential Services Commission a review of the provisions relating to significant producers and that the recommendations that came out of that review were, and I quote from page vi of the report — —

Honourable members interjecting.

The PRESIDENT — Order! Can I have less noise in the chamber.

Hon. M. R. Thomson — Good idea.

The PRESIDENT — Order, Minister!

Hon. BILL FORWOOD — The report states:

> The commission recommends that all of part 5 and section 37 of the Gas Industry Act 2001 should be repealed.

As I just pointed out to the house, clause 15 of the bill repeals section 37 and clause 17 repeals part 5 of the Gas Industry Act.

I want to make the point that seeking a review of the significant producer requirements of the act was a sensible use by the minister of the powers given to him. The act itself works well in facilitating competition. I know the Minister for Energy Industries is not one of the Luddites in the Labor Party who objected to the introduction of competition into the energy industry in Victoria. Others were predicting doom and gloom, but the minister knows, as do most of the people of Victoria, that Victorians have benefited greatly from the competitive regime that was introduced in both gas and electricity. I make the point again that the minister started the process with the privatisation of Loy Yang B back in the early 1990s when he, along with others, was responsible for getting Edison Mission Energy to come to Australia and purchase part of the government's ownership of that significant generator.

This is the simple part of the bill before the house, but it demonstrates that competition is working well and that the structures put in place work well. Obviously the opposition supports those clauses. I should make the point that Esso has written to me stating that:

> Esso strongly supports the bill as it repeals the significant producer provisions of the Gas Industry Act.
>
> The significant producer provisions were a transitional arrangement introduced at the time the gas retailing industry was privatised. An unfortunate consequence of the significant producer provisions was that they complicate and slow the marketing of natural gas in Victoria.

Esso ended its contribution to me by saying that:

> We believe the Energy Legislation (Regulatory Reform) Bill 2004 is an important step in the further deregulation of the gas industry.

Honourable members interjecting.

The PRESIDENT — Order! If members wish to have conversations, they should either leave the chamber or sit in their places.

Hon. BILL FORWOOD — Thank you, President, for your assistance. I am delighted to be here today to indicate that the opposition is pleased Mr Theophanous is continuing to take important steps in the further deregulation of the gas industry.

There are other clauses in the bill which go to the issue of improving the regulatory regime in gas and electricity. I make the point that the energy ministers have decided that the Australian Energy Regulator, which is soon to be established, will be located in Victoria. That is a good outcome for the state.

Mr Viney interjected.

The PRESIDENT — Order! Mr Viney will take his seat or leave the chamber.

Hon. BILL FORWOOD — I congratulate the minister on his efforts in getting the Australian Energy Regulator to Victoria. I look forward to its establishment here and its working well in the interests of a national energy market and a competitive regime.

A number of clauses in the bill repeal sections in various acts because the new systems for regulation of the energy system will be coming into place. None of these sections have been used at all in the past. For

example, clause 7 repeals sections 41 to 44 of the Electricity Industry Act. Those sections have never been used, and now we have the national energy market regulating these issues, there is no requirement for them so they are being repealed.

Another significant part of the new competitive regime that the bill puts in place is the abolition of the existing tariff orders for both gas and electricity. I did not print out the whole existing electricity tariff order, which consists of 137 pages. When the competitive system was set up the tariff order was a mechanism for giving the government the capacity to regulate what was happening. If you look at the index of the electricity tariff order, for example, you see that it refers under 'Retail pricing' to the 'Maximum uniform tariff for franchise customers', the 'New tariff', 'Closing a retail tariff', 'Approval of retail tariffs', the 'Tariff H safety net', and it even has a declaration in relation to the winter power bonus. Honourable members would remember that for three years the $60 was — —

Hon. P. R. Hall — Per household.

Hon. BILL FORWOOD — It was per household across the state — —

Hon. P. R. Hall — Each year.

Hon. BILL FORWOOD — It was each year. Thank you, Mr Hall. Of course it was abolished by the hard-hearted Bracks government when it came to government. 'Retail pricing' is the heading to chapter 2 of the tariff order, 'Network charge and connection fees' is chapter 3, 'Transmission use of system fees, pool fees and ancillary services charges' is chapter 4 and the 'Distribution network tariffs' is chapter 5.

What the bill before the house does for both the gas and electricity tariffs is repeal them entirely and enable a new tariff to be put in place for both that will have just two parts. That is because, as the minister knows, we now have a competitive regime and a national energy market that will cover these things. The two bits of the tariff order that will be put back are the pricing principles for distribution under which the Essential Services Commission will operate. I know honourable members in this place are aware that the model in place is consumer price index (CPI) minus X, and that of course will continue to operate, as will the excluded services.

Hon. T. C. Theophanous interjected.

Hon. BILL FORWOOD — We have an agreement — you are not going to provoke me, and I am not going to provoke you.

The second part concerns the excluded services, and that will also be reinstated under the new regime for dealing with the tariffs.

Before I turn to a significant part of the bill, which is clause 9, I want to touch briefly on the amendments to the Electricity Safety Act. Part 5 of the bill before the house replaces section 111(1)(a) of the Electricity Safety Act. That deals with the acceptance of the scheme. Honourable members would know that electricity safety in this state is operated under the auspices of the Office of the chief electrical inspector, and under the Electricity Safety Act he has the capacity to put in place electricity management schemes. The clause in part 5 replaces the existing provision in the act. We were advised in the briefing that it is a new mechanism but that it will lead to the same safety outcome.

I take the opportunity to put on the record my disquiet about what has happened in relation to the Office of the chief electrical inspector. The minister, after having been questioned by the opposition in this place over the last two weeks, has finally come clean and removed the chief electrical inspector from his job despite the fact, as I pointed out in this place, that under his watch the number of deaths from electrical accidents in Victoria fell from nine in 1994 to an average of seven over eight years to none in 2001 — —

Hon. T. C. Theophanous interjected.

Hon. BILL FORWOOD — I make the point very clearly, that there has been one death in Victoria in the past three years — and one is too many, I know — but given there were 56 in the eight years before, an average of 7 a year. I find it surprising that the person who put in place the systems, including the system that is being amended today through the bill, would find himself removed from his position. I put on the record my disquiet about this. I certainly hope under his replacement — Bill Greenland in the short term — and whatever structure we end up with in the future after the review the minister has announced, we do not in any sense find a lessening of the very good standards established in Victoria by the chief electrical inspector and the work he has done on behalf of all Victorians. I put on the record my appreciation to him for his outstanding service to Victoria, and I am very disappointed at the shabby way he has been treated by the government.

I now turn to a significant clause in relation to this bill, clause 9, dealing with rateability of certain property. I put on the record on behalf of the opposition that we are great supporters of renewable energy, particularly wind

farms. Clause 9 deals with the rateability of certain property and inserts after section 94 (8) of the Electricity Industry Act new section (8A). Members who are familiar with the act know that section 94 deals with the rateability of certain property. Section 94(4)(b) states:

> ... the relevant council may, by notice in writing given to a generation company or an associated entity of a generation company that is liable to pay rates in respect of land used for generation functions, require that company or associated entity to pay, instead of rates in respect of that land, amounts agreed or determined under sub-section (5).

So the regime put in place for the Latrobe Valley generators is being extended to wind farms. The problem is that wind farms are often on land that is leased, so there is some confusion according to the government about this particular capacity for wind farms to be subject to council rates.

On Wednesday, 7 April, the Minister for Energy Industries, in conjunction with his colleague the Minister for Local Government put out one of those appalling press releases full of spin and not much fact — that is the hallmark of the way this government operates — with a headline 'Rates certainty for wind energy industry'. Nothing could be further from the truth! Those of us who sat in the briefing and asked some of the advisers questions about how this would operate — I foreshadow questions we will ask the minister in committee — would know they were having real difficulty coming to grips with how the new system would work. In particular they had difficulty with what the definition of 'land' is and whether the land is defined by the agreement between the wind farm generator and the land-holder and what role the council might play in all this.

I also make the point that the minister's press release of 7 April goes on to say that the forthcoming review of the framework for payments in lieu of council rates — that is the whole framework, not just this bit of it — would be put in place. We will be interested to talk to the minister about the progress in setting that up. Because it seems odd that you would bring in this system now if you have a review of the whole system under way. I am pretty sure that our colleagues The Nationals, friends of the Parliament and the minister's colleagues as well would also have something to say about this issue.

We are very concerned that clause 9 is policy making on the run. It is unclear in application; it is poorly drafted; and it does not achieve what the government says it thinks it is going to achieve. However, given there is an opportunity in the committee stage, I do not want to go further into that clause now other than to say that we will be raising specific issues about how it works. The Liberals' position on this bill is that we do not oppose the passage of the legislation; we think that bits of it are good, and in particular the bits that enhance the competitive regime and deal with fixing the regulatory outcomes that are appropriate in the industry. We will of course be moving an amendment to set the smelter reduction amount to zero, as I said last night. If we want to have it at zero, let us say it is zero and not have it in the situation where the Treasurer can set it at any level he likes. We remain gravely concerned about the operation clause 9 of the bill concerning the rating of wind farms, and we will be exploring it further in the committee stage. With those few words I finish my contribution.

Hon. P. R. HALL (Gippsland) — I am pleased this morning to have the opportunity to put view of The Nationals on this Energy Legislation (Regulatory Reform) Bill. I say from the outset that there are aspects of the bill we are happy to support and there are other aspects of the bill we are not so happy to support and in fact will not be supporting. I will talk about those aspects in my contribution this morning. For the purposes of discussion on the bill I have divided it up into five sections. The first relates to the significant producer provisions defined in the Gas Industry Act 2001, and there are some quite significant changes there. The second area is the revocation of most of the tariff orders relating to gas and electricity. The third area is the issue relating to the rating of energy generators in clause 9 of this bill. The fourth area is the setting of the smelter reduction amount in clause 20 of the bill. There is also a range of other amendments of a technical nature. I propose in my contribution to deal with each of those sections in turn.

The first one of those is the significant producer provisions within the Gas Industry Act 2001. Clause 17 of the bill repeals part 5 of the Gas Industry Act. This is a fairly significant section of the bill; it means that we are removing 43 sections in the act, so it is a significant provision. By way of background to the relevant section of the Gas Industry Act, these provisions enable the Essential Services Commission to intervene and prevent gas producers from engaging in anticompetitive conduct, which could occur in the event of a gas producer discriminating among or against gas retailers in a manner that lessened competition in the Victorian gas market.

I can understand the reasons those provisions were put into the Gas Industry Act initially. Because at that time there was one predominant supplier of gas in Victoria — Esso-BHP. It held very much a monopoly

position, and we had to ensure that its dealings with gas distribution companies were competitive. I can understand the reasons for those provisions being put into the act, but there were also fairly strong penalties if it could be proved that a gas supplier was engaging in anticompetitive practices. That provision in the Gas Industry Act enables fines of up to $10 million if a company is caught undertaking anticompetitive practices. They are fairly significant penalties.

As the minister indicated in his second-reading speech, a review was undertaken by the Essential Services Commission to look at the relevance of this section — whether it is still relevant today — and the conclusion the commission came to was that it was not, given the fact that during the course of time there has only been one matter raised against a gas company with respect to this provision. It was the view I understand of the Essential Services Commission and of the majority of those who submitted to the review process that these provisions were no longer necessary and therefore they should be deleted. Given our high respect for the Essential Services Commission and the role that it plays, we considered that review to be undertaken fairly and properly and a sensible conclusion reached. For those reasons The Nationals are happy to support those provisions of the bill which will repeal the significant producer provisions in the Gas Industry Act.

The second major area of this bill relates to the revocation of tariff orders. As I said before, most electricity and gas tariff orders will be revoked. This is interesting because it was this government, when in opposition, that was so vocally opposed to the removal of tariffs, particularly uniform tariffs, when the electricity industry was restructured. Members can all recall that heartfelt promise by the Labor Party back in 1999 that when it was elected into government it was going to reintroduce the uniform tariff for electricity right across Victoria. This bill sees the complete removal of virtually all tariff structures across this state for both electricity and gas. I find it rather amusing to see the path the Bracks government is taking, because when in opposition it was diametrically opposed to such a path.

Those tariff orders will be replaced by what is termed a four-year price path. I acknowledge that towards the start of this year the minister sat down with gas and electricity companies and worked out a four-year price path whereby approval was given for each of the electricity suppliers in Victoria to set a tariff for 2004 — that is, the current year — at consumer price index minus a percentage amount, which varied between each of the electricity distribution companies. The impact of CPI minus a percentage factor meant overall increases in electricity prices varied between 0.5 per cent up to 2 per cent across Victoria. Indeed the price path for the next four years up to 2007 has been agreed on. Each will be at CPI minus a percentage figure.

It is the same with the gas prices — a four-year price agreement has been reached on those. For 2004 each of the three major gas companies — TXU, Origin and AGL — have an agreed gas price increase of CPI plus 2.1 per cent, which means Victorians are facing a 5 per cent increase in gas prices this year. Yes, there is a price path, but let us not skip over that by saying this is an agreed position, because it is a significant increase for gas and electricity consumers across Victoria. The agreement sets out the average annual increases but does not talk about variations between classes of customers, so those could be significant. The agreement just talks about the average price increases across all sectors. It will be interesting to watch and compare how those companies that are distributing electricity and gas reach that average price variation between different classes of customers.

Hon. T. C. Theophanous — There are limits on the variation.

Hon. P. R. HALL — I understand and acknowledge that. I think the figure is 10 per cent, or somewhere around that.

Hon. T. C. Theophanous — It is less than that.

Hon. P. R. HALL — Less than that; okay. Once again it is interesting to note that the four-year path agreement is on a CPI-minus factor for electricity and a CPI-plus factor for gas. I recall once again that when under the previous government electricity was privatised, in this state legislation bound price increases to CPI minus, and here we are with the Bracks government embarking on a similar path and seeing the sense of the structure set by the previous government in dictating that prices should be linked to a CPI-plus or CPI-minus factor.

In relation to these tariff orders, it is of interest to note that the Wimmera and Colac gas supply tariff order will remain. That particular tariff is a 15-year agreement which runs until the year 2013. That tariff was given 15 years to run to support the introduction of natural gas reticulation to areas like Ararat, Colac, Horsham and Stawell. That price was fixed for supply in those areas, and runs to 2013. I am not sure whether consumers in those areas will be paying more or less for their gas than other consumers throughout Victoria, but I suspect it is slightly more, given the fact that this

was a new system and prices were set to fund the new system.

It brought me around to thinking about what will happen with new areas of natural gas reticulation in Victoria, in particular with the government's current program to expand the reticulation of natural gas to new areas of Victoria. I wondered how those prices might be set and if one of the three gas distributors I have previously mentioned wins the tender to supply those whether they will be bound by this new price path agreement. I was informed at the briefing that that may not necessarily be the case. I am told that with the competitive tender process for the distribution of gas to some of these new areas of Victoria that particular price will be built into part of the tender arrangements.

I guess the government's $70 million, which I acknowledge is a helpful contribution towards helping to extend natural gas in Victoria, could appropriately be used to ensure that consumers of gas in those new gas supply areas are not paying great variations to what other people in Victoria will be paying for the supply of natural gas.

I mention two other quick points about tariffs. It is worthwhile recording that the government has significantly reduced the network tariff rebate payable to people in country Victoria. Three years ago that figure was $134 million, last year it was $57 million and this year it is down to $34 million.

Hon. Bill Forwood — And next year, according to the budget papers, nil!

Hon. P. R. HALL — As Mr Forwood says, according to the budget papers, zero. This is a significant issue. I can say with certainty that because of the reduction in the network tariff rebate many consumers in country areas in Victoria will be paying significantly more in their electricity costs in the forthcoming year.

Hon. T. C. Theophanous — Whose fault is that?

Hon. P. R. HALL — We had a system in place to ensure that they paid the same amount. We had those support systems in place. This government has eroded them, and I have indicated the figures by which the erosion has taken place.

Hon. J. M. McQuilten interjected.

Hon. P. R. HALL — I am happy from my point of view in my electorate in Gippsland that if we are reflecting the true cost of distribution then because we live next to the power station the distribution cost should not be significant for us.

Hon. J. M. McQuilten interjected.

Hon. P. R. HALL — I am agreeing entirely with the member that there should be an appropriate system to equalise the cost of electricity across the state. That is exactly what the network tariff rebate is designed to do, to equalise it so that the price in Mildura is the same as the price in Morwell. I agree that that should be so. What is happening is that that subsidy or support to equalise prices has been significantly eroded and will be zero next year. People in parts of country Victoria will be paying more because of the deletion of this particular rebate. That needs to be put on the record in the context of this debate when tariff orders are to be abolished.

I turn to clause 9 of the bill, which deals with the rating of electricity generators. As indicated by Mr Forwood, the Liberal Party has concerns with this, and The Nationals have serious concerns with it. During the committee stage I will be moving an amendment to delete clause 9 of the bill. During the second-reading debate I need to put on the record some of the reasons for doing so. As Mr Forwood has indicated in his contribution, clause 9 will enable owners of wind farm developments to negotiate with their local council to make a payment in lieu of paying a full rate based on the capital improved value of the land. That option is now available to brown coal generators in the Latrobe Valley, but their cases are different.

I go to this issue, firstly, by talking about wind farms, because it has been suggested in this house by government members that The Nationals are very anti-wind farms. We have consistently been accused of that, and I want to set the record straight and clearly put our position on wind farms. We say first of all that wind turbines by their sheer size vary the natural landscape in a very significant way. Wind turbines are typically 110 metres tall, which is the equivalent height of a 40-storey building. It is therefore undisputable that the presence of wind turbines will have an impact on the landscape of the local community. We say therefore that having these enormous wind turbines on the landscape is a pollution for the local community. The government also acknowledges that wind turbines pollute the landscape, given the fact that the government has come out and said — —

Hon. T. C. Theophanous — 'Pollute' is not the right word to use.

Hon. P. R. HALL — Yes, it is. They vary the landscape, and a variation of the landscape is a pollution. You can pollute things in a whole number of ways, and I say you can visually pollute things and that the presence of wind turbines is a pollution of the landscape and its value to the area in which they are located.

Mr Viney — In all cases?

Hon. P. R. HALL — Let me finish. The government also acknowledges this, and consequently the government has a policy whereby it will not put any wind turbines along the Great Ocean Road. Why? It acknowledges the great landscape value of the Great Ocean Road, so it is not going to pollute that particular landscape. It is the same with national parks: the government has a policy that it will not put any wind turbines in national parks. It is an acknowledgment that they detract from the value of the area and pollute the landscape. That pollution has its strongest impact on areas renowned for their natural scenic values. So I advise Mr Viney that wind turbines pollute the landscape in all cases, particularly in areas of high scenic value. All of our coastline is of high scenic value, and I do not think you can separate one area from the other, therefore it is indisputable that wind turbines pollute the landscape values of the Victorian coast.

That being said, the Nationals also acknowledge the fact that the value of wind farms lies within their ability to produce electricity without producing greenhouse gas emissions. We need to get a balance between those things. We have to weigh the pollution of the landscape against the pollution caused by the emission of greenhouse gases.

That leads me to the position the Nationals have taken on wind farms. First of all, we ask the government to give the planning process back to local government and to let local communities, through their local councils, decide if they want wind farms or not. If a local council around Ararat, for example, is happy to have the wind farm, so be it — let it go ahead. If a local council down at Portland as the representative of its community wants a wind farm, so be it — let it go ahead. But let us give that planning power back to local governments so that local communities can make the decisions. The Nationals are not opposed to wind farms, but we say that people should make the decision locally.

The second point we make is this: we believe there are more efficient ways of meeting future power needs than relying on wind energy. I say this because the government's target for 2006 is to have 1000 megawatts of potential capacity from wind farms. Wind farms operate on about a 30 per cent capacity rating — the government's own documentation tells us this — so a potential capacity of 1000 megawatts translates to 300 megawatts of actual capacity. If the government's target is reached by 2006, wind farms will be expected to put 300 megawatts of electricity into the Victorian grid.

That is the equivalent of a very small gas-fired power station. Loy Yang B recently put out a 300-megawatt gas-fired power station. Duke Energy down near Bairnsdale has a small, 90-megawatt gas-fired power station, and it has absolutely no impact on the environment whatsoever. When I tell people that Bairnsdale has a 90-megawatt gas-fired power station, they ask where. They do not know of it, and it is just on the outskirts of the town.

Hon. T. C. Theophanous — It runs for a few days a year.

Hon. P. R. HALL — If you are talking about wind farms as a base-load generator, once again you cannot control the output of those because of the variability of the wind, so you cannot rely on having a consistent stream of 300 megawatts from wind farms coming into the system as base load. For base load you have to have a reliable, consistent supply.

Hon. T. C. Theophanous — You might get up to 1000.

Hon. P. R. HALL — At times you might, but your document — your wind farm planning guidelines, the department's own publication — says they operate at 30 per cent capacity. So if you have 1000 megawatts of potential capacity, you will only have 300 megawatts of actual capacity on average.

Mr Viney — You have some explaining to do to the people in the gallery, Peter. Why do you oppose wind energy?

Hon. P. R. HALL — You have not been listening, Mr Viney. Do you want me to repeat it just for the people in the gallery? Is that what you are asking me to do? You are trying to distort what I have just said. I said we are not opposed to wind farms. We say local people should decide, not the people sitting here in Melbourne.

Mr Viney — You just do not want it to happen.

Hon. P. R. HALL — You can keep saying that, but somebody who goes back and reads through the course of this debate will just see how illogical your interjections are.

Let me say this as well: in terms of meeting our future energy needs it would make far more sense for the government to locate a small number of gas power stations around areas of country Victoria, like the 90-megawatt gas-fired power station in Bairnsdale I spoke about. If we had a 90-megawatt gas-fired power station in South Gippsland, for example, it would become economical to run natural gas through South Gippsland because it would have a significant, major user. That could happen in other areas of country Victoria where there is no natural gas reticulation: put a major user, a gas-fired power station, in those areas and suddenly the reticulation of natural gas to those areas would become viable.

Hon. T. C. Theophanous — You have no idea what you are talking about.

Hon. P. R. HALL — That's your usual defence, isn't it? When Mr Theophanous cannot argue against the logic he just makes those rash statements like, 'You do not know what you are talking about'. That is just a bluff to cover his ignorance.

Let me sum up by saying this: in respect of wind farms we are happy to have them if local communities want them. That is why the planning provision for them must be given back to local councils. The future of renewable energy rests with the supplementation of power at the point of use rather than the wholesale input into the grid. By that I refer to solar panels and supplementation through solar-assisted generation at the local level, at homes.

I know the minister has been down to open a wind generator at a hotel on the Mornington Peninsula. That is a good innovation; that is using a natural resource — wind — to supplement power use — —

Hon. T. C. Theophanous — It goes into the grid.

Hon. P. R. HALL — Yes, but it goes into its use, doesn't it? It offsets the use of that facility.

Hon. T. C. Theophanous — You said it should not be going into the grid.

Hon. P. R. HALL — As wholesale, in volume. If you are going to argue, argue logically, Mr Theophanous, not with the illogical, spurious points you try to raise.

Let me come to the rating provisions. I know that brown coal generators in Latrobe Valley are able to negotiate with local councils to make a payment in lieu of paying full rates based on their capital improved value (CIV) method. That results in them paying about 12 per cent of what they would otherwise pay — that is the figure at the moment. We can conclude from that that because the process for wind generators to negotiate payment in lieu of rates will be exactly the same, clause 9 suggests that wind farms will actually get an 88 per cent rate concession.

I have to say I support the payment in lieu of rates for brown coal generators, but I think their circumstances are different — —

Mr Viney — But you don't for wind farms?

Hon. P. R. HALL — That is correct; because they are different.

Mr Viney — But you support wind farms!

Hon. P. R. HALL — Let me say this, Mr Viney — listen to my argument; you can have the chance to say what you want after I have finished — first of all, historically brown coal generators never paid rates because they were on public land and were publicly owned.

Hon. Bill Forwood — Owned by the government.

Hon. P. R. HALL — Yes. Under the Kennett government — prior to the generators being privatised — a process was implemented whereby they made a contribution to local government rates.

Also brown coal generators provide 7000 to 8000 megawatts of the electricity used by Victorians each day — and electricity is an essential product, so we need the brown coal generators.

The small contribution that wind is going to make to the use of power in this state is not significant and not vital. As I have said before, we believe that there are other ways that we can increase our power use, particularly by the better use of gas power stations.

Wind farm operators have always paid full local government rates. The Stanwell Corporation has a wind farm in Toora, and it has been happy to pay full council rates based on capital improved value. I would be interested to know if it has approached the government — it has never approached me — as to whether it finds this a particular burden on its operation; to my knowledge it has not. Every other wind farm developed in Victoria, including the wind farm at Challicum Hills — as Mr McQuilten would know — pays CIV full government rates. Have the wind companies come to the government and suggested that this is an unfair burden on our cost structure? I do not know. We certainly have not seen any evidence of this.

Wind farms were planned on the basis that they would be constructed on private land and mostly leased from private people with the full knowledge that they would be paying full council rates. For historical reasons, therefore, in relation to brown coal — —

Mr Viney interjected.

Hon. P. R. HALL — Are you now suggesting that brown coal power generators should be paying full rates, Mr Viney?

Mr Viney interjected.

Hon. P. R. HALL — I have just put the argument! I will go through it again for Mr Viney's sake. I have said that historically, brown coal generators were built on public land, were owned by the government of the day and had never paid rates. When those brown coal generators were planned and built, there was no expectation that they would ever pay rates. It is quite the contrary situation to wind farms. When they started to be built around Victoria, they were built on private land — —

Mr Viney interjected.

The PRESIDENT — Order! Mr Viney will have his opportunity!

Hon. P. R. HALL — They were built on private land by private companies that had full expectations they would be paying full CIV rates. That has been the case to date. I do not know why we are making the concession at this point in time. People who live in those municipalities where wind farms are going to get an 88 per cent concession in rates are going to be the losers and their rates will be cross-subsidising the operation of those wind farms. We can argue more about this when we debate clause 9 in the committee stage; at that point I will be moving to delete clause 9.

I want to deal with the smelter reduction amount that is in clause 20 of the bill. The Nationals will be supporting the amendment to be moved by the Liberal Party in respect of this, because the amendment simply ensures that the Treasurer of the day honours a promise that he has made in previous legislation. It is quite appropriate. We had land tax legislation before this house just a week or so ago in which the Treasurer made a black-and-white promise that the smelter reduction amount would be reduced to zero. Consequently, we should have that promise in relation to this legislation. There is no reason why the government should not support this legislation, given that it will be purely honouring a promise given by the Treasurer.

There are a number of other technical amendments, but they are quite complex, and I do not need to deal with all of those individually. In conclusion, let me re-emphasise that we are not opposed to the provisions in this bill relating to the significant use of the Gas Industry Act. We are not opposed to the revocation of most of the electricity and gas tariff orders. We do feel very strongly about the granting of a very significant rate concession to wind farm developers in this state, and that is why in the committee stage we will be moving to delete clause 9 from the bill.

Mr VINEY (Chelsea) — I would like to indicate my support for the bill before the house. In particular I want to take the opportunity to discuss the particular issues associated with wind farms and pick up on the comments of Mr Hall in that regard. I find it extraordinary that on two occasions this week, Mr Hall has been arguing in this chamber essentially against sustainable energy. He claims to support wind farms, but he wants to put a number of impediments in the way of wind farms.

He claims to believe, along with The Nationals, in competition policy, but he wants to suggest that brown coal generators should have some kind of advantage over sustainable energy generators, and what is extraordinary is that on the two occasions on which he has claimed that in this chamber this week there have been school groups in the gallery. We well know that young people are extremely interested and concerned about energy, greenhouse gases and global warming, yet Mr Hall and The Nationals are not prepared to support important changes and policy initiatives of this government to encourage wind farm and sustainable energy generation. It is extraordinary that on both occasions he has done that, by coincidence there have been school groups in this gallery.

Hon. P. R. Hall — I don't know what that's got to do with it!

Mr VINEY — Mr Hall needs to talk to young people about their basic concerns for the future of not only this country but the planet. If he did that, he would understand that young people want to see sustainable energy and they want a government to put in place policies that will encourage and enhance sustainable energy generation in this state, and that is what this government is doing.

I am not speaking for long on the debate because it is a Friday, but I want to pick up on clause 9 of the bill which alters section 94 of the Electricity Industry Act 2000. Mr Hall was correct when he talked about the history of rateable arrangements in relation to

brown coal generators. It is true that these arrangements were put in place initially for Loy Yang B but became important across the whole of the brown coal sector when the Kennett government privatised and sold off the very important electricity assets, particularly in generation, in this state. But the important point about the bill is that it encourages essentially what I always thought the Liberals and the Nationals were supportive of — a level playing field. You cannot have a system of rating where brown coal generators get a substantial reduction, effectively, in the amount they have to pay for rates, but wind generators have to pay the full rate. That is not a level playing field. That is not an equal system. It creates a clear disadvantage for wind generators and it is important that we put in place reasonable arrangements that encourage the generation of sustainable energy through wind farms and the reduction of greenhouse gases.

Hon. Bill Forwood interjected.

Mr VINEY — As Mr Forwood points out, it is important that we have systems in place, like the mandatory renewable energy target (MRET), which encourage the development of a new industry. Despite the views of some of his colleagues I believe Mr Forwood supports it; it is important that that is in place. But you cannot then put on top of those sorts of encouragements an uneven playing field in relation to rates. The other point is that while some companies may have entered into varying arrangements with local government in relation to rates, it is important to put in place a regime now that creates some certainty for generators so they can understand what they are doing and be able to invest with a degree of certainty and understanding.

The government has also indicated that a review of these arrangements will take place and that interested stakeholders — generators, councils and communities — are given an opportunity to have some input into it. This is one of the most important elements of this bill, which is otherwise reasonably technical, but I want to put on the record that in the range of my policy interests I am very concerned to ensure that we approach an energy policy in this state that is aimed at reducing greenhouse gases. I am a supporter of this country's signing the Kyoto protocol, and I am very disappointed that The Nationals and the Liberal Party in this state have put no pressure on their federal colleagues to do that.

It is fundamentally important for the future of not only this state but also of this nation to be a part of an international effort to reduce the reliance on greenhouse gases and to start to tackle the issues of global warming. It is very important to do that locally as Victoria's initial contribution to that process. This provision is one very small part or brick in building a sustainable future for energy, a sustainable environment and a sustainable economy in this state. Having had the opportunity to respond in particular to those matters relating to wind farms, I for one commend the bill to the house.

Hon. J. A. VOGELS (Western) — I would like to make some comment on this energy bill before the house today. In Victoria we are blessed with an abundance of retrievable energy resources. We have coal, gas and oil, and now we are dabbling with wind, and we also have companies out looking at wave or tidal power. To me it is pointless, my having listened to the debate that has gone on, to argue about who did or did not privatise the State Electricity Commission of Victoria. We all know the history, that the process was started in the Cain and Kirner era under former energy minister David White, and there is no doubt that the Kennett government in its time fully privatised the rest of it. There is also no doubt, except in the minds of a few hardheads walking around, that that situation will never change. These companies will not come back into public ownership; they will stay privatised, so we might as well get over that and talk about what is really happening out there.

There is also no doubt that even though this country's energy resources are privatised, the government needs to play a leading role in making sure that rural and regional Victoria especially is connected to power and gas supplies. It was good to see in the budget $70 million for connecting rural and regional towns to gas. However, $70 million, as we know, is only a drop in the bucket, and over the years many more millions of dollars will need to be brought forth by government to make sure that rural and regional Victoria does not drop behind. Being connected to natural gas is imperative if your town is to survive in the future.

It was interesting to recall that before the 2002 election, Labor ministers were running around all over country Victoria promising natural gas to every town where they got out of their cars. Up to this stage no towns have been connected — —

Hon. Bill Forwood — Say that again — no towns!

Hon. J. A. VOGELS — No towns. I think Bairnsdale has been tipped to be the first one off the mark, but we know about this government's form on its promises. We are still waiting for the fast rail, which was promised in 1999 — that is five years ago, yet not a spike has been driven. Nothing has happened; there

are no trains out there running any faster than they did before.

Councils have been encouraged to put in for connections to natural gas and every council in Victoria probably did that. They have spent tens of thousands of dollars on putting in submissions to the government knowing full well that they will not be connected. They were caught between a rock and a hard place, because if you live in Camperdown or Terang or Mortlake or any town like these —

Hon. Andrea Coote — Great towns.

Hon. J. A. VOGELS — Yes, they are great towns. The people want gas, so they put a lot of pressure on their local councillors to put in submissions, and if they did not, they would be hauled over the coals for not doing so. The councils have put in submissions, but will they get gas? No.

If it did one thing, the Longford disaster focused our minds on it being not good enough to have one gas supply to Melbourne — that is, one pipeline feeding the grid. The Kennett government had the ability to deliver services, so it started a process and built another gas facility at Iona near Port Campbell. Within 18 months there was a pipeline coming from the Port Campbell fields to back up Melbourne's supply from Longford in Gippsland. If there is another disaster we have two supplies to pick from.

In the last 12 months or so the pipeline from Port Campbell has been extended to Adelaide and another pipeline has been built from Longford to Sydney in New South Wales. Basically all Victoria is hooked up to a grid that circles Australia.

The major issue I want to talk about is local government rating and wind towers. It has been fairly well done to death already, so I will just make a few comments. We are told that at least 1000 wind towers will be put up over the next few years. As someone has already said, wind towers are enormous, as high as 40-storey buildings — that is, over 120 metres in height. Councils are concerned about how they will be able to set rates for the land these towers are on. As we know, wind towers are usually built on private property, although sometimes they are built on Crown land. Wind generators are now discussing with councils such as Ararat Rural City, Moyne and no doubt South Gippsland how to rate these wind towers.

In this bill the government has come up with the suggestion that generating companies, in lieu of paying rates, negotiate with councils to pay a certain amount. That has been mentioned as about 12 per cent of the capital improved value of the towers, because apparently that is what happens with brown coal generators.

It is important that we get this right. We all believe in green energy and sustainable power and things like that, but sometimes you have to wonder about the cost. We know that wind-generated energy is about three times the cost of brown coal energy, so obviously wind-generating companies can survive only on subsidies, tax breaks et cetera. There is also an issue with the commonwealth saying that if a generating company is not providing 2 per cent of energy in a renewable form by the year 2010 it will be fined. To avoid that they are spending money on testing wind energy. That is important, but it is all built on subsidies and tax breaks. Now it seems the next break they will be getting is a break on rates, so it is subsidy after subsidy.

Someone mentioned young people, and there were some young people in the gallery this morning while members were speaking about renewable energy. When I talk to young people I find that they are all very interested in green power, and so they should be. They say, 'We want green energy'. But if you say to them, 'Would you be prepared to pay three times the cost of the electricity bill you are paying today?' they say, 'Definitely not! Why should we?'. Well, that is the actual cost of generating wind power. These things also need to be spelt out. Yes, we need to investigate and come up with other renewable energy resources. In the future I think it will be wave or tidal power rather than wind generators. I do not believe wind generation will be the way to go because it is too expensive. Although I have not been to California, I am told that lots of wind farms are now lying idle there. We need to dabble and find out about renewable energy resources other than coal.

So the opposition is concerned about the rating of these wind towers. Councils are obviously very interested in how they are going to collect rates from these towers, and the opposition intends to move amendments during the committee stage on that issue.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I thought I would take the opportunity to reply to some of the issues that have been raised during the second-reading debate in the hope that it will assist when this bill goes into the committee stage. A number of issues were raised by Mr Forwood and Mr Hall, and perhaps I should go through the five main parts of the bill briefly to try to answer some of the questions that might arise.

Mr Hall correctly identified those five major areas of the bill that are important, and I will begin with the first of those, which is the significant producer legislation component. This is fairly straightforward; it followed a review by the Essential Services Commissioner and reflects the fact that there is now more competition in the provision of gas because of more diverse sources of gas, the building of the hub, which means that we can bypass Longford, a number of other sources coming up out of the Otways and the pipelines going around the various states. So I think that is non-controversial and is supported by both sides of the house.

The second part relates to the tariff orders. I make the point that many of these tariff orders are redundant, and we should not confuse the tariff orders with what might be called the safety net because the safety net legislation is still in place and will remain in place until 31 December of this year.

Hon. Bill Forwood — Until you bring in a bill to extend the date.

Hon. T. C. THEOPHANOUS — The point I am making is that the safety net legislation is the way in which we would control retail pricing going forward, if we felt the need to. The four-year pricing agreement is also in place. I make the point because we have been criticised about uniform tariffs and so forth. If you look at the four-year pricing agreement and the way that it is structured as, if you like, a price to beat that is out there in the marketplace, any retailer who wants to try and attract a customer really has to beat that four-year pricing structure. In that sense it almost takes the role of a maximum uniform pricing structure which, looked at from the point of view of the consumer, is the fall-back position of what you would pay, but you can also go out and try to negotiate something better than that. So in a sense, from the point of view of the consumer, we have the best of both worlds. Consumers have certainty about prices over four years, and in fact, as members have indicated, prices for electricity at least will be reduced in real terms over that four-year period — and we are also stabilising gas prices over that four-year period — but that does not mean that consumers cannot go out and negotiate something better than even the government has been able to negotiate over that time.

Hon. P. R. Hall — It is interesting that there was a different argument when you were on this side of the house.

Hon. T. C. THEOPHANOUS — Mr Hall, I think the idea of consumer protection through some sort of pricing structure was always something that both I and the Labor Party supported and I think it is built into these new sets of arrangements.

Hon. P. R. Hall interjected.

Hon. T. C. THEOPHANOUS — The point has been made by Mr Hall about the network tariff rebates, and I must say that this was an attempt to overcome structural inequity that was built into the system. It has cost the state budget over $200 million over the period that it has been in operation. It is reviewed on an annual basis in order to try to mitigate the effects of those structural inequities so that country Victorians do not feel the impact of those too much.

The third area which has been raised is the area of wind farms. This issue will be raised when we go into the committee stage, I am sure, and will create considerable controversy, but let me say that the government makes no apology for it. We had a look at this, and it is about equity. As Mr Hall has already indicated, we have put in place a set of arrangements which were agreed upon and supported by both sides of the house in relation to the brown coal generators in the Latrobe Valley. It was based on the principle that here was this massive piece of infrastructure that was worth a lot of money and which provided an essential service for the people of Victoria, and we needed to somehow rate it in an appropriate way, and so a formula was agreed upon.

What this simply does is extend that principle to, in this case, wind farms, but it could be any generating facility — in fact it could even be a gas-fired generator if it was on leased land — that would encounter similar kinds of problems and would be able to access the same kinds of arrangements. It is saying that the whole energy industry ought to have access to these arrangements for negotiating a cost for rating. We think that is equitable; we think it is fair. If you have a look at it you see it is based on a very clear process. In the first instance negotiation takes place between the council and the wind farm owner and that negotiation will either — —

Hon. Bill Forwood — Is that the owner of the land or the wind farm developer?

Hon. T. C. THEOPHANOUS — The wind farm developer. There is a prior negotiation between the wind farm developer and the owner of the land which sets the stage for things that affect what is rateable as a wind farm, like what part of the land is involved, how big the land is and what sort of land it is. The wind farm developer is then able to go and negotiate with the council. If agreement is not able to be reached with the council in a negotiated settlement, they can agree on an

arbitrator. If they cannot agree on an arbitrator, the final fallback position is that the chairman of the Victorian Grants Commission would take up the issue and he is required in hearing the case and determining the issue to be mindful of the decision in relation to Loy Yang B. That is the kind of process that is there, and it is available for all generators.

In addition to that the government decided in respect of all these arrangements, which have been in place for some time and which are due to expire on 30 June 2005, to consider whether there was a need to review the whole process and all of the arrangements in order to establish a clearer methodology and reasonable outcomes for both councils and developers. What we have decided is that a review will be conducted under the Local Government Act in which councils, generators and developers will be able to make submissions. That review will determine how this issue will be dealt with beyond June 2005 to try to come up with an equitable settlement. We think the way wind farms will be dealt with in the future is fair and reasonable. They will be treated as a generator of electricity.

I must say there is a lot of misinformation about the contribution of wind farms. Wind farms are an important part of our trying to mitigate the amount of pollution that goes into our atmosphere. Mr Hall has talked about averages. If we did have 1000 megawatts of installed wind power capacity we could expect on average for a whole year, depending on wind speeds and locations, somewhere between 300 and 400 megawatts of energy to be produced from those wind farms. The important thing here is that those 300 or 400 megawatts of electricity would be produced without pollution. That is the whole point. Members should just understand that would be 400 megawatts of electricity — and we are aiming to get even more than that if we can — and that if you get to 500 megawatts of electricity that would be half of what is generated by Loy Yang B — and Loy Yang B and other power stations down in the Latrobe Valley put a significant amount of pollution into our atmosphere.

We have some responsibility to children, to our community generally and internationally, to try to reduce the level of pollution going into our atmosphere. I was very pleased to see that the federal Leader of the Opposition, Mark Latham, has committed a future federal Labor government to signing the Kyoto protocol. Let me make this clear: when that occurs we will have even further responsibilities to meet here in Victoria. This idea of somehow putting wind power on the backburner is just not on now from our point of view. We will continue with pushing to get wind power up. I must say the idea that you could put in a peaking gas-fired generator to replace wind power as has been suggested by Mr Hall is just nonsense.

Hon. P. R. Hall — Why is it nonsense?

Hon. T. C. THEOPHANOUS — First of all, the cost structures are completely different. The peaking generators for gas are really designed to run for a few days a year, when there is a peaking problem. The difference is that wind farms run all the time — they run throughout the year — and they run better when the wind is stronger. They are producing energy all the year round. It means we then do not have to use, say, some of the valuable water in our storage systems to produce electricity or have to use the other ways we would normally go about producing electricity on any particular occasion. They are very important matters, and we want to facilitate them. That is what this bill does.

Finally let me talk very briefly about the smelter reduction amount. We will discuss this in the committee stage, and I am happy to put the arguments at that point. Let me say that the smelter reduction amount is something that we will be setting to zero. The arguments that have been put are not in any way substantive since both sides agree that it will be set to zero.

Hon. Bill Forwood — So you should support the amendment!

Hon. T. C. THEOPHANOUS — I support the comments that have been made by the Treasurer, which amount to the same outcome as the honourable member is talking about in his amendment. In any case, as he would be aware, there are other reasons why it would have to be set to zero anyway, which I do not want to go into here. We might agree to disagree on that particular one. I hope that once we get through the committee stage the house will be able to support this very important piece of legislation.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

The CHAIR — Order! Mr Hall, to speak on clause 1 and his amendment 1, which will test his amendments 2 to 4.

Hon. P. R. HALL (Gippsland) — I move:

1. Clause 1, page 2, lines 3 to 5, omit all words and expressions on these lines.

Amendment 1 standing in my name will test amendments 2, 3 and 4. The essential component of these four amendments is the omission of clause 9 as per my amendment 4.

In speaking to my amendment 1, the argument is really about whether clause 9 is omitted from this bill. I propose to put my case for the omission of clause 9, but in doing that I indicate to the committee that I am arguing generally about the issue here notwithstanding that once we get to debate clause 9, particular parts of it will be scrutinised by the committee then.

As I have said, and as I also indicated in my contribution to the second-reading debate, it is the view of The Nationals that clause 9 should be omitted. It puts in place a structure whereby wind farm developers may negotiate with local councils to make a payment in lieu of rates. The minister, in summing up the legislation, indicated the process that would be followed. Firstly, they will sit down with local government and try to negotiate a payment in lieu of rates; secondly, if that fails, they will agree to appoint a mediator; and thirdly, if an agreement cannot be obtained, then the chairman of the Victorian Grants Commission will adjudicate on the process. That process is set out in the Electricity Industry Act 2000.

Let me run through some of the arguments again — and I am going to try to do this as succinctly as I can. We say there are some historical reasons as to why brown coal generators should be treated differently to wind power generators. Brown coal generators have a long history in Victoria. They were built on public land and were owned by the government of the day — they were publicly owned companies — whereas wind generators have been built on private land and have been privately owned from day one.

Wind generators were planned with the full knowledge that their operators would be required to pay capital improved value rates, and to my knowledge, they have been pleased to do so at this point in time. I reiterate I have never heard a wind generator operator come to me and say that it should receive a subsidy on the rates it pays. If the minister has contrary evidence, I would be pleased if he would put that before the committee.

The minister said this issue is all about equity and that brown coal generators, and indeed all other forms of generators, should be treated on an equal basis — that is, if brown coal generators have access to a concession through a payment in lieu of rates, then so should all other forms of generators. I put it to the minister that wind energy already has a significant subsidy provided to it through having a guaranteed market via the mandatory renewable energy target (MRET) agreement. So it already has a running start and an indirect subsidy by having a guaranteed market for its product, which is charged at the rates of generation. As Mr Vogels said, that is far in excess of the cost of generation of other forms of electricity. Therefore, it already has a running start in terms of the equity balance.

The minister also commented in his summing up on the contribution that wind might make towards our future power needs and its use in mitigating against future greenhouse emissions. I acknowledge that. The virtue of renewable energy like wind is that there are no greenhouse emissions, at least in the operation of the facility. But there needs to be a balance. The minister suggested that if we get 300, 400 or maybe 500 megawatts of wind generation in Victoria, then it will start to make an impact in terms of meeting our demand for electricity.

If there is going to be 500 megawatts of actual output from wind generators, let us put what that means on the table — it actually means 750 turbines, each with a 2 megawatt capacity, in the state because of the 30 per cent capacity of those turbines. To produce 500 megawatts there will need to be 750 of these particular turbines. What do we have in Victoria at the moment? There are 45 at Challicum Hills, there are 30-odd on the western coast, so there will need to be a jolly lot more of these wind turbines in areas of Victoria.

I have no objections to wind farms if local communities can agree to their positioning. I would be the first to support Challicum Hills in Ararat, because that positioning was an amicable agreement in the local community; and others in Portland. I understand Glenelg shire is strongly in favour of wind farms — so be it. I have no objection to that, but you have to go back to the local communities and get their agreement. I have to admit that we need to acknowledge in this debate that there is a fair bit of local opposition to wind farms, particularly in parts of my electorate in South Gippsland.

That is a bit of the not-in-my-backyard syndrome, but I say this to the minister and the committee: if country people could see a far more even distribution of wind generation facilities around Victoria, they may not be quite so opposed to wind farms. For example, if Mr Viney is so keen on wind generation, I suggest to

him that Olivers Hill in Frankston South might be an excellent place to put a wind generation facility — there is plenty of wind on Olivers Hill in Frankston South. I say to the Premier that I know it gets very windy along the shore in Williamstown. If there were wind generation facilities down there, if there were a fairer and more even distribution of wind farms right across the state, then I do not think some of the country people would be quite so opposed to them. The Minister for Energy Industries has told me before that that is a stupid idea because these are populated areas. For country people our backyards are the paddocks and hills, and that is where we live, so let us have fairer distribution. If it is good enough to have these monstrosities imposed on our backyards, then it is good enough for other people as well.

I do not think we can run away from the facts. If the minister wants to argue this in terms of equity, wind farms have a running start because of the mandatory renewable energy target subsidy provided to them. There are sound historical reasons for them to be treated differently to brown coal. The minister also made the point that electricity is an essential service and that brown coal was established because it is a very big and cost-effective producer of electricity in this state. Given the historical background that those facilities were publicly owned on public land, then I think payment in lieu of rates was fair enough in that case.

We believe wind farms already receive a fair bit of subsidy through the MRET arrangements that have been agreed to and are in place. I know the minister would like that target to be increased, but nevertheless that is a decision of the federal government and not the state. The Nationals do not believe that people and ratepayers in the communities where wind farms have been established are prepared to allow this level of subsidisation to occur. To again put it on the record, we are looking at something like, if the example of the brown coal generators is used, an 88 per cent subsidisation of rates. I do not think that is wearable, I do not think it is acceptable and I do not think it is necessary. That is why I urge the committee to support my amendment to omit clause 9 when we get to it.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I will take this as a general discussion about the issue and in the spirit of the way the committee stage is meant to work I will try to find some common ground between us. The Honourable Peter Hall has indicated that in principle the National Party does not oppose wind farms so long as they are in the right location — I take it by that he means a location which is somehow acceptable to the National Party or local communities and so on. This is about balance, it is about competing forces, and in the end it is about governing and offering some strategic direction. I have indicated to the chamber that the government is intent on trying to, as part of the mix of energy we have, bring more wind energy into the state.

In doing that we are trying to provide some guidance along the lines Mr Hall has raised with me. We have done this by introducing the wind atlas to get people to understand where there might be opportunities that would have a lower impact in terms of wind. We have also introduced more streamlined processes for wind farm development. That is all part of moving the industry in a way that enables it to take up opportunities which are not along sensitive parts of the coastline but in other parts of the state. In that sense we can reach some kind of common ground on this issue. There is a balance in allowing input from local communities and having strategic state objectives. We have tried to reach that balance in the way we have approached this, but we are not prepared to completely give this up to local councils. As in some other situations, that can lead to outcomes where we cannot get the broader strategic state direction in place in the way we would like to.

Mr Hall mentioned something about historical reasons and talked about publicly owned assets. The truth is that if somebody wanted to build a new, private coal-fired generator in the Latrobe Valley, speaking hypothetically of course, surely Mr Hall would not be suggesting that because it was privately owned and new that generator should be required to pay 100 per cent of rates while the generator sitting next to it was paying a significantly reduced amount. I cannot accept the argument about the historical background or the fact that when they began they were publicly owned. They are no longer publicly owned, they are in the private sector, and I cannot see why one asset which sits in the private sector should be treated differently to another asset which also sits in the private sector.

Mr Hall made a point about the mandatory renewable energy target and wind farms having a guaranteed market through MRET. Technically that is not correct. In fact one of the issues wind farms face is precisely the problem of trying to get a distributor and a retailer prepared to purchase the power. Power purchase agreements are one of the most difficult things for wind farms to negotiate. MRET simply says that if you can negotiate a power purchase agreement, you get the government subsidy for it.

Whilst I cannot agree with the position that has been put by Mr Hall, I acknowledge that we can have a meeting of minds in relation to wind farms in appropriate locations.

Hon. BILL FORWOOD (Templestowe) — Briefly I want to say that the Liberal Party supports the use of renewable energy and wind farms, particularly if they are put in the right locations and have the support of the communities that are around them. However, we remain concerned about the clause as drafted: firstly, about its appropriateness; and secondly, and more specifically, about the details of it, which we will deal with later. For those reasons we will be supporting the amendment moved by The Nationals.

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

Ayes, 20

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

Noes, 17

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

Pairs

Buckingham, Ms	Davis, Mr P.
Hirsh, Ms	Brideson, Mr

Amendment negatived.

Clause agreed to; clauses 2 to 8 agreed to.

Clause 9

Hon. BILL FORWOOD (Templestowe) — Given that it is now apparent that the clause will pass as the amendment proposed by the National Party has failed, it is appropriate that we try and work out how it is actually going to work. Could the minister advise the committee how land used for generation functions in relation to a wind farm will be defined for rating purposes?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — As I indicated in my introduction, there are two sets of negotiations that occur. One set of negotiations is between the landowner and the developer. In that context what will happen is that an agreement is made as to which part of the landowner's land will be allocated as land for the wind farm. Those negotiations will takes place between them. Once the negotiations are settled, the council has the opportunity to rate that particular parcel of land, as negotiated between the two parties, as being wind farm land under the arrangements that come into play under clause 9.

Hon. BILL FORWOOD (Templestowe) — Can it be the whole of the farm?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I think I know where the member is going with this, but let us make something clear. The amendment will not alter the ability of a developer and the landowner to negotiate the terms of the lease and the pass-through rates basis. Even if the amendment were to create an incentive for the landowner — which I think is where the member is going — to seek to negotiate a larger envelope of land to be leased by the developer so as to reduce his own rate liability, the developer would have no such incentive. He would still have an incentive to negotiate an agreement that maximises the financial return from the wind farm.

In making this agreement, a wind farm owner is not going to want a larger parcel of land than is required for the wind farm just so he can pay a higher amount of rates to a council so as to mitigate the level of rates that might be paid on the rest of the farm — which I think is where the honourable member is trying to take the committee. So there is a disincentive for the wind-farm operator to do that.

If the committee thinks about this it is clear that this will result in higher rate revenue to a council than would otherwise be the case without a wind farm. It will result in higher rates — —

Hon. Bill Forwood — That is true, but not as much as they could get — —

Hon. T. C. THEOPHANOUS — Yes, but it will result in higher rate revenue. The consequence of that is that the incentive from the point of view of the council's negotiations with the developer would be that the developer would have to consider carefully how much land it wanted to include in the rating package, because it would be rated using the land in terms of a capital improved value of the land, and when you have a wind farm on it worth several million dollars, the capital improved value of that land is significantly higher and even with the mitigation that would occur under clause 9, the level of rates would be very much

higher than would be paid on a normal farmland rating basis.

Hon. BILL FORWOOD (Templestowe) — I thank the minister for his answer. Let me make the point that there are lots of different ways this can be structured. That is the problem. We do not have enough time in the committee stage today to go through every single one of them, but I can think of four or five different ways you can structure this arrangement.

I am not sure that the clause as drafted does exactly what the minister thinks it will do. Is the minister anticipating that an agreement between the landowner and the wind farm developer will say, 'For rating purposes we will excise the footprint of each tower and the land developer will therefore pay rates on the footprint, and agree to pay rates on the footprint as assessed separately, and the farm will pay the rates on the rest' or are you anticipating that there will just be an agreement where the farmer will pay the rates on a pass-through basis and receive some contribution from the wind farm operator?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I am advised that in normal circumstances we would expect that the footprint, as the honourable member has put it, would be negotiated with the owner of the farm, and the owner would be responsible for and pay normal farm rates on the rest of the farm. The size of the particular footprint is not the critical factor; the critical factor is the $3 million wind farm sitting on it, so the rateability of that would be negotiated by the developer with the council. They would pay rates on that particular footprint with the wind farm on it.

Hon. P. R. HALL (Gippsland) — I want to make one comment and ask one question. The minister made the comment that whatever the agreement, local councils will collect higher rate revenues overall. I say that is not necessarily the case, and the committee should understand this. From experience I know very well that in South Gippsland around Toora the neighbouring properties to properties where there are wind turbines have lost value — that is actual value, and it has been assessed by the council. Those properties have been devalued in areas where in general land prices have increased — the land adjoining land on which there has been wind turbine development has actually decreased in value. As a consequence the council has collected less rates on those neighbouring properties, so we cannot assume this provision will automatically result in an overall increase in the rate revenue collected by councils. The amount collected will be very much determined by the agreement the parties have in respect of any payments developers make in lieu of rates.

The other question I want to ask is in relation to what land will actually be subject to the negotiation for a payment in lieu of rates. The minister has said the footprint surrounding the wind turbine or component will be it, but I ask the minister about the transmission easement which would run between turbines connecting them to each other and ultimately to a grid somewhere. I ask the minister whether this transmission easement from the wind turbine traversing that farmland will also be subject to a payment in lieu of rates.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — The answer to the honourable member's question is that transmission land is non-rateable land.

Hon. BILL FORWOOD (Templestowe) — In his previous answer the minister advised 'What we would expect'. We were advised in the briefing we had that the government had not inspected any of the agreements that are currently in place between wind farm developers and landowners. I make the point that the government might expect this, but it has brought a bill before the house that contains a clause that actually has not been tested in practice. My understanding is that the government does not know what the relationship is between the wind farmers and the landowners because it has not seen the agreements. Let me make the point that it is my understanding that the wind farm at Toora is currently paying full rates. Is that correct?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I understand that the Toora wind farm has paid one year's rates, which is the rate bill that was sent to it by the local council. However, this is a very small wind farm — a 12 megawatt wind farm — and Stanwell Corporation is in any case pulling out of that operation, but it has indicated that the rate was paid for one year and it is looking to see what can be negotiated going forward as a result of this legislation.

Hon. BILL FORWOOD (Templestowe) — I thank the minister for the information, which comes as a surprise to many of us, and Mr Hall will probably take this issue further. Obviously we have a circumstance where the minister is saying that the Stanwell Corporation paid it for one year but despite that fact it would be eligible once this clause goes through to negotiate with the council to get a lower rate in the future.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — It paid the bill that was sent to it for one

year. It did not pay for a number of years going forward, and it will be covered by these arrangements.

Hon. P. R. HALL (Gippsland) — Was this particular provision as set out in clause 9 of this bill requested by Stanwell or any other current or future wind farm developer?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I am not aware of any request from Stanwell on this issue.

Hon. P. R. HALL (Gippsland) — Why was this proposed to be put into the bill if it was not requested by any wind farm developer whatsoever?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — Perhaps I should qualify the answer I gave to the honourable member. It was not requested by Stanwell; however, discussions have been occurring with a number of wind farm developers and potential developers who have indicated that this was a major obstacle to the development of wind farms in this state, and that is why we are seeking to address it.

Hon. P. R. HALL (Gippsland) — Just to make sure it is clear, this amendment has been requested by the wind energy industry. Is that correct?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — Specific sectors of that industry, important players in the industry, have certainly raised it with me, and it is part of the government's trying to address what we see as an anomaly and to bring greater equity into the system.

Hon. BILL FORWOOD (Templestowe) — I thank the minister for his answer to date. Let me put on the record that we remain very concerned about the practical aspects of the phrase 'in respect of land used for generation functions'. I think that the jury is still well out on how that is going to operate in practice, and we look forward to watching it in the future.

New subsection (8A) of section 94, which is inserted by clause 9, says a generation company:

> (a) is liable to pay rates in respect of land under the Local Government Act 1989 ...

In other words, I take it that is the Toora situation, where they own the land and are required to pay it. But it further states:

> (b) is liable to pay rates in respect of land under an agreement with the person who is liable to pay rates ...

How does the minister anticipate that will work? Is it possible for the liability of the land-holder to pass to become the liability of the wind farm operator in a legal sense?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — The clause is fairly clear. The liability is with whomever it is the council has entered into agreement with. So it could be a pass through or it could be directly with the developer, in which case the legal liability rests with whoever has reached that agreement.

Hon. BILL FORWOOD (Templestowe) — Again this might be tested in practice in the future. My concern about the clause is, as the opposition said during the briefing, it is unclear how it will operate in practice. The government has picked up a system that was suitable for brown coal generators and tried to shoehorn it into a situation of high flexibility. We do not think the words in the bill will necessarily lead to the outcome that the government thinks. I guess in some senses we will wait to see. I briefly turn to the issue of the inquiry. I think the minister said the existing Loy Yang agreements expire on 30 June next year.

Hon. T. C. Theophanous — Correct.

Hon. BILL FORWOOD — So these are the agreements that were made under section 94 of the Electricity Industry Act?

Hon. T. C. Theophanous — Yes.

Hon. BILL FORWOOD — Has this panel been established? Have the terms of reference been issued?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I do not think the terms of reference have been issued as yet. The member should be aware that this falls under the responsibility of the Minister for Local Government. A consultation process has been put in place in relation to the fact that this inquiry is taking place. As soon as there are terms of reference available I am happy to make them available to the honourable member.

Hon. BILL FORWOOD (Templestowe) — I thank the minister for his statement. I just make the point briefly that the Minister for Energy Industries, together with his colleague the Minister for Local Government, made this announcement on Wednesday, 7 April, and they were looking for a response early in the new year so, as he pointed out, the people who presumably will be renegotiating the deal that expires on 30 June will have some time to know where they are going. I make

the point that it is over a month since 7 April and the panel has not been established and the terms of reference have not been issued. I put on the record my concern about that.

It seems to us that what the government has brought to the chamber today is a stop-gap measure. By its own admission it is looking at what will happen in the future. One would have thought that in those circumstances there might have been some capacity to work these things closer and better together to see how they will actually work. Be that as it may, the Liberal Party remains concerned about the operation of this new section, particularly the relationships between landowners, developers and councils and the capacity for there to be a distortion of the rates in terms of equity between land-holders. As Mr Hall points out, the value of some people's land will go down as a result of the actions of their neighbours. The benefit which comes to the landowner with a wind farm on his land may not just be through the up-front first-up payment, or through the rent that is paid annually on the basis of the wind farm constructed on his land, but also through lower rates themselves, whereas the next-door neighbour has none of those benefits. There is the equity issue as well.

Clause agreed to; clauses 10 to 19 agreed to.

Clause 20

Hon. BILL FORWOOD (Templestowe) — I move:

1. Clause 20, line 12, after "amount" insert ", not being an amount other than zero,".

I will not detain the committee long on this clause. We all agree — and the minister has restated it here — that the government's intention is to set the smelter reduction levy to zero, and that commitment has been given. My argument is that if that is what the government wants to do, it ought to introduce legislation that does it — and this clause does not do it. This clause, which will insert section 158BA(1A), states:

> ... may authorise the Minister administering this Act to, by notice published in the Government Gazette, specify an amount for the purposes of clauses 3.3 and 4.3 of schedule 9A.2 of the National Electricity Code.

The minister can, according to this clause, set it to anything he likes. The government has expressed the intention that it will be set to zero, and frankly I believe it will set it to zero. But that does not in any way detract from my point, which is if the intention is to set it to zero, then the government should come in here with a piece of legislation that says, 'We will make it zero'. As to the drafting of the words of the amendment, I do not know why the parliamentary draftsman does it like this, but that is how he does it. It says:

> ... not being an amount other than zero.

That means it has to be zero because it cannot be an amount other than zero. The amendment we move is purely and simply to say that if the government's intention is to set it to zero, please bring in legislation that sets it to zero. Do not bring it something that says you can set it at anything you like.

Hon. P. R. HALL (Gippsland) — I add the support of The Nationals to the amendment moved by Mr Forwood. When one reads the second-reading speech, the words of the minister actually say that he is going to set it at zero. I quote the following words from page 3 of the minister's second-reading notes:

> ... payable on wholesale purchases of electricity from the national electricity market, at zero.

So the minister uses the words in his second-reading speech. Therefore, if the second-reading speech is to be accurate, the zero should be reflected in clause 20 of the bill. We are in furious agreement on this issue. Let us make sure the government honours its promise by putting it in black and white in the legislation.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I do not want to extend the debate, but I will make this point, having made a comment already to the chamber. One of the technical issues here is that all jurisdictions participating in the national electricity market have agreed that they will not override the national electricity code by way of state legislation — that is an agreement.

Drafting clause 20 in the way suggested by the honourable member to provide directly for the smelter reduction amount to be set to zero could be considered to be overriding the code. The national electricity market might take the view that this was just too smart by half in that the effectiveness of the code would be actually removed.

Hon. Bill Forwood — This is the longest bow I have ever heard of.

Hon. T. C. THEOPHANOUS — An alternative approach would have been to amend the national electricity code to remove the provisions dealing with the smelter reduction amount altogether, but given the time constraints a decision was made to utilise the existing provisions of the code to provide for the smelter reduction amount to be specified at zero. This

amendment allows the minister to do just that, and that is what he said it is his intention to do.

Hon. BILL FORWOOD (Templestowe) — I do not want to prolong the debate other than to say that this particular part of the national electricity code, as the minister knows, is of absolutely no interest to any other jurisdiction because other jurisdictions do not have a smelter reduction amount — they do not have a Portland or Point Henry aluminium smelter. I am sure the other jurisdictions are not the least bit concerned about this. The point I make is that it is a nice justification post the event that the government has dreamt up. All we needed was to set the amount to an amount not being an amount other than zero, and we would all have been far happier.

Committee divided on amendment:

Ayes, 15

Atkinson, Mr	Forwood, Mr
Baxter, Mr (*Teller*)	Hall, Mr
Bishop, Mr	Lovell, Ms
Bowden, Mr (*Teller*)	Olexander, Mr
Brideson, Mr	Rich-Phillips, Mr
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Drum, Mr	

Noes, 19

Argondizzo, Ms	Madden, Mr
Broad, Ms	Mitchell, Mr
Carbines, Ms	Nguyen, Mr
Darveniza, Ms	Scheffer, Mr
Eren, Mr	Smith, Mr
Hadden, Ms (*Teller*)	Somyurek, Mr
Hilton, Mr (*Teller*)	Theophanous, Mr
Jennings, Mr	Thomson, Ms
Lenders, Mr	Viney, Mr
McQuilten, Mr	

Pairs

Coote, Mrs	Pullen, Mr
Davis, Mr P. R.	Buckingham, Ms
Vogels, Mr	Hirsh, Ms

Amendment negatived.

Clause agreed to; clauses 21 to 25 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I move:

That the bill be now read a third time.

I thank all honourable members for their contributions to the debate.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

VICTORIAN QUALIFICATIONS AUTHORITY (NATIONAL REGISTRATION) BILL

Second reading

Debate resumed from 11 May; motion of Mr LENDERS (Minister for Finance).

Hon. ANDREW BRIDESON (Waverley) — It gives me pleasure to rise to speak on the Victorian Qualifications Authority (National Registration) Bill 2004. I say at the outset that the opposition is most supportive of this legislation and wishes it a speedy passage. I could possibly sit down now, given that I have said that, but the bill is a very important bill and it needs a little bit of explanation, so if honourable members will bear with me I will take them through some points I would like to make.

Before commencing I will thank Dr Dennis Gunning and his fellow administrators and advisers for providing a most comprehensive briefing to the Liberal opposition spokesperson and myself a couple of weeks ago. All the issues we raised during that briefing were comprehensively answered, and it certainly helped us come to the position we are taking on this bill. Perhaps I could also offer an apology to those people who have spent some considerable amount of time — I am sure they could have put their time to more productive use — waiting for this bill to come on, but these are the vagaries of our parliamentary process. I hope they enjoyed their time here last evening.

The main purpose of the bill is to implement national scheme provisions for the national scheme of registration for organisations that provide training and assessment in vocational education and training and further education. The national scheme provides for accreditation of vocational education and training and further education courses and qualifications. The Victorian Qualifications Authority (VQA) will be required to investigate all applications for registration and accreditation for vocational education and training and further education having regard to the national

standards. The authority will continue to register those matters on the existing state registers and also arrange for the details of those courses and qualifications to be recorded on the national register.

The very first paragraph of the second-reading speech states that the bill arises from an agreement by ANTA MINCO, which is the Australian National Training Authority Ministerial Council. The council meets regularly, but in November of 2002 it met and made a decision that each state would develop draft model clauses as a basis for a legislative framework which would enable a more fully integrated national system.

When one goes to the Australian National Training Authority's *Annual Report on Operations 2002–03* it actually states that one of its outputs, output 3, is guarding the quality of the national system. It describes that output and its performance. The performance measure is that they are embarking down the track of consistent legislation for vocational education and training in each state.

This piece of legislation has been in the gestation period for some time — since November 2002 — and is required to be passed by 1 July this year. These changes will ensure that Victoria meets the requirements for a national registration and accreditation scheme.

It is interesting to put on the record a brief history of vocational education and training (VET). It shows where not just Victoria but Australia is heading in relation to the skilling of Australia's work force.

In the very early days of Australia, vocational education and training had its roots back in the mid-19th century with the establishment of the mechanics institutes. As we drive around rural Victoria and Australia we are reminded of this early form of training. There was also the school of mines — and I am sure Ms Hadden is very familiar with perhaps the most famous school of mines in the country, the former Ballarat school of mines, which is still functioning under another name. We also had technical and working men's colleges, which developed the skills of Australia's working population. For almost 100 years training institutions largely concentrated on males who were working full time in a fairly narrow band of trade-related industries.

I will jump to the 1960s and 1970s — we do not need to dwell too much on the very early days of Australia — which was a period when very rapid change started to occur, particularly in industry and society. The traditional manufacturing, mining and agricultural industries started to decline in economic significance, and new industries, like communications and finance, were emerging. More women entered or re-entered education and the work force. In 1974 a very important report, the *Kangan Report on Needs in Technical and Further Education*, was published. It defined the roles and mission of what is now known as the TAFE system. Training began to change, with more preparatory and pre-vocational training, and there was a slowing growth in the traditional heartland of trade and technical training.

If I cast my mind back to my own experience, I see how the work force has changed drastically in my lifetime. The very first paid job I had was when I was a student, when I was employed by the postmaster general's department as a telegram boy.

Mr Lenders — You are showing your age!

Hon. ANDREW BRIDESON — The Leader of the Government probably could not remember what a telegram was, but back in those days — in the early 1960s — we still had telegrams. Boys had to be employed — I was just a boy at the time — to ride bicycles, and I remember riding around the streets of Moorabbin, up into the market garden and manufacturing areas, delivering telegrams. Communications have advanced rapidly and that job soon disappeared. In fact my daughters would not even know what a telegram boy was, let alone a telegram. It shows that in the space of my working life things have changed drastically and — good heavens! — what will the message of the future be in not another 40 years but the next 5 or 10 years? This legislation before us today is going some significant way toward providing the capacity for our work force to be continually educated.

We had better go back to the 1980s. The service industries continued to expand at the expense of the mining, manufacturing, construction and I suppose agricultural industries, which were TAFE's traditional territory. We had a lot of networks of private training providers largely providing training for the emerging service industries. A number of reports pointed to the need for the training system to be driven by the needs of both individuals and industry so that the economy as a whole could prosper.

I would like to add that during the 1980s we saw a significant change in secondary education. Not just Victoria but all states of Australia saw the demise of what I would call the traditional technical schools. It was a great pity, in a way, that these technical schools changed — they did not totally disappear because a lot of the trade sections of schools were absorbed into secondary colleges. I can understand the purposes for this, but it was a disappointment to many people in the

community and certainly to a lot of rural families where the teaching of trade skills would have enabled the children to work on the farm or in light manufacturing industries in rural Victoria.

One lives in eternal hope; it would be nice to see what would have to be a massive injection of funds to reintroduce, re-emphasise or go back to more traditional trade training centres in our schools. Both boys and girls in our schools would gain an enormous amount from that more traditional trade training. That is not to say there are not opportunities in our schools now. We have very sound vocational education and Victorian certificate of applied learning (VCAL) training systems in our schools.

In the early 1990s we had a lot more further research and inquiries. We had the Deveson report on training costs of award restructuring, the Finn report on young people's participation in post-compulsory education and training, and the Carmichael report, which all looked at expanding training systems and increasing young people's participation in training and consolidation of the national system.

In 1992 all states, territories and the Australian government agreed to the establishment of the Australian National Training Authority. A cooperative federal system of vocational education and training was established and there was a very important strategic input by industry. A very important partnership developed with industry and training institutes.

In 1994 we had the Fitzgerald report into the implementation of the national system, which led to some of the current elements of today's VET system, including concepts of best practice, user choice, states and territories taking responsibility for both accreditation and standards endorsement, and a stronger and more coherent industry training advisory structure.

The period of the late 1990s saw the introduction, through the federal scheme, of new apprenticeships, the establishment of the national training framework, the introduction of VET in schools and the development of training packages.

I refer briefly to a paper put out by the Australian National Training Authority. It is entitled *Shaping our Future* and is also described as 'Australia's national strategy for vocational education and training 2004–10'. I have had an enjoyable time researching this debate today by reading these sorts of papers. Australia's training system is under very good guidance, and I am extremely impressed by what I have read. It is very pleasing to see the amount of cooperation that exists between the national authorities and all of the state authorities. I do not want to go into too much length and detail on this paper. It has four main objectives that I want to put on the record:

1. Industry will have a highly skilled work force to support strong performance in the global economy.

I want to come back later to talk about the global economy:

2. Employers and individuals will be the centre of vocational education and training.

3. Communities and regions will be strengthened economically and socially through learning and employment.

4. Indigenous Australians will have skills for viable jobs and their learning culture will be shared.

Those objectives that are being put together by the ANTA board are very complementary to what the Victorian Qualifications Authority and the Victorian government is trying to achieve in vocational education and training.

In 2000 in this chamber the opposition supported the establishment of the Victorian Qualifications Authority. The purposes and responsibilities of the VQA are set out in section 6 of the Victorian Qualifications Authority Act. I have no need to go through in detail what those responsibilities are, because they are in the act for all to see.

The Liberal opposition has gone through the second-reading speech of the bill in great detail. The second-reading speech reflects very accurately the 16 clauses in the bill. We do not have any opposition to any of the procedures and processes that are outlined in the bill. I do not consider that it is worth going through the bill clause by clause, except to say that in summary**,** the bill makes provision for the inclusion of reference to the national register. It acknowledges the reciprocal responsibilities of the states and territories in relation to organisations which deliver training in more than one jurisdiction. It provides a consistent approach to the auditing of training organisations to ensure compliance with national standards**.** It also provides for greater clarity in describing offences which may occur. To date there have not been any offences and we sincerely hope that there will not be any.

The bill will make provision for the exchange of information with other states and territories. We certainly do not have any disagreement with that. The final point in the bill is that it deals with matters relating to apprenticeships and traineeships, and it will have the effect of ensuring that the contracts entered into by

employers, who provide training to apprentices or trainees, are drafted in line with the nationally agreed training contracts which have the endorsement of that ministerial council.

I want to touch on globalisation. This will be the last point that I make on that. I cannot put it in any better words than those of David Hind, who is the chairman of the ANTA board. In the *National Industry Schools Report — an ANTA Board Initiative*, dated 15 April, he talks about globalisation, networks, relationships, knowledge, integration, flexibility, creativity and aptitude. To quote David Hind:

> These are all concepts that are featuring strongly in the latest research into the changing nature of work and they are increasingly being seen as critical to our nation's success, both economically and socially.
>
> Good businesses know that a highly skilled work force is fundamental for company performance and competitiveness across the economy as a whole. Skills development is a way to attract and retain high performing staff — an important factor given the talent of the people working for an organisation ... gives that organisation the competitive edge.
>
> This high-performing work force requires heightened investment and greater take-up of training by industry.
>
> It is a truism that the world is changing. But we are at an important point in history. Globalisation is significantly changing the economies of the world, the way we do business and how we approach life.

I could go on a little more, but I think it is important to have on the record that we do live in rapidly changing times. There are all sorts of forces impacting on the Australian work force and the Australian economy, and the Liberal opposition sees that this legislation will not only enhance Victoria but will enhance the nation's work force as a whole. With those remarks I say again that we support the bill and wish it a speedy passage.

Hon. P. R. HALL (Gippsland) — The Nationals see a lot of commonsense in the bill and are happy to support it. Before I talk about the bill, I must say that I have some sympathy for those good people sitting in the advisers box. I have seen their faces around the Parliament for the last two or three days, eagerly awaiting this bill coming on for debate, and I can say to them now, through you, President, that I am not about to raise any controversial issues; so if you have seen enough of us over the last few days, you can go now.

The bill puts in place another component of the uniform national training system, and that is a concept of which The Nationals have always been strong supporters. Indeed we have been very vocal in trying to get some national uniformity across state borders in areas such as road laws and boating laws — which has been raised in Parliament before — seeking to have some commonality of those laws between states.

School holidays is another issue that still has not been resolved. The fact that New South Wales and Victoria do not have overlapping holidays is of concern to people who live on the border, and in some cases in my electorate children are attending a primary school in Victoria and a secondary school in New South Wales; poor mum and dad have kids home for 3 or 4 weeks in school holidays — rather than a couple of weeks — and the family never has an opportunity to holiday together. Those people who live along Victoria's borders appreciate the need for greater uniformity and cooperation across borders. Education is no different, and I am pleased that, nationally, we are moving towards greater recognition in areas of education and certainly in the area of educational qualifications. In recent years we have seen some improvements where both professional qualifications and trade qualifications have now been nationally recognised in various states.

The bill enables the registration and accreditation of service providers and the courses they deliver to be extended Australia-wide following registration and accreditation in one state. If, for example, an organisation is registered in Victoria, and it has met all the requirements for registration, it is then also registered nationally and can provide programs in all other states as well. Equally, if it is accredited to deliver a particular program in Victoria, then it can deliver that program in other states as well without those other states having to duplicate the effort of accreditation and registration, and vice versa. We will benefit if organisations are, for example, registered and accredited to deliver courses in Queensland, and equally they will be able to do that in Victoria.

The mechanism for doing this is by the requirement of the relevant body — in our case the Victorian Qualifications Authority — to list the registered provider and its accredited courses on the National Training Information Service. I appreciate the briefing I had, at which time I had help getting into the National Training Information Service on the Internet and it is easy to access now that I have learnt how to do it. It has a wealth of information on the types of training courses available to people and institutions that deliver those courses — for example, if I wanted to undertake a certificate III in general construction bricklaying I can type that in and find out which organisations are delivering it, where they are doing so, and it provides an easy menu for me in terms of a training choice.

The success of mutual recognition relies on confidence that you must have in all states reaching the same

standards. There are model clauses in various state legislation, agreed at Australian National Training Authority Ministerial Council (ANTA MINCO) meetings, that give us those assurances; but in addition the bill puts in safeguards which would enable any state or territory to undertake their own accreditation and registration if they felt that was deemed necessary, so I think that is an appropriate safeguard. We have talked to people about the bill, and I know the Victorian TAFE Association was keen to ensure that effort was not duplicated. After discussing the matter with that association it accepted that this measure will actually reduce any duplication of effort across state borders, so it is pleased with it.

The bill has a good deal of commonsense, it is an additional move towards a uniform, national training system right across Australia, and it is therefore a concept The Nationals have been pleased to support in the past and pleased to support today.

Debate adjourned on motion of Ms HADDEN (Ballarat).

Debate adjourned until later this day.

ALPINE RESORTS (MANAGEMENT) (AMENDMENT) BILL

Second reading

Debate resumed from 11 May; motion of Ms BROAD (Minister for Local Government).

Hon. E. G. STONEY (Central Highlands) — The Liberal Party is not opposed to the bill, but it will move a reasoned amendment and it will move two amendments in the committee stage. I am also delighted to be lead speaker on the bill, and I thank Mrs Coote, whose portfolio responsibility it is in this house, for allowing me to do that. She has done so because Mount Stirling is close to my heart. It is in my electorate, and I know quite a bit about the mountain.

The bill clearly sets out the purposes for which Mount Stirling will be managed in the future. Mount Stirling is really the main focus of the bill, and there were some other additions as the bill went along. There will now be a single board to manage and operate Mount Buller and Mount Stirling, with additional functions for the Alpine Resorts Coordinating Council and different responsibilities for the alpine resort management boards. It also provides additional powers to assist in the management of alpine resorts, and there are some other small amendments.

The bill is the next step in the long history of the modern Mount Stirling. Mount Stirling is one of the three small ski resorts in Victoria, the others being Mount Baw Baw and Lake Mountain, but more than the other two, Mount Stirling has been the locals' mountain, if you like. It has become part of Mansfield's recreational scene. It is a much loved and fiercely protected mountain, as I will elaborate upon in my speech.

It is not a spiritual mountain in the way that Mount Howitt is or Mount Bogong, which is Victoria's highest mountain, or even The Bluff. They are spiritual mountains, and people go there for a spiritual experience. I have experienced it myself. People can laugh about something like that, but I can assure them it is very real. Mount Stirling is not really like that; it is different. It is a practical alpine mountain, used by literally thousands of people a year. It is used by cross-country skiers, schools, tourists, four-wheel drivers, nature lovers, the timber industry and graziers. It is easy to gain access from the bitumen road. You go up past TBJ — Telephone Box Junction — and it gives great 360 degree views from the top, even better views than from the top of Mount Buller, which is slightly higher. It has many cross-country ski runs which double for wonderful hiking routes in the summer.

There is a circuit road that circumnavigates the mountain. Mount Stirling is really like a big ice cream cone, and the woollybutts grow at a certain altitude right around. Following the woollybutts is a logging road called the circuit road. It is interesting that over many years heavy logging has been carried out, leading from that road around the woollybutts. There are even some new coups on the circuit road, yet one day you will struggle even with a practised eye to find where that logging has taken place.

Linking each side of the circuit road is quite a challenging four-wheel drive track that takes enthusiasts from Woollybutt Saddle to the summit of Mount Stirling and across The Monument to Craig's Hut, and you can then link in to the other side of the circuit road.

Ms Hadden — What about on your horse?

Hon. E. G. STONEY — I'll get on to horses in a minute, Ms Hadden. I would be delighted to take Ms Hadden up there on a horseride. In fact, on Mount Stirling she can even have a camel ride. I am sure she would really enjoy that. I could say to Ms Hadden, 'One hump or two?'.

That Mount Stirling four-wheel drive track is moderately challenging. It is, ironically enough, one of the real attractions of Mount Stirling, because when people get to the summit car park and walk to the summit they feel they have achieved something. It is ironic that four-wheel driving on the mountain is one of the most important things that people come to experience.

I have probably painted a somewhat confusing picture of Mount Stirling. You may well ask how nature lovers, forestry workers, mountain cattlemen, four-wheel drivers, cross-country skiers and hikers can all co-exist. I make the point that for many years all these groups have co-existed on the mountain, and that is one of the things that makes Mount Stirling just so special. Mount Stirling is different. It is the best example of multi-use of an alpine mountain in Victoria.

The locals go to Mount Buller for downhill skiing, but they go to Mount Stirling for everything else when they want back country skiing, as I said, or camel riding or horseriding. They have always been happy to share the mountain with forestry operators, graziers, environmentalists and schoolchildren, and this has led to a longstanding attitude that there is room for everyone on the people's mountain, which is Mount Stirling. I would hate to see a change in that attitude, which has been forged over many decades. I make that point very strongly in all these changes, which in the main we support. Perhaps they do not go far enough, but we do support this next edition in the history of Mount Stirling. But in that process we hope the concept that Mount Stirling is the people's mountain and there is room for all will not be lost.

In 1982 Mount Stirling was used very heavily for the films *The Man From Snowy River I* and *II*, *Cool Change* and many other films and documentaries. Those films put the alpine area and the high country, Mansfield and indeed Victoria and Australia on the map. People still come from America looking for the place where *The Man From Snowy River* was filmed. I will go into that later. Many years before Mount Stirling became popular Geelong Grammar School — Timbertop — built a hut just under the summit of Mount Stirling, and that hut has played a major part in Timbertop being acknowledged as possibly Australia's leading outdoor education school. The model Timbertop has created over many years is seen as a leading outdoor education model in Australia. An interesting thing is that the Timbertop hut was just left open. Everybody that shares the mountain can share the hut. It has shared many lives and has sheltered many people from snowstorms and blizzards and summer thunderstorms. It is still open today as an integral part of the mountain.

Another hut on the other side of the mountain is the Bluff Spur Memorial Hut. I attribute its description to the Kosciusko Huts Association. I quote from its web site:

> After two young skiers, Robert Harris and Xavier Clemann, died on the mountain in 1985, the opportunity was taken to build a hut in their memory ... It was finished in 1987.

It is a very basic hut, but it plays a very important part in the safety and now the history of Mount Stirling.

From the 1970s Mount Stirling gradually evolved into a nature-based recreational mountain. People started to use the original jeep tracks, the logging roads and the timber snig tracks for hiking. They followed those tracks in whatever bent they were interested in on the mountain. Of course the main thing that happened in those years was that cross-country skiing became a mainstream sport to the point where the circuit road was closed at Telephone Box Junction, which is about 8 kilometres up from Mirimbah, where the government has announced that the bridge will be upgraded, which I applaud. I would say that the current bridge is about to fall into the Delatite River at any time.

The road was closed at Telephone Box Junction, which is known colloquially in our area as TBJ. About that time Mount Buller became interested in being the manager and took over from the former Forests Commission.

There has been one lessee on Mount Stirling for many years. Craig and Barb Jones have had the licence on Mount Stirling for 19 years. They started a cross-country ski school, built the bistro, built the King Saddle shelter, installed a hydropower system and built up an outdoor education business which services over 100 private and public schools. They have introduced thousand of students to cross-country skiing, bushwalking and mountain bike riding, and they have operated four-wheel drive tours into the alps for more than 15 years.

Mr Jones is currently the chair of the Mount Stirling Advisory Group. The family business is called Stirling Experience. I have laboured this point because I believe that over the time it has held the licence on Mount Stirling that business has not been treated well by the bureaucracy. Mount Stirling would have been in a better position if that business had been treated in a more professional and businesslike way. It is unfortunate that the mountain politics surrounding Mount Stirling, which have been rife for many years,

probably have impinged on that family business, and indirectly the development of Mount Stirling has suffered. The Joneses are very brave. Not only was it cold up there in the winter, but the economics of the venture were quite cold as well. The Joneses were and are modern-day cross-country skiing pioneers, and one day perhaps it may get better for them.

Since 1979 there have been rumblings about the downhill development of Mount Stirling. It is useful that I relate a short history of Mount Stirling back to 1979. The present bill is a benchmark for Mount Stirling. We have special legislation about Mount Stirling, so I believe it is useful to put some history on the permanent record. I am indebted to Rodney Waterman from the Victorian National Parks Association, who compiled a chronology of Mount Stirling from 1979 to 1997. There is probably no better documented history of the mountain than his. It was written in 1997 while the issue was at its peak. I will paraphrase what Mr Waterman has written on historical points of significance and occasionally quote from his chronology. In 1997 Mr Waterman wrote:

> ... the recent community victory in successfully opposing downhill ski development on the mountain, at least for the foreseeable future, should be recognised and celebrated.

In 1979 the Land Conservation Council recommended that Mount Stirling be developed for downhill skiing. This came out of the blue about 25 or 26 years ago.

In 1981 Liberal Premier Dick Hamer revealed plans to build a world-class, multimillion-dollar alpine resort at Mount Stirling. In 1982 the Cain government instigated an environmental effects statement for a large downhill ski development, including a village at King Saddle. So in those three years there was strong enthusiasm for a downhill ski resort on Mount Stirling. In 1983 the Alpine Resorts Act was proclaimed, and Mount Buller and Mount Stirling, which were managed by the former Forests Commission, were gazetted into the schedule of the act as alpine resorts. In 1984 Premier Kennett announced a $100 million alpine resort proposal at Mount Stirling. He said it had been approved in principle by the state government and he called for private developers to develop the resort.

By 1989 nothing had happened, but there had been a lot of announcements. In that year the Alpine Resorts Commission released a draft strategy plan, which included downhill ski lifts for Mount Stirling and the mechanical linking of mounts Buller and Stirling via a gondola. This was the first time the issue of a gondola had come into the equation. Also in 1989 the Minister for Conservation, Steve Crabb, announced the government would call for tenders to develop Mount Stirling 'next year' — that is, 1990 — but nothing happened.

In 1992 the Grollo group acquired the Buller Ski Lifts Company and Rino Grollo said he hoped to link the summits of mounts Buller and Stirling with a gondola and he intended to build a casino on Mount Buller, but still nothing had happened.

Things started to hot up in 1993. After 13 years things suddenly became more serious. In 1993 the Mansfield-based Mount Stirling Development Task Force (MSDTF) was formed, principally to oppose downhill skiing on Mount Stirling and investigate options for the long-term protection of the mountain. This group grew out of the Stirling-Delatite Action Group, and it supported low-impact non-downhill ski development and the promotion of regional nature-based tourism initiatives.

I declare to the house that I was an original member of the Stirling-Delatite Action Group, and dare I say a proud member of that group. The group has done good work for many years, is still in operation and is still keeping a very close eye on what is happening on Mount Stirling.

In 1994 the Alpine Resorts Commission chief, Phillip Bentley, gatecrashed a public meeting in Mansfield organised by the MSDTF and announced that the signing of an agreement between the ARC and the Buller Ski Lifts Company was imminent to develop Mount Stirling for downhill skiing, including a gondola link. Mr Waterman's chronology tells us that 'general public outrage followed'.

I am sorry to have to quote this, but I am obliged to do it for historical reasons. Mr Waterman stated:

> 20 March 1994. Local Liberal upper house member Graeme Stoney announces that he is 'implacably opposed to downhill skiing on Mount Stirling'.

On 25 March the task force commenced Supreme Court injunction proceedings to stop the agreement with the Buller Ski Lifts Company taking effect, which ultimately succeeded. It was based on the Mount Stirling Development Task Force's allegations that the Alpine Resorts Committee was in breach of its own act and that it had failed to consult in relation to the Mount Stirling development. At this point I want to pay tribute to a bush lawyer called Martin Hunt. He is a lawyer by trade but is also a bush lawyer in the true sense of the word. Martin Hunt, Dr Alan Kerr, Jan Purcell and many others on that task force legally stopped in its tracks the very strong move at the time for ski lifts on Mount Stirling and the gondola.

On 27 March — it all happened in that week — the Liberal Party state council almost unanimously passed a motion to postpone any decision on Mount Stirling until the issue had been reviewed. In April the government announced that the ARC would be reviewed and that an environment effects statement would investigate a range of future options for Mount Stirling. The government backed away from any proposal and said publicly that it had no preferred option.

I have read Mr Waterman's paper at length, and it is very important as a benchmark. Again, I thank him for putting in the time to prepare it. It goes on about the environment effects statement, public meetings and the sacking of the ARC commissioners. It mentions the involvement of the Labor opposition, which came out at that point and really supported the community. If I was a cynic I would have said that it jumped on the bandwagon, but I will not say that. In 1996 we saw a new dimension develop, and I think it really shows what the feeling of Mount Stirling is all about: it harks back to my original point when I said that Mount Stirling is a mountain where there really is room for everybody.

On 14 June 1996 a unique alliance of groups, some traditionally opposed on other land-use issues in the past, was formed to oppose the Mount Stirling downhill skiing development and to support low-recreation and nature-based tourism for the mountain. The groups include the Victorian National Parks Association, Mountain Cattlemen's Association, Wilderness Society, Victorian Disabled Skiers Association, Victorian Association of Four-Wheel Drive Clubs, the Mount Stirling Development Task Force — of course — and the Ski Touring Association of Victoria. The coming together of those diverse groups was very significant at the time, and the press saw that as very significant. I really think it shows how groups of all diverse interests and philosophies can come together and work for a common cause when they believe the cause is correct.

In 1997 Minister Maclellan announced that downhill ski development would be postponed for 15 years and nature-based tourism would be promoted. Going on from that point, eventually Mount Stirling had its own board, but money was short, and since then Mount Stirling has really been languishing. Therefore I say that the government has done this belatedly — it has been in office for five years and I am sure it would have happened quicker if the Liberal Party had been in government, because it was already being mooted at the time. We need to take the next step and, as long as the safeguards are there and are strong enough, it will be okay.

Some opportunities have been missed such as bringing Craig's Hut into the resort, and I intend to move a reasoned amendment dealing with Craig's Hut during this debate. For those who are unfamiliar with Craig's Hut, it sits on a high point on Clear Hills just outside the Mount Stirling resort boundary: it is on the same ridge line. It is a natural, open, high spur with beautiful views and no trees. I would take a guess that it is at an altitude of about 5000 feet — and I apologise to the house for my old-fashioned altitude description; I am sure members understand it.

The *High Country* tourist guide for Mansfield and Mount Buller, which uses the high country reservation centre as its base, appointed Craig's Hut as no. 1 of the five classic four-wheel-drive trips in the whole north-east high country. It says this about Craig's Hut:

> Craig's Hut
>
> Allow 5 hours. Grade: moderate to difficult
>
> Built for the filming of *The Man from Snowy River,* Craig's Hut is an Australian icon and one of the area's most popular 4WD destinations. The setting is stunning, with views across folds of mountains including Mount Buffalo, Mount Cobbler (shaped like a sleeping Indian) and Mount Buggery.

I spent several weeks at Craig's Hut with my horse in 1982 and again in 1985 filming *The Man from Snowy River* and *The Man from Snowy River 2*. We used to leave home towing our horses at about 3.30 a.m. and get to Craig's Hut after riding up from the circuit road just as daylight was breaking. We had breakfast on the site and filmed until about 11 o'clock, had a spell and then filmed in the afternoon. You might ask why we did that? The reason is that the light in the high country, and especially the angle of Craig's Hut in March, shows you that there are fold after fold after fold of mountain ranges. If you look east you can see fold after fold to Mount Kosciuszko; if you look north there is fold after fold and then the plains to the Murray. If you look south there is fold after fold highlighted with indigo, blue and purple in between the valleys right down to Mount Baw Baw. It is a wonderful area for filming and I think that is the reason that the films were so popular, especially overseas, because a lot of overseas people have not seen the Australian mountains depicted like that. We were there for some weeks each time and we never got tired of the view, and I never get tired of it. It is still there when you go back now, and I encourage people to go up and have a look.

Coupled with that, Tourism Victoria's Visit Victoria web site shows a photo of Craig's Hut, talks about the

cattlemen's history and shows a photo of cattle outside Craig's Hut. Tourism Victoria has been trading very heavily on Craig's Hut as an image and the mountain cattlemen as an image. The web site states:

> The districts surrounding the high country were home to the legendary cattlemen, immortalised by poet Banjo Paterson in *The Man from Snowy River*. You will still find their historic huts on the Bogong High Plains and Mount Buller ...

It goes on to mention Craig's Hut and states:

> Craig's Hut, a replica cattleman's hut situated on Mount Stirling, approximately 51 kilometres from Mansfield ...

Obviously the tourism industry in Victoria is trading very heavily on that, and I really hope this new government caucus committee looking at the future of the mountain cattlemen will also take that into account — and take into account that both Craig's Hut and the mountain cattlemen have an iconic status. When they are linked as they are on the Tourism Victoria web site, with a few mountain cattlemen posing in the background, their iconic status must be taken into account in deliberations about the mountain cattlemen's future.

After the films were completed and for the next 10 years people visited Craig's Hut heavily, and it deteriorated seriously because souvenirs were taken. Eventually the Mansfield Alpine Four Wheel Drive Club and some other four-wheel-drive clubs decided they should do something about it because the hut was falling down, and together with several community groups set out to rebuild Craig's Hut. They held funding drives and lavish black-tie dinners at the hut.

Hon. Andrea Coote — Fabulous!

Hon. E. G. STONEY — They were absolutely fabulous, Mrs Coote, and I know that a lot of people from all sides of politics attended. They invited the Honourable Mark Birrell to launch the rebuilt hut, and the movement to rebuild the hut and protect it has been strongly supported by all parties over the years.

I have a photograph here of a few members of Parliament, and as it happens they are all Liberals. I assure the house that members from all parties attended. In fact, I apologise — we do have one National Party member, although it might have been the Country Party when it was taken. It is Mr Baxter. There is the Honourable George Cox, who was chairman of the Liberal government tourism committee — I do not believe the present government has a tourism committee; the Honourable Mark Birrell; the Honourable Ken Smith; me; the Honourable Marie Tehan; the Honourable Gerald Ashman; Bruce Lloyd, MHR, the former National Party federal member for Murray, who was a great supporter of the high country and still is; and the Honourable Bruce Atkinson. It was a very memorable and heavy night, as were many others over the years when the black-tie dos were held to raise funds to rebuild Craig's Hut.

I pay tribute to Margaret McPherson, who is known to many in this room because she worked in the building; Angus Usher; Peter and Jenny Greenham; Mark Mullenberg; Fred Forest; David Blunden; the Country Fire Authority and Range Rover four-wheel-drive clubs; the Mount Buller resort management board; Craig Jones; and Sandie Jeffcoat. I acknowledge that those people and many others were responsible for saving Craig's Hut and holding it in good stead until there was enough public awareness to realise we had an icon, after which it was picked up and is cared for as well as it can be at the moment by the Department of Sustainability and Environment. However, I believe it should go into the resort.

Given everything that Craig's Hut stands for and its contribution to tourism in the high country, I move:

> That all the words after 'That' be omitted with the view of inserting in place thereof 'this house refuses to read this bill a second time until consultation has taken place with key stakeholders concerning the introduction of alternative legislation making Craig's Hut and the access track to Craig's Hut subject to management by the new Mount Buller and Mount Stirling Alpine Resort Management Board proposed in the bill.

I believe this is a very sensible amendment. I suspect that in all the deliberations and consultations, in which members of the Liberal Party were not involved but would have liked to have been, it has simply been overlooked. I understand it requires a separate piece of legislation to do that, but there is no reason why it could not have been flagged at the time. I think Craig's Hut having reached this point it should be managed as part of the new Mount Stirling-Mount Buller management. I think there should be extra government funds to ensure that the area is maintained. Maintaining Craig's Hut should not be a drain on Mount Buller funds, as the hut is a very important aspect of the tourism attractions in the whole area. Craig's Hut needs to be managed in a manner appropriate to a major tourism icon.

I note that the new board will have financial, technical and marketing resources to ensure that the mountains are managed on a sustainable basis. Right from the start of this debate the question has been asked: how can Mount Stirling be financially viable? That was always the question, even going back into the 1990s. The downhill ski lobby said the only thing to do was to install lifts and create a downhill resort. In 1996 that

question had not been documented, and I decided to ask a parliamentary intern to look at that question. He produced a 94-page document on Mount Stirling called *Mount Stirling — The Ecotourism Mountain*. It addressed fairly and squarely how that mountain might support itself financially. It was prepared by Daniel Beebe of the University of Melbourne for me.

I pay tribute to Daniel Beebe, who came from the United States of America and is back there now, because he did the exercise very well. He wrote the paper following the 1996 environment effects statement so he had a lot of factual bases to rely on, but he went further than the EES and addressed how the mountain might support itself financially using ecotourism. I cannot go through this whole document, but I believe he addressed every issue, such as entry fees, walks, cabin hire, a high-level base, camping, user-group conflict, package trips, access from Mount Buller and Mansfield, environmental management, ecotourism growth, downhill skiing growth, the environment, the greenhouse effect, education and recreation. He did a very strong economic analysis, and of particular interest in this document is his analysis of the EES option C, which I think is very valuable and is a modification of the option C that was the option most favoured by lots of people at the time.

Mr Beebe consulted the Victorian National Parks Association (VNPA), the Mansfield Mount Stirling development task force, the Mountain Cattlemen's Association, the Wilderness Society, four-wheel-drive clubs, tourism operators, walking clubs and went on and on and on. I will quickly paraphrase just some of the things that Mr Beebe found. He identified the basic issue as being that the ski industry had argued that the only financial option was a downhill ski option. That is what the industry used to justify its position for 15 years or more — that it should be developed as a downhill ski resort. He identified that the roads and other parts of infrastructure had deteriorated. He identified that visitation remained less than it should have been. He said:

> It has become clear that none of the options fulfil all of the aspects of ecotourism and, hence, the EES process has not produced a completely satisfactory remedy for the existing dilemma.

This is the important bit:

> It is the purpose of this paper to demonstrate that, with appropriate development and management, Mount Stirling has the potential to become an economically viable and environmentally sustainable world-class ecotourism destination.

That really encapsulates it all. He goes on to talk about how entry fees might be modelled. He mentions self-guided tours, the creation of a high-level base — which comes through time after time in submissions — the creation of a camping area and huts such as those on Cradle Mountain, and makes all types of other suggestions.

He goes on to talk about the high-level base at Cricket Pitch, which has widespread support and will have to be looked at in the future. He says that that will provide a base in the snow because Telephone Box Junction is not in the snow for most of the winter and people have to walk 2 or 3 kilometres on the road before they can find the snowline. He talks about how people might get to the base in an environmentally sustainable manner and perhaps not by driving there themselves in the winter.

Section 3.1 is headed 'Reasons for ecotourism development'. He talks about education and points out that 65 per cent of all visitors to Mount Stirling come in the summer. He talks about how we can possibly tap into that visitation to receive some financial benefit to run the mountain. He includes a quote of a 1994 statement by Tim Macartney-Snape from a 1996 article by Rodney Waterman:

> I learnt to ski on Stirling and did some of my first bushwalking there. It was my childhood 'Everest'. It is unique in Victoria ... I don't think there is such a good mountain so close to Melbourne which has comparable access to good cross-country skiing.

He quotes Dr Alan Kerr talking about schools. He talks about the VNPA, which has been very supportive of this and realistic about Mount Stirling. The VNPA's position is based on objectives and principles including:

> Improved management of a diverse range of low-impact summer and winter uses, to be developed through the formulation of a management plan;
>
> The principles of ecologically sustainable development should be accepted as the basis for strategic planning, management and use of Mount Stirling.

The VNPA makes a very constructive suggestion that in all this process we should use the definitions of 'ecotourism' and 'ecologically sustainable development' in the then commonwealth department of tourism's *National Ecotourism Strategy*. Throughout the world ecotourism is one of the biggest tourism businesses.

At the end Mr Beebe identifies that some derivation of option C is probably the most popular. He goes on to say:

> It has been the purpose of this paper to prove that ecotourism operations are environmentally sustainable, economically viable, and in line with the aspirations and expectations of a large section of the local community ...

I have detailed bits and pieces of the paper because even though it was written in 1996–97 nothing has changed. The opportunities are still there and this is perhaps a chance to look back at suggestions that have been made in the past that could help us as we go forward into the future. The only thing that has happened since the EES and the Beebe report were prepared has been a change to the boundaries of the Mount Stirling resort and the formation of a separate Mount Stirling board which has been strapped for cash. It has just hung on and has done a great job, considering it has really had very little resources to assist it.

The new boundaries that were created after all the furore gave Mount Stirling the potential for an economic base. The land just over the bridge that is to be upgraded by the government — and again I acknowledge that is very important — belongs to the Mount Stirling resort. That land is a car park with some old buildings on it and it is quite degraded. It is full of English tree suckers; it is not pristine mountain bushland. It has been used by Mount Buller operations for many years. The potential of that land could be to have a developer build a low-level ecotourism lodge for schoolchildren, hiking groups and birdwatching groups and all sorts of other groups who would add an economic base for Mount Stirling.

I am not a great supporter of building such facilities outside the current ski resorts above or anywhere near the snowline. The degraded land at the entrance to the Mount Stirling resort is on the river and I guess it would be at 2200 feet. Obviously people who stay there would travel up to Mount Stirling each day where they would have their instruction and then come back. It is just a suggestion that perhaps has been overlooked in all this. It may be picked up again, and I hope the new Mount Buller and Mount Stirling Alpine Resort Management Board will consider that as something of a great opportunity to both resorts, because such a lodge could be used by downhill skiers as well — but it would add to the economic bulk of Mount Stirling especially.

I finish my contribution by speaking about a petition to Parliament that demonstrated the feeling of the Victorian community at the time. It was presented to Parliament on 19 November 1996 by the then member for Mooroolbark in the other place, Lorraine Elliott. There were 20 762 signatures.

> The humble petition of the undersigned citizens of the state of Victoria sheweth that Mount Stirling being an undeveloped mountain available to all Victorian citizens for a wide range of recreational wilderness experiences and activities is under threat of being developed as a downhill ski resort with ski lifts, the associated infrastructure and a gondola linking Mount Stirling with nearby Mount Buller.

The gondola raises its head again.

> Your petitioners therefore pray that:
>
> Mount Stirling be forever protected from such mechanical gondola, ski lifts and associated infrastructure and it be preserved for all time.

As I said, there were 20 000-odd names on this petition, genuine names from all over Australia. It is not often that petitions — I hate to say this, but it is true — presented to this place have much effect. Over time what this petition has asked for has come to pass, except for the gondola bit. To tidy up that omission and to keep faith with the 20 000-odd people who signed this petition and with community expectations, I intend to move an amendment in the committee stage to the effect that there will never be any gondolas on Mount Stirling or between that mountain and any other resort. I will move it briefly in the committee stage. We are not going to hold the committee here all afternoon.

I assume the house has gathered that I could speak for another hour on Mount Stirling — —

Hon. Andrew Brideson — Keep going. We are enjoying it.

Hon. E. G. STONEY — Mr Brideson, do not encourage me. We have an agreement, and I will stick to it.

Hon. Andrew Brideson — You have not told them about New Year's Eve.

Hon. E. G. STONEY — If I did tell, I would probably be thrown out.

Today is a benchmark for Mount Stirling. It draws a line in the sand for that mountain. I have tried to paint a picture that shows there has always been room for everybody on Mount Stirling. The only reservation I have about this change in the management is that some vested interests, from where I do not know, will force out some present activities if they have the power. I warn that if this does happen, the goodwill which has existed for many years on Mount Stirling and which has made it a different mountain from any others in Victoria will dissipate.

I ask the new management and the minister to consider my concerns, and I wish them well as they plan for Mount Stirling's future.

Hon. W. R. BAXTER (North Eastern) — The house is indeed indebted to Mr Stoney for the very interesting overview he has given us of the history of Mount Stirling in particular and the snow country in general. Mr Stoney can take a great deal of pride and satisfaction from the contribution he has made to the high country over many years both prior to entering this Parliament and in this Parliament. Mount Stirling could have had no greater champion than Mr Stoney. He can rightly claim some of the credit that may come from this legislation. Mount Stirling's future has, in a sense, been guaranteed and protected because of his good work. I certainly support his amendment. I cannot fathom for one moment why Craig's Hut has not been included; this seems a brilliant opportunity to make a minor boundary adjustment to include what has turned into an icon of the high country.

Hon. Andrew Brideson — It would be commonsense.

Hon. W. R. BAXTER — It would be commonsense, Mr Brideson. Notwithstanding that Craig's Hut is not some historic monument — it is a relatively recent construction — because of its worldwide exposure through two well-known films in particular it has come to epitomise the high country. As Mr Stoney has pointed out, its site is absolutely breathtaking. Why would we not be capitalising on it by including it in the Mount Stirling boundaries so it has a management body with statutory responsibility for its protection, maintenance and promotion in the future? The Nationals will be pleased to support Mr Stoney's reasoned amendment.

At one stage of my parliamentary career I had the honour of representing simultaneously Mount Buller, Mount Hotham, Falls Creek and Mount Buffalo ski resorts. With boundary changes I now find myself only representing Falls Creek. I do not claim any expertise in the skiing industry. I am not a skier, and whilst I visit Falls Creek a couple of times each year, both in winter and in summer, and take a keen interest in its wellbeing and future, I am certainly not an expert. I am happy to take advice from people such as Mr Stoney who are much more expert and experienced than I am.

I was first introduced to the ski industry and the snow country by a former member of this Parliament and a former Attorney-General, the Honourable T. W. Mitchell, who was the member for Benambra for 30 years. He was a pioneer of the ski industry in this country, and he skied with his wife in many places around the world. As we currently owe a debt to Mr Stoney, we also owe a debt to Mr Mitchell in previous times. The sport of skiing has been very fortunate that from time to time it has had champions in the Parliament such as Mr Mitchell and Mr Stoney.

There is no doubt that snow sports are very important industries in north-eastern Victoria. They underwrite the economy of north-eastern Victoria and add to the wealth that is produced in the region, along with the agricultural industries we know so well. There is no doubt that towns like Mount Beauty, Mansfield and perhaps to a lesser extent Bright have been underpinned by the income generated by the influx of people during the snow season. However, one just has to drive into Mansfield, as I did a fortnight or so ago, and find it hard to get a park in the main street to realise that Mansfield has reached a critical mass and is now self-generating as a very attractive town for people to visit in both winter and summer. The impetus for that tremendous growth in Mansfield is largely the snow sports. I think it is appropriate that the Parliament and the government provide every possible support.

Of course, these resorts are now attracting visitors not only in the snow season. I go to Falls Creek in summer, and they are pitching for the non-winter market now; I am sure this applies to the other resorts. It is a very attractive place to visit at other times of year, with its wildflowers, magnificent views, a cooler climate in the middle of summer and so on. That is a market that is yet to be fully realised and a market that has great potential.

It is appropriate that the resorts are turning their minds to attracting that sort of market. The snow industry, like farming, is somewhat seasonal except if you are engaged in the snow industry you have less time to get your harvest in than farmers do, because in some years the snow season can be very short indeed — sometimes it is almost nonexistent.

Sitting suspended 12.59 p.m. until 2.01 p.m.

Hon. W. R. BAXTER — Prior to the luncheon break I was reflecting on the fact that the skiing industry is somewhat similar to farming in that — —

The PRESIDENT — Order! I ask Mr Baxter to wait just a moment. Can we stop the clock? If there is an attendant in the gallery, I ask that they advise those in the gallery that photos are not to be taken.

Hon. W. R. BAXTER — Prior to lunch I was reflecting on the fact that the skiing industry is rather akin to farming in that it can be very seasonal.

Sometimes there are bumper seasons, but sometimes there are disastrous seasons. I was interested to note in the annual report of the Falls Creek Alpine Resort Management Board, which was tabled in the Parliament only a few days ago, that at Falls Creek in 2001 there were only 18 894 winter visitors compared with 135 — —

The PRESIDENT — Order! I ask members who are not participating in the debate and want to listen to desist from talking and take their places.

Hon. W. R. BAXTER — There were some 18 800 winter visitors in 2001 compared with 135 000 in 2002 and 140 000 in 2003. That is indicative of the seasonality of the industry and the dependence of the industry on getting good snow falls. We certainly hope, despite the very dry conditions that are being experienced in northern Victoria this year, we again have a snow season something like that of last year, which was magnificent in each of the resorts — certainly as it would seem from a reading of the Mount Buller annual report and the very interesting graph included in it which sets out the depths of snow throughout the season. I found it to be most interesting indeed.

I also want to note that some of our resorts, particularly Falls Creek and Mount Hotham, were seriously affected by the bushfires in 2003. I want to pay tribute to the staff at each of the resorts and in particular to the Country Fire Authority personnel, the volunteers, and the Department of Sustainability and Environment personnel for the magnificent job they did in protecting the assets at Mount Hotham and especially at Falls Creek, where the fire approached on three separate occasions from three different directions over a period of some days. It was a very traumatic time indeed.

The road to Mount Beauty was closed, the telephones were out of order, and it could have been a disaster — there are no two ways about that. Certainly the Bogong village was seriously affected by fire, and some buildings were in fact lost. It is a tribute to those involved that the damage was minimised. The fact that those fires were followed by such a good snow season has gone some way towards getting the resorts back on their feet and reducing the stress levels that were quite understandably generated when the fires in the vicinity lasted so long.

I recall that the Cain government in the 1980s established the Alpine Resorts Commission to manage each of the resorts and to take over from the various arrangements that had been in place since the industry was established in the 1930s and 1940s: there was the Forests Commission for some of the resorts, the State Electricity Commission for Falls Creek and the like. I think the ARC did a reasonable job. The Kennett government introduced a new management regime in 1997 which went back to having management boards for each of the mountains. It did that with utterly good intentions and in good faith, but I think it is fair to say that it has not quite been as successful as some of us would have hoped at that stage. I do not think the boards have been able to contain the costs as well as anticipated, and certainly there has been some duplication — perhaps an unavoidable duplication because of having a separate management board on each mountain.

I sense from organisations such as the snow sports association, the individual site lessees and club members that they are finding that the rapid increase in the costs of being on the mountain, which has been well in excess of the inflation rate over the last few years, is becoming somewhat overbearing and very onerous indeed. That is true especially for the site leases, which are based on valuations set by the Valuer-General and have risen astronomically — I do not think that is too strong a term. I am not going to regale the house with particular examples, but many valuations have gone up many times over, and it is hard to explain why that it so.

Certainly the Valuer-General's office is very skilled and it has regard to market rates, but it seems to me that it is a bit more difficult to value a site at Falls Creek than it is to value a site at Carlton. I sometimes wonder whether the valuations have become a bit inflated because of the perception that this is a booming industry; that the people patronising the industry, by and large, are perceived to be people of means, and it is a wealthy sport. I do not think that is the case at all.

Yes, some very wealthy people are involved. There is no doubt about that, but there are many people who go skiing and bushwalking who are not wealthy, and that is why the clubs were established. They provide relativity low-cost access to the high country for many ordinary people. There is a grave danger, with the way the site rentals are going, that clubs will be priced out of existence and they will become much more private operations so that it will then become an elitist activity that only those of means can afford. Perhaps the alpine resorts strategic plan which the bill demands and which will be put in place in a short time needs to address itself to the fact that the low-cost clubs, and the access for the average person, is perhaps being undermined by these high-site rentals. I think we need to be very careful indeed that we are not turning this into a sport or an activity for the wealthy only. I look forward to the development of the strategic plan to see what it might

do in terms of not allowing the ordinary person to be priced out.

The amalgamation of the Mount Stirling Alpine Resorts Management Board with the Mount Buller Alpine Resorts Management Board is realistic. It is what the pragmatists want. Mr Stoney has already made the observation that it is time for this to happen, and I agree with him. Of course, we want the combined management board to make sure that Mount Stirling is not sidelined, and is not seen as the poor relation to Mount Buller. It needs to be seen as a different mountain and a different operation, but it needs to be seen as one having tremendous potential and great scope. I have no reason to believe that will not be the circumstance, but I simply want to emphasise that the abolition of the separate management board for Mount Stirling and its amalgamation with Mount Buller is not a signal from the Parliament or anyone else that Mount Stirling has run its course and it is being put together with Mount Buller for convenience, to be tucked out of the way and virtually forgotten. That is not the case and I want the new board to be well aware of that fact.

That goes to the issue of the appointment of board members. I think board members give their time willingly and generally do a very good job. However, from time to time there is unhappiness on the mountain and in my district about some of the appointments. They do on occasion appear to be of people who are not particularly acquainted with the industry and who do not have particular skills that might be useful on such a board. The government needs to be perhaps a bit more consultative in its appointments to the boards. It needs perhaps to cast the net a little wider so that it can satisfy the stakeholders that boards are widely representative and actually have a good understanding of the uniqueness of the industry. It is somewhat different to perhaps being on a water board or a customary board that people can be put on without having any great background in that particular industry. In this case you need to have some knowledge of and feel for the high country.

I note in the bill in terms of Mount Stirling that it provides for a ban on ski lifts. Mr Stoney alluded to that matter as well. I certainly do not want downhill skiing and lifts to facilitate that on Mount Stirling either, but I am a little nervous about having in the legislation that ski lifts will be banned altogether forever — I suppose it cannot be forever because a future government might change it. There is no definition of 'ski lift' in the principal act, but it seems to me there might well be a need some time in the future to facilitate people getting onto Mount Stirling for cross-country skiing, for example, or for some other purpose, where some sort of lifting device other than a downhill ski lift might be considered.

I do not want a gondola and I do not think Mr Stoney wants a gondola — I am not suggesting that for one moment. It might be that future developments would lend themselves to some form of mechanical transportation to get people up to Mount Stirling, whether they are disabled or otherwise. I hope this would not rule out such a device in the future if it appeared to be a useful way to go.

In conclusion, as I said at the beginning, I am no expert on the ski industry, but I do receive representations from time to time. I think generally this bill is supported. Some of my people do not believe it goes far enough but I will wait and see on that, because I am waiting to look at the strategic plan once it has been produced. I see this as perhaps an interim measure, and The Nationals, therefore, are pleased to support the legislation, but in the process we will certainly be supporting Mr Stoney's reasoned amendment, because we believe that Craig's Hut ought to be incorporated into the Mount Stirling area.

Ms CARBINES (Geelong) — I am very pleased to speak on behalf of the government this afternoon in support of the Alpine Resorts (Management) (Amendment) Bill. In doing so I want to acknowledge the contributions of both the Honourables Graeme Stoney and Bill Baxter. I enjoyed Mr Stoney's contribution very much, and I thought he spoke very passionately about his love for the alpine resorts. Certainly, I learned a lot from listening to him this morning, and I also was interested in the comment that Mr Baxter made about ensuring that access to the sport of skiing should not become a sport for the elite, and I share those concerns that we are well down the path of it becoming a sport for the elite. I hope that we can take steps to make it more affordable for ordinary people and their families to visit the ski resorts.

This bill lays the foundations for the Bracks government's vision for the future of the Victorian alpine resorts. Last year the Minister for Environment in the other place, the Honourable John Thwaites, released a visionary strategy called 'The alpine resorts 2020 strategy' which was the culmination of a consultative process that had been stimulated by an earlier discussion paper, released for community comment in 2002. My friend and colleague the Honourable John Button chaired the review of the submissions and facilitated consultation on the preparation of the alpine resorts 2020 draft strategy. I would like to acknowledge and thank the Honourable

John Button for his work and leadership in producing the strategy.

The draft strategy identified six key issues which must be addressed to achieve the government's vision of sustainably managing Victoria's six alpine resorts. The issues that the draft strategy identified are: the impact of climate change on the resorts, the use of the resorts and visitation, development of the resorts, making sure that the resorts are vibrant and economic, the environmental management of the resorts and the stewardship of public lands.

It is important to acknowledge, as other speakers have in this debate, that over 1 million people visit Victoria's alpine resorts each year. They are very important to the Victorian economy. It is estimated that $129 million is generated through these resorts, contributing to our economy and to almost 4000 jobs. They are very important to our state.

The bill before us today signifies that the Bracks government is committed to making the Alpine resorts sustainable and to ensuring that they are managed in an environmentally sensitive way. We aim to secure a future for our alpine resorts with an emphasis on attracting visitors all year round and on sustainable environmental strategies designed to protect our alpine environment.

As other speakers have identified, the bill provides for the inclusion of objectives and amendments to the functions of the Alpine Resorts Coordinating Council and the alpine resort management boards. It also provides for the development of strategic plans for each of the resorts and by the Alpine Resorts Coordinating Council. Clause 7 provides for some additional functions for the Alpine Resorts Coordinating Council and clause 10 deals with the boards.

There are specific references to the future of the Mount Stirling Resort in the bill. I would like to read the reference in clause 10 which clearly sets forth the government vision for Mount Stirling. Clause 10:

> ... makes it a requirement that the Mount Stirling Alpine Resort be managed as a nature based tourist, recreational and educational resource for all seasons of the year and that ski lifts not be installed at that resort.

That is very much a vision that is held widely in the local community as both Honourables Graeme Stoney and Bill Baxter have alluded to in their contributions.

The bill also changes the way in which the Mount Stirling and Mount Buller resorts are to be managed, and clause 13 provides for the creation of a single board to manage both the Mount Buller and the Mount Stirling resorts. This has become necessary as the Auditor-General raised serious concerns about the viability of keeping the Mount Stirling Alpine Resort Management Board as a separate entity. I have received advice that it has required additional government funding every year for up to 80 per cent of its expenditure. It is clearly not a viable entity on its own. By providing for the introduction of a single board to be appointed to manage Mount Buller and Mount Stirling, this bill will address the Auditor-General's concerns.

The Minister for Environment put out a press release on Tuesday, 20 April headed 'Mount Stirling's future assured' in which he talks about the importance of Mount Stirling and the importance of keeping its vision very much alive under the new management regime. He declares that there will be no future development related to downhill skiing at Mount Stirling; and that Mount Stirling's future is as an all-season, nature-based tourist educational and recreational resource. He goes on to say that stakeholders fought hard for the moratorium on downhill resort development at Mount Stirling and the legislation introduced into Parliament will effectively extend this moratorium indefinitely. He went on to say that the Bracks government:

> ... would provide $900 000 to the joint management board to improve visitor access at Mount Stirling and Mount Buller resorts.

He said:

> Works would focus on a new, combined gate entry and reconstructing the bridge over the Delatite River.

He said that the funding:

> ... will relieve the new board of a major liability and guarantee safe access and improved visitor management to both Mount Stirling and Mount Buller into the future.

He congratulated the Mount Stirling and Mount Buller boards. He said they are:

> ... to be commended on working with stakeholders and key agencies to come up with options to maintain Mount Stirling's unique identity as a destination for all-season alpine recreation and education, whilst ensuring its financial security into the future ...

I notice in the press release that the chair of the Mount Stirling Alpine Resort Management Board, David Pullar, said:

> A major benefit of a joint management board will be improved environmental outcomes for Mount Stirling.
>
> A lack of resources has prohibited the board from implementing an environmental management plan — a key concern for government and many stakeholders. A joint

management board will extend Mount Buller's environmental management planning process across both mountains.

The bill seeks to reflect what already happens on the alpine resort boards — that is, to allow the boards to expend money outside the resort at the direction of the minister so long as its purpose is consistent with the intent of the act. It also seeks to address a situation where vehicles that are parked at the resorts have become a safety hazard or are unsafe. The board will be able to remove or tow those vehicles away to create a safe environment.

I flag in my contribution that the government will be opposing the reasoned amendment moved by the Honourable Graeme Stoney. I have been advised that it is not necessary to legislate to seek the outcome he is seeking. I know Minister Broad in her summing up will make reference to that.

In conclusion, the Alpine Resorts (Management) (Amendment) Bill is all about ensuring that Victoria's fabulous alpine resorts have a viable future — a future that aims to attract visitors all year round and ensures that our beautiful alpine environment is protected not just for our benefit but for the benefit of generations to come. I commend the bill to the house.

Hon. ANDREA COOTE (Monash) — This morning in this chamber members heard one of the most interesting and indeed one of the most poignant speeches we have heard in this place for some time. The Honourable Graeme Stoney painted an excellent picture for us and put us in a position where we can all enter the debate on Mount Stirling with a clear insight into what is involved. I congratulate him on his speech, because he brought home to us what making bills in this place is all about. It affects people, communities and the way in which we live. He is to be commended on the excellent way he painted a picture for us today of the context in which we can contribute to the debate on this bill.

The purpose of the Alpine Resorts (Management) (Amendment) Bill is set out in clause 1, which states:

> The purpose of this Act is to amend the Alpine Resorts (Management) Act 1997 —
>
> (a) to make provision in relation to an object for the Act and to make further provision in relation to the functions of the Alpine Resorts Co-ordinating Council and the Alpine Resort Management Boards;
>
> (b) to provide for strategic planning for alpine resorts;
>
> (c) to provide for the amalgamation of certain Alpine Resort Management Boards;
>
> (d) to make other minor provisions in relation to the Act.

Many of the previous speakers have gone into each of these subclauses in detail, explaining the ramifications of those details. However, I wish to put on the record my own experience of Mount Stirling. As a downhill skier at Mount Buller for a considerable time I used to look with longing across at Mount Stirling and think, 'If only we could go over there and ski, how nice it would be'. I would look at all that pristine snow on which there was not a single solitary skier as I was avoiding all the people coming down the Bourke Street run at the end of the day. However, that was when I was significantly younger and my skiing since then has taken on a different aspect; I now look at cross-country skiing differently.

I am exceedingly pleased that sequential governments have decided that Mount Stirling is not going to be developed as a downhill skiing resort and that it should be kept, indeed as it has been kept, for an experience that is increasing in this state in the winter. I have also had the pleasure of hiking all over Mount Stirling and have visited both Craig's Hut and the Geelong Grammar hut. It is good to know that you can shelter within those huts at times when the weather sets in unexpectedly, as it so frequently does.

The Honourable Graeme Stoney spoke about the trees. One of the nicest things about Mount Stirling on a summer's night is to look at the photosynthesis in the snow gums and to watch the bark in those trees changing from silver and olive, going quite red as they try to retain the warmth of the day to keep themselves alive. It is a beautiful moment at the end of a summer's day on Mount Stirling to watch those trees reacting to the environment in which they live. During summer I have not been alone in my hiking on Mount Stirling. There are always significant groups of people including families, older members, younger members and a whole range of people enjoying the atmosphere up there.

I am pleased, as I said before, that a string of governments — starting with the Hamer government and moving into the Cain government, the Kennett government and now the Bracks government — has looked at Mount Stirling. Perhaps the common thread has been to make certain that it is protected against what we have ahead. The Honourable Graeme Stoney was instrumental in ensuring that the profile of Mount Stirling was raised at a time when there was a threat of it being developed into a downhill skiing mountain, and we are all eternally grateful to Mr Stoney for putting up such a forceful argument at the time.

Mr Stoney spoke about Craig's Hut and how it was built for the film *The Man from Snowy River*. I put on

record that Mr Stoney is the man from Snowy River. If members look at the Tourism Victoria brochure with the jigsaw puzzle on the front, they will see as you enter the high country there is a photograph of Mansfield, and there on that horse, on that cliff, in his Drizabone and with his horse is none other than our own Graeme Stoney.

Hon. Andrew Brideson — What is the name of the horse?

Hon. ANDREA COOTE — The horse's name is Kim.

Hon. E. G. Stoney — Now deceased.

Hon. ANDREA COOTE — Nevertheless he is there forever. It is interesting to hear we have a common thread in this chamber with this special place within Victoria.

I vigorously support the reasoned amendment about Craig's Hut. It is something we really must have a closer look at. You only need to wander around many of the government bureaucrats' offices, in fact into senior minister's offices and to many offices around the state, to see a photograph of Craig's Hut on the wall. It has become iconic and something we all feel we can identify with; and it would be a great pity for many Victorians, not just from a tourism point of view but from a personal point of view if it fell into disrepair.

I have spoken at length with the four-wheel-drive operators who use this area on a regular basis, and we heard earlier today how they joined together to raise the profile and raise money to make certain that Craig's Hut was kept.

Earlier this week many government and opposition members who spoke on the Heritage (Further Amendment) Bill recognised the importance of heritage to Victoria. I suggest that Craig's Hut, although it is recently built, relatively speaking, will be something that will be on our heritage register into the future, and it is imperative that the government put its money where its mouth is, as I suggested in debate on the heritage bill, and provide the funds to make certain that Craig's Hut is looked after into the future so it can be an integral part of our heritage register.

The reasoned amendment is entirely practical. Those who care to go to Craig's Hut will understand how necessary it is to incorporate that within this bill instead of having it looked after by the Department of Sustainability and Environment. It is a pity the Minister for Planning has not been there to have a closer look, because it would make eminent sense to him if he looked at what we are talking about and the ramifications. I vigorously support the reasoned amendment.

For the record the home page of the Mount Stirling alpine resort says exactly where Mount Stirling is:

> The resort is 3 hours drive from north-east of Melbourne via Yea and Mansfield on the Maroondah Highway. In winter, from June to October, Mount Stirling offers 60 kilometres of cross-country ski trails, while in summer the resort is one of the major access points into the Australian Alpine National Park. Offering recreational activities such as bushwalking, camping, four-wheel-drive tours, fishing, horse and camel riding.

It is an integral part of tourism of the state. As such we should recognise it and try to give it as much advantage as we possibly can. Mount Stirling has a very keen and enthusiastic volunteer program, and it is important that families and any age group can be involved. I put on the record my acknowledgement the excellent work the Mount Stirling volunteers do. The Mount Stirling web page states:

> Mount Stirling currently provides an outdoor education training and field study venue for about 150 primary, secondary and tertiary colleges, both private and state. Activities include cross-country skiing, bushwalking, camping, horseriding and orienteering. Topics of study range from geography through environmental impact and outdoor education to the social sciences examining user group conflict, environment management and tourism studies.

It is important to understand that while these days we are concentrating on the obesity endemic that is happening to our children, many schools take the opportunity to go to Mount Stirling and encourage students to have the very first taste of outdoor experience, to learn in an area that is not as rugged as some of the bush areas that Mr Stoney spoke about earlier, but is something that is manageable so they can understand at close quarters the interstices, issues and challenges of the outdoors. For many students Mount Stirling has been the very first point of call for their outdoor experience. Many of them have gone on to enjoy the outdoors with their families and friends well into their older age.

Mount Stirling is an important environmental area. For members who have been to Mount Buller, for example, there is the chalet that looks pretty and attractive during winter, and the pylons for the chairlifts, but there is something industrial or deserted about Mount Buller, certainly during the summer period, whereas when you go to Mount Stirling you certainly do not see any of that built-up area. You get a great sense of the outdoors, and indeed the views and the spectacular scenery is another very integral part.

Tourism is very important. The *Mount Stirling Alpine Resort Management Board 2002–03 Annual Report* details where people who enjoy Mount Stirling come from. The report states at page 7:

> The winter postcodes this year show a percentage increase in visitors from the north-east region over last year, however, a slight drop-off in local visitors. This can be attributed to the strong promotion of Mount Buller to the general Mansfield population and, in particular, local schools.

The graph on the same page shows that over 60 per cent of people come from Melbourne, then from Mansfield, the Ballarat district, and Geelong and western Victoria, but interestingly some are from South Australia, Tasmania, Queensland and Western Australia, which is a significantly long way to come to ski. The summer period breakdown in regions shows that 2 per cent of people come from the south-east, 3 per cent from interstate, 42 per cent from Melbourne, 3 per cent from western Victoria, 11 per cent from central Victoria, and 39 per cent from the north-east. Many people from interstate are also using this excellent facility.

A number of licences are current on Mount Stirling, which show the different activities and scope of experiences people can have, such as: High Country Camel Treks; Merrijig Trail Rides; Stirling Experience; McCormacks Mountain Valley Trail Rides; La Trobe University; Geelong Grammar School — Timbertop; Thornton Outdoor Education Group; Lauriston Girls School — Howqua Campus; Alpine 4WD; and High Country Motorcycle Adventures.

So there are quite a number of activities, and I encourage anybody in the chamber here today to go up there, to stop over in Mansfield, to enjoy the activities in Mansfield, to go to Mount Stirling — take your tent or take your swag, perhaps — and experience a very happy weekend or weekday.

Tourism is extremely important for Mount Stirling, and this bill, too, is important. I must put on the record though my concern about this government's dealing with our parks in any sense. We know parks are notoriously bad neighbours, with feral animals and noxious weeds. I suggest to the government that it take a very long and hard look at how it manages both Mount Stirling and Mount Buller and at the parameters it has put in place to deal with noxious weeds in particular. Mount Stirling is almost self-contained, so it should not be too expensive or too difficult to look after the feral animals and the noxious weeds; it is vitally important. We want to keep this pristine environment into the future, and we need proper funding to make certain that not only Craig's Hut is looked after but also the natural environment itself for all Victorians to use forever.

Hon. W. A. LOVELL (North Eastern) — It is a pleasure to contribute to the debate on this bill. The opposition has moved a reasoned amendment, and I support that amendment. The Honourable Graeme Stoney made a magnificent contribution to this bill earlier, and it was very interesting to listen to someone who has local knowledge about an area that he has lived in all his life. It is a pity the minister does not have as much knowledge as Mr Stoney has about that area.

I would also like to say how much I enjoyed Mrs Coote's contribution to debate on this bill and how interesting it was. Mrs Coote referred to Graeme Stoney as the Man from Snowy River in her speech; I recently took Graeme to visit the people in the Barmah area, and the cattlemen of Barmah almost got down on their knees and hailed him as the Man from Snowy River too. His reputation as a horseman has spread far and wide throughout Victoria.

This legislation will amend the Alpine Resorts (Management) Act 1997 to amalgamate the Mount Stirling Alpine Resort Management Board and the Mount Buller Alpine Resort Management Board to create the Mount Buller and Mount Stirling Alpine Resort Management Board. This legislation will also add to the objects of the Alpine Resorts Management Act 1997 the development, promotion, management and use of alpine resorts.

Victoria's alpine resorts attract hundreds of thousands of visitors throughout both the summer and winter months. Our alpine resorts are treasured not only by the local community but also by all Victorians, and their proper management is essential to ensure the short-term and long-term viability of these resorts.

The second-reading speech acknowledges that alpine resorts attract 900 000 visitors in the winter and about that half that number in the summer, but that number is certainly growing for summer visitations. Spending associated with alpine resorts is around $305 million annually, and the resorts add about $129 million annually to the Victorian economy. They also provide around 3770 jobs, so they are certainly a very important part of our tourism industry here in Victoria.

Victorian, interstate and international bushwalkers, skiers and other holiday-makers as well as the local community have a great interest in ensuring the preservation, development and management of the alpine resorts for both short-term and long-term benefit.

This legislation will abolish the current separate Mount Buller and Mount Stirling boards and create a new board that will manage and operate both resorts. It is important that this new super board allows proper representation by the various interests. Mount Stirling and Mount Buller have contrasting visitor demographics and different issues regarding management and profit. It is important that the needs of both mountains are taken into account and that neither mountain is compromised.

Mr Stoney talked earlier about the cultures of the mountains being very different, and they certainly are. I have been going up to Mount Buller since the early 1960s when my godfather built a small chalet up there, and I have watched Mount Buller develop from a basic resort into an international downhill skiing resort with all the glitz and the glamour that goes with downhill skiing. I have also spent a lot of time at Mount Stirling with some good friends of mine, the Cummings, who live at Acheron just outside of Mansfield, and Mount Stirling has a very different feel to it; it does not have the glitz and the glamour of the downhill skiing resort at Mount Buller. It is very much the locals' mountain, and the cross-country skiers are far more at home camping in the snow than staying in an alpine resort chalet.

This legislation will give effect to the moratorium put in place by the previous Liberal government that specifically banned downhill skiing at Mount Stirling and it will promote its cross-country skiing, ecotourism and education usage. It is a concern that the Bracks government's legislation failed to incorporate Craig's Hut and the access track to it into the combined resort boundary. Craig's Hut is currently only 750 metres outside the Mount Stirling resort area. It is visited by many tourists, bushwalkers and students for its heritage and colonial significance. Craig's Hut is of course famous for its role in the *Man from Snowy River*, and it has one of the highest alpine visitation rates. However, no maintenance funding has been provided for the hut by the Bracks Labor government. As the Honourable Andrea Coote just pointed out in her contribution to the debate, Craig's Hut is part of the state's heritage and should be treated as such. It is important that Craig's Hut be maintained, and I encourage the government to provide some funding for that. This important cultural and heritage icon should be included in the Mount Stirling resort area.

The Honourable Andrea Coote also encouraged Minister Thwaites to go up and visit the hut. I would also encourage the minister to get up there and to get to know the area. I am sure Mr Stoney would be very pleased to show him around. Mr Stoney knows the area like the back of his hand, and before decisions are made about this area, this government should also — —

Hon. Andrea Coote — Only if the cameras are there!

Hon. W. A. LOVELL — Yes; if the cameras are there the minister will certainly visit. But too many decisions are being made by this government without local knowledge.

We have ministers sitting in crystal palaces in Melbourne making decisions about areas like Violet Town, Pittong and Tiega. When the Minister for Transport in the other place actually visited the Violet Town site last week it was appalling for him to say that the locals had given him new information about flood levels, and the government had not even investigated that prior to naming Violet Town as one of the three possible sites for a toxic waste facility.

We have had the Minister for Planning in the other place sitting in her crystal palace and making decisions about rural zones — about areas she knows nothing about. As I mentioned in my speech the other night, in the case of a bushfire the people of Tubbut in eastern Victoria could quite easily be trapped as a result of those rural zones. She also has before her a planning decision to make on a much-loved parkland in Shepparton, the former International Village, now called Parkside Gardens. I encourage her to come up before she makes any decision to find out exactly how much that parkland means to the people of Shepparton, and I encourage her to make a strong and positive decision for the people of Shepparton by maintaining that parkland as public open space.

In summing up, it is important that following the amalgamation of these two boards proper consideration and representation is given to the unique attributes of both mountains. It is disappointing that the government has not used this opportunity to include Craig's Hut in the Mount Stirling resort area. However, the opposition has provided the government with the opportunity to do this through the reasoned amendment. I support that reasoned amendment and urge the government to do that as well.

Hon. PHILIP DAVIS (Gippsland) — I have pleasure in rising to speak on the bill and in particular in support of the reasoned amendment. I hope I will not cover any of the ground previous speakers have covered, but I will make a very brief contribution — and it will be a personal one.

Mount Stirling is a part of my personal voyage. It was important in my education and youth, and I will allude to why.

Ms Broad interjected.

Hon. PHILIP DAVIS — Recent youth, as Ms Broad notes.

I would like to take issue with the Honourable Graeme Stoney for two reasons. Firstly, in his contribution he referred to a ban on downhill skiing. I take the opportunity to inform him that there has long been downhill skiing on Mount Stirling. He also talked about Timbertop being a leader in education in Australia, and I would like to take issue with that comment.

By way of introduction, my affinity with Mount Stirling is a consequence of my education. I was very privileged to have had the opportunity to do what is now year 10 at Timbertop. It has a very close affinity with Mount Stirling because it is the place where — at least in 1968, which was not that long ago, and for many years before and since — students were taken to learn to ski. The process of learning to ski — and learning to downhill ski, I inform Mr Stoney — involved being bussed up in four-wheel drives across the Delatite River at Mirimbah and up the track about as far as the one four-wheel drive would go, to the bottom of Mount Stirling, followed by the bus which used to run out of traction about 100 metres past the Mirimbah bridge. Then we would have to pursue the expedition primarily on foot. That meant walking to the top of Mount Stirling with our skis over our shoulders, skiing down and then walking back up to the top and skiing down again. My memory is filled with that walk up to the top of Mount Stirling, but I do not remember many of the journeys down, because I think I was gasping for oxygen on the way down to the bottom.

It was a great experience, and from that experience and opportunity I learned to savour the delights of a very physical engagement in downhill skiing. We ultimately graduated to opportunities to go to Mount Buller to participate in what is regarded as more conventional skiing.

Things have changed remarkably, I say through the Acting President to Mr Stoney. Today if we are on Mount Buller we would see the high-fashion standard of dress and behaviour of downhill skiers — deporting themselves as professionals irrespective of their skill levels. In my day of skiing on Mount Stirling and subsequently on Mount Buller the most common form of dress was a pair of waterproof pants with a Drizabone coat over the top. It was a fairly basic introduction to downhill skiing, and I did enjoy for many years — —

Hon. Andrea Coote — Did you go to the Abom there?

Hon. PHILIP DAVIS — I will not talk about the things we were not supposed to do, but of course the Abom did have a reputation with the Timbertop boys at that time.

One of other things I want to touch on from Mr Stoney's contribution was his observation that Timbertop was a leader in education in Australia. I challenge that: Timbertop is recognised internationally as a leader in education, in creating a proper ambiance for the full development of the broader personal skill sets of the students who are fortunate to have those sorts of experiences. The experiences I am talking about were then for students in year 10 and are now for students in year 9. I believe there are many year 9 programs based upon the Timbertop model. Indeed I was interested to note that there are now about 150 schools using Mount Stirling as part of their outdoor education programs.

There are a good many non-government schools which have established the Timbertop-type program on a permanent basis for year 9. Importantly and progressively government schools are taking up those opportunities. I urge and encourage all schools to give their students those opportunities to develop a sense of the outdoors — the robustness, the freedom of spirit and the physical exertion that all leads to better personal development. It makes a well-rounded child.

It is interesting to me that when Mr Stoney talked about Timbertop being an Australian leader in education he contradicted himself. I have in my hand an extract from a book which was published only last year by Mary Ryllis-Clark, which is the 50-year anniversary publication of the history of Timbertop. In it, it says in part:

> Graeme Stoney, local member of the Legislative Assembly —

that is a typographical error —

> and a member of a well-known family of mountain cattlemen, says, 'We've had a lot of incidents over the years with the kids either in trouble or sick and we've taken them back to school. We have great affection for Timbertop. It was a world-breaking concept in the way it operated. It still is, even with the restrictions placed on it nowadays with public liability. It gives kids a remarkable perspective.

In pure good humour, I point out that Graeme Stoney does contradict himself, because in that publication he

acknowledges that the Timbertop experiment has turned into world-leading experience, on which many other programs of education for those in their adolescent years are now based. All of us who have been associated with it in any way are remarkably privileged, and we should do what we can to encourage the opportunity for others.

On a more serious note, I know that my colleague the Honourable Bill Forwood would like to reminisce in his own way about that experience because he attended Timbertop, as did the member for Benambra in the other place in the very early years. The three of us share a great bonhomie by both being in this Parliament and by having another common connection that we refer to from time to time.

Hon. Andrea Coote interjected.

Hon. PHILIP DAVIS — We do not want to remember all the good times, like the 'up Timbertop', the around-the-block dash, the marathons, the twice-weekly cross-countries and all of the rest of it! It was a fantastic opportunity.

What I particularly want to say in relation to the import of this bill and Mr Stoney's involvement is not only has he been a great advocate in his community and the community at large for the preservation of the values of Mount Stirling but as someone who was involved in and observed the Honourable Graeme Stoney's participation in this debate in 1994, I can testify that there were pressures at that time for the development of Mount Stirling. I will say, without divulging what inevitably are the secrets of the confessional that is the party room, that Mr Stoney played a most crucial role in determining the attitude of the then government to the future development of Mount Stirling. It is my view that posterity, the community and all those who love Mount Stirling will owe Graeme Stoney a debt forever, because he put a perspective to the then government in a way that was convincing and absolutely compelling. This matter today is a direct consequence of the contribution that Mr Stoney made at that time.

I want to recall one anecdote. There have been some observations made about various incidents in this house during the course of this debate. I can recall one weekend in those Timbertop days. I had what seemed to be a 200-kilogram pack on my back, and I was with a group of young lads walking up the Howqua River and following it all through the crossings. We arrived at the 14 mile, which was Ritchie's Hut, and there on horseback was what I presumed at the time to be some mountain cattlemen. In the foreground was the obvious leader: a leader in nature and every characteristic. The man was a living legend who had been involved in many expeditions to rescue wayward young Timbertop lads who had injured themselves or become lost. This was the real man from Snowy River. I am not quite sure that we can say the Snowy River in this case, but we can talk about the Delatite, the Howqua and the Jamieson. It was Graeme Stoney. I have to say that his beard was a good deal darker than it is today!

I will use Mr Stoney's first name, because that was how he was known to the boys at Timbertop. Graeme loomed large by reputation as somebody who was the genuine article. Here was a man who went about his business, was a mountain cattlemen and whose family had a good name in the community. More particularly, when Timbertop lads were in trouble, Graeme Stoney was always involved in giving assistance. I would like to acknowledge that contribution in a personal way in Parliament, because I recall a couple of incidents in 1968 in which he was involved — which I have absolutely no doubt he has forgotten about — where boys needed assistance. There is no question in my mind that the sight of Graeme coming along on his horse produced undoubtable and immeasurable happiness. They were relieved to find that somebody knew where they were on the planet. So without further ado it is my very great pleasure to support my colleague Graeme Stoney's reasoned amendment, and commend that members of the house support it.

Ms BROAD (Minister for Local Government) — By way of introductory remarks, as someone who has skied, walked and, before coming into Parliament, ridden horses in the high country — some of them provided by members of Mr Stoney's family — I have a very keen appreciation of the values we are all trying to preserve here.

It is very gratifying to see, when we go back to some of the debates around alpine parks which predate some of the debates around Mount Stirling, that at least some things have moved on. There is a greater level of agreement around the need to preserve these values than perhaps there was at one time.

I remind the house that the government wishes to address the long-term viability of Mount Stirling and secure its future as an alpine resort, including by reference to the widely accepted community vision for Mount Stirling as an all-season, nature-based, tourist, recreational and educational resource with no ski lifts, consistent with the findings of the 1996 environment effects statement.

To address the reasoned amendment, in particular, I wish to provide some advice to the house in relation to

Craig's Hut. It is a much-visited site situated on public land. The Department of Sustainability and Environment is the land manager, and it is responsible for management and maintenance of and access to the hut.

I am advised that the department is certainly aware of the concerns in relation to Craig's Hut, and already has an improvement program under way. I understand that that improvement program includes the Department of Sustainability and Environment having engaged a landscape architect to investigate options for improvements to both the management and maintenance of Craig's Hut and protection and rehabilitation of the fragile environs around it, and also that access improvements are in train.

There are a number of non-legislative mechanisms by which the proposed new Mount Buller and Mount Stirling Alpine Resort Management Board could assist in the management of Craig's Hut, and these include contributing funds to the management of the area as part of the enhancement of the all-season tourism offering, and also appointing the board as a committee of management.

In relation to the status of the land, I advise the house that, should it appear desirable to alter the status of this or any other public land, there is a proper consultative public process which the government would follow if that were considered to be something that should be pursued in the future.

Having regard to that advice, I indicate that the government does not support the reasoned amendment and believes the bill should proceed in its existing form.

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

Ayes, 21

Argondizzo, Ms	Mikakos, Ms
Broad, Ms	Mitchell, Mr
Carbines, Ms (*Teller*)	Pullen, Mr
Darveniza, Ms	Romanes, Ms
Hadden, Ms	Scheffer, Mr
Hilton, Mr	Smith, Mr
Hirsh, Ms	Somyurek, Mr
Jennings, Mr	Theophanous, Mr
Lenders, Mr	Thomson, Ms
McQuilten, Mr (*Teller*)	Viney, Mr
Madden, Mr	

Noes, 16

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

Pairs

Buckingham, Ms	Atkinson, Mr
Eren, Mr	Olexander, Mr
Nguyen, Mr	Forwood, Mr

Amendment negatived.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Hon. E. G. STONEY (Central Highlands) — I wish to just briefly say — and we have given a commitment to have a very short committee stage, probably the shortest on record — that we are going into committee just to tie up a few loose ends. Our main interest is clause 10. If I can I will make a few general comments centring on the fact that the government's terminology concerning ski lifts has been a bit careless.

We thought Craig's Hut should have come into the resort at the time, and we do not understand why it has not. If the Mount Buller committee of management is going to be involved and might be funding it, it makes sense that Craig's Hut come into the boundary of Mount Stirling. We think the government just forgot about Craig's Hut.

We are concerned, knowing the public's love of Mount Stirling, that a new board may change the direction away from what the community wants for Mount Stirling. Mount Stirling is, as I and others have said in many contributions today, the locals' mountain, and it is absolutely important that there is true local representation on the new Mount Stirling board, and I mean people from the Mansfield community so that they can reflect what was portrayed in the petition and the strong feeling that emanates from and through the Mansfield community and indeed through the Victorian community. We need representatives on that board who understand what the people want and who understand the thrust of that petition. We need two or three local people on that new committee of management board — —

The CHAIR — Order! There are too many conversations in the chamber. If members want to have a conversation, I ask them to have it outside.

Hon. E. G. STONEY — Thank you, Chair. I have just about finished.

We need the ability to build a high-level ecotourism day centre up near the cricket pitch, and over and above everything else I believe the community needs an assurance that Mount Stirling will remain the people's mountain where there is always room for all and that powerful vested interests of whatever persuasion will not be allowed to change the present balance and uniqueness of that mountain.

Clause agreed to; clauses 2 to 9 agreed to.

Clause 10

The CHAIR — Order! Mr Stoney, to move his amendment 1, which also tests his amendment 2.

Hon. E. G. STONEY (Central Highlands) — Clause 10 explains the requirement that Mount Stirling Alpine Resort be managed as a nature-based tourist, recreational and educational resource for all seasons of the year and that ski lifts not be installed at that resort. If we turn to the definition of 'ski lift' in the bill, we see it states:

> 'ski lift' means any mechanism (not being a vehicle) provided for the transport of persons up and between ski slopes';

There is nothing in that definition that bans the use of a gondola, and there is nothing about summer use. A gondola could be very attractive in the summer. Mr Baxter said that perhaps in the future there may be a necessity, but if that is the case I say, 'Let the Parliament decide that'. I think it has been a careless oversight in the definitions. The petition that I mentioned in my speech earlier specifically states:

> Your petitioners therefore pray that:
>
> Mount Stirling be forever protected from such mechanical gondola, ski lifts and associated infrastructure and it be preserved for all time.

The petitioners saw fit to mention the ski lifts and gondola. I believe we should mention the gondola and the ski lifts, therefore I will move amendment 1 standing in my name, and I believe amendment 1 tests amendment 2. I move:

> 1. Clause 10, page 12, line 21, omit 'the resort."' and insert "the resort; and".

Ms BROAD (Minister for Local Government) — In response to the Honourable Graeme Stoney's amendment to clause 10, I advise that the government believes the second-reading speech clearly sets out the government's policy that Mount Stirling should be used as an all-season nature-based tourist, recreational and educational resource with no ski lifts. The bill provides that there are not to be any ski lifts in the resort and includes a definition of the term 'ski lift'. Further to that, the Victorian Government Solicitor has advised the government that a gondola or any other lift falls within the definition of 'ski lift' and as a result a gondola would be precluded from Mount Stirling. Having regard for that advice, the government believes there are no grounds to warrant this amendment to the bill.

Hon. E. G. STONEY (Central Highlands) — The opposition does not accept that. As I explained in my contribution to the debate, the word 'gondola' should be included. The government has not addressed the summer use of that machinery at all. Opposition members believe it is the community's expectation that it is absolutely clear that there will be no mechanical lifting devices on Mount Stirling, so we stand by amendment 1.

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

Ayes, 20

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

Noes, 17

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

Pairs

Buckingham, Ms	Atkinson, Mr
Eren, Mr	Forwood, Mr

Amendment negatived.

Clause agreed to; clauses 11 to 16 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

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

That the bill be now read a third time.

In doing so I thank members for their contributions to the debate.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

SURVEILLANCE DEVICES (AMENDMENT) BILL

Second reading

Debate resumed from 11 May; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. C. A. STRONG (Higinbotham) — In rising to speak on the Surveillance Devices (Amendment) Bill it is worth reiterating that this is a bill which forms part of a group of bills we have dealt with this week — it includes the Crimes (Controlled Operations) Bill and the Crimes (Assumed Identities) Bill — although this bill is slightly different because most of the amendments in this bill are to do with bringing some national uniformity provisions into the legislation. We are amending an existing act rather than creating a brand new bill, which the other two were, so it is slightly different in that regard.

Nevertheless, it is probably worth highlighting what has led to these amendments to the Surveillance Devices Act. We are all becoming more and more aware of the threat to our community that is posed by terrorism, organised crime and many forms of criminally based fraud. All of those activities are very much national in nature. They cross the borders in our country. It is no longer as it was in the colonial days when crime could be seen to stop at the borders of our states and could therefore be handled separately by each of the state jurisdictions. Today the truth of the matter is that organised crime, terrorism et cetera are national problems, and probably international problems.

In Australia, and particularly in Victoria, our brief is to deal with these forms of crime and terrorism on a national basis, and that is what the amendments to this act and the other two bills that form the suite we have dealt with this week endeavour to do. Organised crime does not stop at national borders, let alone at state borders.

In fact in carrying out various investigations against organised crime and terrorism, state police are often hampered in their investigation by cross-border issues. The police may have a warrant to carry out certain activities in Victoria, but when they are pursuing investigations to solve that particular crime and the criminals or the activity crosses the border their warrant does not run into New South Wales so there is an immediate jurisdictional problem. Alternatively the same applies if the New South Wales police are investigating a particular criminal activity. If the investigation is being conducted under various rules and warrants of the New South Wales Parliament and police force, they may well be breaking Victorian law if they carry on those same investigative activities into Victoria.

With all this in mind there was a need for national coordination, and the commonwealth and state territory leaders met in 2002 for a summit on terrorism and multijurisdictional crime to consider all these particular issues. That summit resulted in model laws being developed by a national joint working group established by the Steering Committee of Attorneys-General and the Australasian Police Ministers Council. This working group produced a report which was subject to various consultation and then produced a final report which was published in November 2003 titled *Cross Border Investigative Powers for Law Enforcement*. Many of the provisions that are amending the Surveillance Devices Act are drawn from or based on the work that was done by the Standing Committee of Attorneys-General and the Australasian Police Ministers Council.

The key issue that was identified as the mainspring of this report and the matter that the working group sought to address was to enable the relevant authorities to operate effectively across a border — in other words, if a warrant for some activity was issued in Victoria, that warrant was also valid in New South Wales. Alternatively if a warrant to investigate some crime was issued in South Australia and those activities had to continue into Victoria, then that particular warrant was valid in the Victorian jurisdiction. So the key issue was to enable relevant authorities with warrants issued in one jurisdiction to be recognised as valid in the other participating jurisdictions. Amendments to various crimes acts in all Australian jurisdictions are taking place — and in some cases have already taken place — to ensure that this cross-jurisdictional ability exists and

that as far as possible the standards for issuing warrants for the various activities are more or less the same in each jurisdiction so that the protections offered in one jurisdiction are equivalent in other jurisdictions.

These amendments to the Surveillance Devices Act do not in fact change the protections that exist under the act. The protections do such things as prohibit the use of such devices — listening devices, optical spy devices, hidden cameras and so on — to legitimate policing activities. We do not want a situation where every Tom, Dick and Harry is out there using these surveillances devices for any form of nefarious activities that they may want to take part in. The act also restricts the use and publication of information that has been collected by surveillance devices for the same reason — that this sensitive information, in many cases highly personal information, has the potential to impinge on people's privacy and civil rights and therefore we need to be very careful how this information is used, and the act makes it quite clear what is and what is not legal.

This bill overlays the existing act with a standard regime that will be more or less consistent across Australia. That regime also tries to put in place a few other protections that will be consistent across all jurisdictions — for instance, it establishes a time limit on how long warrants for surveillance devices can run because even if a warrant or approval is granted for a surveillance device you do not want that surveillance left there for years and years; therefore a clear time limit is set for how long a surveillance device warrant will last, although the legislation does have the facility to extend that time period if required.

The bill documents in some detail a process for more detailed record keeping and a register of warrants as well as the required details on that register of the use, impact and effect of those warrants so that there is a proper knowledge, as it were, of what warrants are out there. An audit trail exists if any problems come to pass in the use or abuse of such advice and also some documentation is available about the usefulness and effectiveness of the surveillance devices in the particular cases in which they are used. The bill also establishes an oversight role for the Victorian Ombudsman to deal with the issues that may come to pass so that he is able to oversight the whole process. Some extra safeguards are built into the process.

The bill is a fairly lengthy document, setting out in some detail all the procedures, including who is authorised to issue warrants, the extent to which the Chief Commissioner of Police can delegate those powers to lower levels of police command, the extent to which the courts are or are not involved in granting warrants and at what level of the court structure the warrants are able to be granted or the extent to which the powers to withdraw or remove surveillance devices et cetera apply. All those are set out, as one would expect, in some very great detail in the bill. In a way it may be said that that is a good thing, but it is also something that has caused some problems. Some of the clauses in certain instances change the existing procedures provided for in the Surveillance Devices Act.

As I have said before and as Mr Baxter has said in his contributions to the debate on the other two bills that form this group of bills, the opposition has been surprised and disappointed at the process by which the bills have been put together. Although the general principles were laid out in the report that I mentioned before, the drafting seems to have left a certain amount to be desired. This was brought to the attention of all members by a letter dated 8 April 2004 from the Police Association of Victoria in which it expresses concerns about the bill. In discussions with the opposition, the Police Association expressed similar concerns about the other two bills that make up the group that members have dealt with this week.

It is worth putting on record some of what the Police Association has said in its letter of 8 April. The copy addressed to me starts 're: Surveillance Devices (Amendment) Act 2004' and goes on to say in the second paragraph:

> The association contends that far from enhancing the Surveillance Devices Act, the amended act in its present form will impede investigations of serious crimes in the state of Victoria.
>
> The association understands the proposed legislation has largely been developed from the commonwealth Surveillance Devices Bill 2004. The state model, however, has been reworked, significantly reducing opportunity for wider police use of surveillance devices as proposed in the commonwealth model.

Hon. W. R. Baxter — That is a critical sentence. Do you think the Labor left wing got involved, Mr Strong?

Hon. C. A. STRONG — Mr Baxter asks what is I think a very legitimate question, which is the extent to which the left-leaning civil rights zealots of the Labor Party may well have seriously undermined or sought to undermine the effectiveness of this important piece of legislation, which is clearly there for the protection of the community against organised crime and terrorism.

The letter runs to four pages and goes on to carry out on a clause-by-clause basis a fairly detailed analysis of

where the bill significantly weakens the powers that exist under the commonwealth legislation and how the security and safety of Victorians has the potential to be quite clearly significantly reduced as a result of the watering down of these conditions.

One can understand the Police Association, representing as it does the police who in essence will be responsible for using most of the provisions of the bill, would be greatly concerned. These conditions being watered down will make their job of apprehending terrorists and serious criminals much harder and in certain cases — I will refer to one of these shortly — has the potential to put people at personal risk. No government should support this in any way. The Police Association has raised very real concerns.

It is amazing to us that the bill could have gone as far as it has — how it could have been produced and introduced into the Legislative Assembly without any effective consultation of the Police Association beggars the mind. The opposition, armed with this letter, was seriously concerned; our position is that this bill should not be allowed to proceed in its present form. It should be deferred to allow for proper consultation to get it right. These are important issues which we want to see in place for the protection of all Australians and they must be made correct.

There were last-minute negotiations between the Police Association and the government. The government has agreed to a most strange arrangement — it will bring in amendments in due course to further amend this bill and the other two bills to bring them up to scratch. The bill was clearly nowhere as good as it could be, and then at the last minute house amendments were introduced that did a few fix-ups. A couple of them show how serious the defects were in the original bill. The government has further agreed to more fix-ups in future. It is a fairly half-baked situation at best.

To highlight some of the concerns, I will take the house through a couple of the amendments that were introduced in the Assembly at the very last minute. One of them deals with the part of the bill regarding the warrants for surveillance devices and which ones are authorised under the bill. It would be an unbelievable surprise to everybody to know that if I read new section 19(3)(f) we are talking about surveillance devices and the transmitting of information. It states that each surveillance device warrant also authorises the connection of a device or equipment to a telephone system and the use of that system in connection with the operation of the surveillance device. It also allows connection to the electricity system.

One of the government's amendments was to allow the connection of a surveillance device to any object or system that may be used to operate the device or transmit the recorded material back to the office. Currently under the bill this authority or this power to use a device to transmit information is restricted to the electricity supply and the telephone system.

In 2004 there was a bill dealing with surveillance devices which restricted the pathways that could be used to send information to the electricity supply or telephone system. Have the people who drafted this legislation not heard of radio or computers or other forms that exist? It is amazing that at the last minute the bill would have to be amended to say that information can be transmitted other than by the electricity supply or the telephone system.

There is another amendment, and this is one which the Police Association highlighted as having the potential to endanger the life and limb of its members and operatives, particularly in undercover environments, where an undercover operative needs to go into a dangerous situation at very significant personal risk.

Those of us who have watched various television programs about police undercover investigations know that in many cases when an operative is going into such a situation he would have a recording device attached to him which would allow his backup people — the squad looking after him — to monitor what he was doing, to listen to his conversations — —

Hon. Andrew Brideson — President, I wish to draw your attention to the state of the house.

Quorum formed.

Hon. C. A. STRONG — Thank you, President.

Hon. C. D. Hirsh — Did you want an audience, dear?

Hon. C. A. STRONG — There are forms of the house which have to be observed.

The PRESIDENT — Order! The Honourable Chris Strong, to continue without assistance.

Hon. C. A. STRONG — Before the break to re-establish a quorum I was explaining how ludicrous the amendments which were brought in at the very end as house amendments in the other place are. The bill was not effectively thought through and had the potential to put at risk the security of Victorians under attack from organised crime and drug dealers. I highlighted the fact that one of the amendments deals

with the means by which information from a surveillance device can be transmitted. I described how the bill originally restricted the transmission of such information to either the electrical or telephone systems. How ridiculous is that in this day and age when we have radios, computers and everything else? At least the government fixed up that demonstrably archaic failure of the bill, albeit at the very last minute in a house amendment. There are a few of these issues, but in the interests of time I will pick up on only two of them to highlight how poor the consultation and the whole process of putting this bill together was.

The other issue is the ability to, to use detective story jargon, 'wire' an undercover operator. When an undercover operator is going into a dangerous situation on these detective shows on the television he will have some recording and transmission device attached to his body so that when he is going into this dangerous situation his backup people can monitor what is going on. They would be in constant contact through this device attached to the undercover operator's body. They would be able to hear if there were a problem or if for any reason the operation might be unravelling, thereby putting that individual in danger. They would pick that up over the recording device and be ready to act and help the individual. Something like that would have been extremely difficult to do under this bill as it was first presented. To wire up a person to go into a dangerous situation the police would have had to go to the Chief Commissioner of Police to get approval to get a warrant and then go to the courts to get the warrant just to protect an operative. One of the house amendments made in the other place means that that can now be done quickly and easily to protect and advance any particular operation.

That highlights to the house some of the real concerns the Liberal Party had and still has about the way this bill was put together. It is essential for the safety and security of Victorians and police and other operatives who put themselves into difficult and dangerous positions that there are no loopholes in these bills. We know organised crime has very significant resources available to it, and if there are loopholes in any piece of legislation which may be used in court to get someone off a charge, if there are loopholes which mean a case can be struck out, people will use them. It is absolutely essential for our protection that — —

Business interrupted pursuant to sessional orders.

BUSINESS OF THE HOUSE

Program

Mr LENDERS (Minister for Finance) — I move:

That so much of the sessional orders be suspended to the extent necessary to permit the Honourable W. R. Baxter to speak on the motion for the second reading on the Surveillance Devices (Amendment) Bill.

Motion agreed to.

SURVEILLANCE DEVICES (AMENDMENT) BILL

Second reading

Debate resumed.

Hon. W. R. BAXTER (North Eastern) — I thank the Leader of the Government for his courtesy in extending the sitting, but I cannot resist saying that our having to go through this charade is another example of the stupidity of the sessional orders. If we did not have these sessional orders, I dare say we would have finished the program last evening in any event. Certainly Mr Strong would not have been cut off at the socks.

I am more comfortable with this third leg of the troika of bills we have had this week which go to the issue of police operations than I was with the former two, because this one does not in any sense alter any records, such as the Crimes (Assumed Identities) Bill did by providing for the alteration — albeit, temporarily — of the register of births, deaths and marriages records and some others. Certainly the Crimes (Controlled Operations) Bill earlier in the week authorised police officers to engage in illegal conduct, and I was somewhat concerned about that.

This bill goes to the issue of surveillance. We already have legislation on the statute book regulating surveillance devices, so it expands and strengthens an existing act and brings it into line with the commonwealth provisions and the nationwide agreement on surveillance. Despite what the Privacy Act might do and how the bill might impinge on Australians' everyday activities — and I have alluded to that in the house before — I do not have much objection to surveillance. I wish it were used a bit more often in some cases, particularly to catch up with the malingerers who are rorting the WorkCover system, for example, for which there is a great opportunity for more use of surveillance than there is.

If the police can be assisted in their work by better use of surveillance devices, I do not have any objection. But, like Mr Strong, I have a great deal of concern about the insidious and perhaps even sinister influence of the ALP left wing on this particular piece of legislation, because, as Mr Strong read out, the letter of 8 April from the Police Association makes it clear that the original bill introduced into another place:

> ... has been reworked, significantly reducing opportunity for the wider police use of surveillance devices as proposed in the commonwealth model.

One wonders why that was so? How did that come about? I can only say that it was the ALP left wing sticking its beak into this in its usual fashion and wanting to hinder the law enforcement agencies of this state. I think we need to place on record the tremendous challenges that are facing our police force at the moment. The final paragraph of the letter from Mr Mullett states:

> As we are all aware, the Victoria Police Force, through the Purana task force, is currently investigating a series of underworld murders that is without precedent in this state. It is absolutely essential that the detectives investigating these brutal crimes are equipped with the best possible surveillance and related information. This can only occur if they are supported by strong legislation such as that contained in the proposed Commonwealth Surveillance Devices (Amendment) Act.

Again I say it is disappointing that the original bill introduced in another place was somewhat less than that commonwealth act. I want to pay special tribute to the Leader of The Nationals in the other house, Mr Peter Ryan, because I know he has worked very closely with the Police Association. He can claim a lot of credit in getting the government to the barrier and introducing house amendments in another place to meet many of the police concerns and objections. Mr Ryan has done a great service to the police of this state, and I am sure they very much appreciate the work that he has done.

I am pleased that the government has been brought, albeit somewhat kicking and screaming, to at least bringing in the legislation virtually to the satisfaction of the police and to give commitments that if there are any deficiencies, it will look at it again. I am pleased that the amendments that were introduced in another place go to some of the objections the police had. For example, the original bill restricted the connection of surveillance devices to telephones and the like. Where are we? What age was the government in when it drafted this bill if it thought that telephones were the only means of communication the criminal element uses in this day and age? It needed to be expanded to take into account other forms of communication.

A good outcome has eventually been reached with this legislation despite the reluctance of the government to talk to the police and despite its reluctance to properly consult with the relevant stakeholders in this particular area, especially those most keenly involved: the police force of Victoria.

The Nationals are not opposing the bill, but we are sorry that we and others had to go to such lengths to bring the Attorney-General in particular and other members of the government to the barrier on this issue.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

VICTORIAN QUALIFICATIONS AUTHORITY (NATIONAL REGISTRATION) BILL

Second reading

Debate resumed from earlier this day; motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

House adjourned 4.09 p.m. until Tuesday, 25 May.

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, 11 May 2004

Women's affairs: ministerial staff

1272. **THE HON. W. R. BAXTER —** To ask the Minister for Local Government (for the Minister for Women's Affairs): Are any members of the Minister's staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, remunerated by way of consultancy fees in lieu of salary and allowances.

ANSWER:

I am informed as follows:

No member of my staff listed in the 2003-04 Victorian Government Directory, persons who have replaced those listed, or staff engaged since the Directory's publication, have been remunerated by way of consultancy fees in lieu of salary and allowances.

Victorian communities: grants

1324. **THE HON. BILL FORWOOD —** To ask the Minister for Aged Care (for the Minister for Victorian Communities): What are the names and purposes of each of the 47 different grants programs run through the Department of Victorian Communities, and what amount of funds are budgeted to be granted from each program in the 2003-04 financial year.

ANSWER:

I am informed as follows:

When the Department for Victorian Communities was established, a large number of separate funding programs were identified. Since that time, the Department has refined its programs to focus on the key objectives of strengthening communities. A list of current grants programs is provided. There will be further work to consolidate grants programs as part of the strategy for streamlining grants.

Program Name	Purpose	Program Budget 2003-04
Indigenous Community Capacity Building Fund	The fund provides for flexible grants to Indigenous individuals, families and community organisations	$500,000
Indigenous Community Infrastructure Program	The Community Infrastructure Program provides Victoria's Indigenous communities with the infrastructure they require to run programs and provide services to their members.	$1,500,000
Cultural Heritage Program	Employment of five community-based Regional Cultural Heritage teams to deliver a range of services relating to management of Victoria's Aboriginal cultural heritage	$1,330,000

Program Name	Purpose	Program Budget 2003-04
Indigenous Family Violence Community Initiatives Fund	The Community Initiatives Fund supports, empowers and enables Indigenous communities throughout the State in understanding family violence in their communities, and in the development of community led strategies for addressing family violence which are appropriate to local conditions and needs.	$656,000
Community Support Grants	*Building Community Infrastructure* Building Community Infrastructure provides grants to improve places where communities meet and interact. *Planning* Planning provides grants for communities to plan for the future through better information, consultation and planning. *Strengthening Communities* Strengthening Communities includes grants to improve skills in the community, strengthen community organisations and build partnerships and networks.	Funded through the Community Support Fund
Jobs for Young People	Jobs for Young People aims to improve the employment prospects of young people through creating apprenticeship and traineeships in Local Government.	$2,600,000
Community Jobs Program	Community Jobs Program – aims to enhance the employment prospects of long-term unemployed through training and initiatives that promote access to the labour market.	$9,600,000
Community Regional Industry Skills Program	Community Regional Industry Skills Program aims to strengthen rural and regional communities by providing targeted funding to address skills shortages and create suitable industries and jobs in country Victoria.	$2,000,000
Public Libraries Initiative Grants	Further develop public library services in Victoria.	$250,000
Public Library Grants	Support to Local Government in providing public library services.	$25,800,000
National Youth Week	To celebrate and recognise the value of all young Victorians in their local communities.	$130,000
Advance Youth Development Program	The Advance youth development program provides opportunities for personal and skill development for young people in Government secondary schools. Communities and community organisations also benefit through young people's involvement in voluntary activities that provide a service to the community.	$4,000,000
FreeZA	Through the establishment of Youth Committees, the FReeZA program allows young people to become directly involved in organising and implementing entertainment and cultural events according to their needs and desires. A FreeZA event is typically a live band, a dance party or similar. Beyond providing relevant and interesting events, the program aims to provide a safe and secure environment for young people that is both drug and alcohol free.	$2,000,000
Youth Services Program	The Youth Services Program provides grants to qualified agencies to provide services which respond to the issues of vulnerable young people, with a focus on 12 – 18 year olds.	$4,100,000
Women's Community Leadership Grants	The grants are a commitment by the Victorian Government to provide recognition and support for leadership activities undertaken by women. Under the program individual women can apply for up to $2000 and groups up to $5000 to undertake activities to assist them in their leadership roles, or to advance leadership projects at a local level.	$123,000
Local History Grants Program	The Local History Grants Program supports volunteer community groups in the production and circulation of Victorian local historical information.	$250,000

Program Name	Purpose	Program Budget 2003-04
Access for All Abilities	To develop and support sport and recreation environments that are inclusive of, and accessible to, people with a disability through funding agreements and project initiatives.	$2,885,100
Regional Sports Assembly Program	To strengthen the capacity of rural and regional communities to respond to sport and active recreation issues, which impact at the grass roots level.	$580,000
State Sporting Association Development Program	To improve the organisational capacity of recognised State Sporting Associations and increase participation opportunities.	$2,070,000
Community Facility Funding Program	To contribute to the provision of high quality accessible community sport and recreation facilities across Victoria.	$18,982,000
Country Action Grant Scheme	To increase the capacity of sport and active recreation organisations in regional and rural Victoria.	$320,000
Women in Sport Leadership Program	To provide opportunities for women to increase their skills and leadership ability in coaching, officiating or administrative roles within sport.	$30,000
Sport and Recreation Development Program	To develop the sport & recreation industry through funding of selected peak organisations for receipt of strategic advice and project initiatives.	$478,000
Emergency Facility and Equipment Replacement Fund	To assist clubs to replace essential sporting and first aid equipment lost or destroyed as a consequence of fire, theft or flood.	$20,000
Victorian Sports Injury Prevention Program (Smart Play)	To fund action based research and evaluation on sports injury prevention to be undertaken by universities in partnership with community sport organisations.	$38,000
Victorian Multicultural Commission Grants	*Multicultural Festival and Events Program* To support major festivals, conferences or special ethnic community events that encourage the participation of the whole community in celebrating and valuing cultural diversity. *After Hours Ethnic Schools Program* To support after hours ethnic schools to provide a professional development program for teachers. *Building and Facilities Program* To assist ethnic community organisations to undertake minor upgrades or improvements to buildings and facilities that they own. *Community Heritage Program* To facilitate community building through the development and awareness of the significant contributions made by migrants and refugees to the social, cultural and economic development of the state. *Community Partnership Program* To support projects that provide best practice models in service delivery to a culturally diverse community. *Community Strengthening Program* To support ethnic communities at a local level and to address substantive and unmet needs that exist within these communities. *Migrant and Refugee Women's Program* To support migrant and refugee women to develop innovative programs that address disadvantage and discrimination. *Multicultural Senior Citizens Organisational Support Program* To provide financial assistance towards the general activities and needs of Victoria's ethnic and multicultural senior citizen's organisations. *Organisational Support Program* To provide financial assistance towards the general activities and needs of Victoria's ethnic and multicultural organisations.	$2,850,000

Water: rural water authorities — fees and charges

1564. **THE HON. PHILIP DAVIS —** To ask the Minister for Local Government (for the Minister for Water): What was the level/rate of rural commercial/industrial water supply, water usage and water disposal charges and any other fees, levies, charges and taxes administered by each of the rural water authorities in October 1999 and what is their current level/rate.

ANSWER:

I am informed that:

In July 2001, the Bracks Government introduced a new pricing framework following extensive industry and community consultation lasting eight months. Victorians enjoy some of the highest quality water in Australia and the new pricing framework has ensured the continuity of this high level of service provided at an affordable price.

The level of regulated rates and charges administered by the Regional Urban Water Authorities vary across regional Victoria reflecting the diversity of the services provided for water and sewerage and the costs in delivering those services. In 1999, the water rates for commercial properties in major towns ranged from 20 cents/kilolitre (Mildura and Portland) to $1.00/kilolitre (Cowes -seasonal only). Commercial water charges ranged from $54 (Ballarat) to $280 (Horsham). Sewerage rates ranged from 25 cents/kilolitre (Bendigo) and 85 cents/kilolitre (Horsham) whilst sewerage charges ranged from $111 (Cowes) to $348 (Sunbury) in that year.

In 2004, the water rates for commercial properties in major towns ranged from 22.50 cents/kilolitre (Mildura and Portland) to $1.07/kilolitre (Cowes-seasonal only) whilst water charges ranged from $61.27 (Ballarat) to $268 (Horsham). Sewerage rates ranged from 28 cents/kilolitre (Bendigo) and $1.04/kilolitre (Traralgon) whilst commercial charges ranged from $129.30 (Geelong) to $358.75 (Sunbury).

Further information if required can be obtained from the individual Regional Urban Water Authorities' Corporate Plans for those years.

Water: rural water authorities — fees and charges

1565. **THE HON. PHILIP DAVIS —** To ask the Minister for Local Government (for the Minister for Water): What was the level/rate of rural agricultural water supply, water usage and water disposal charges and any other fees, levies, charges and taxes administered by each of the rural water authorities in October 1999 and what is their current level/rate.

ANSWER:

I am informed that:

The fees and charges set by the rural water authorities (RWAs) for rural agricultural water supply, water usage and water disposal (drainage) are set to meet the full cost recovery of the service as required under the Council of Australian Governments' pricing principles. The fees and charges are also set in consultation with the RWAs Water Services Committees.

The level of fees and charges set by each RWA varies depending on the customer group and the nature of the services provided. There is considerable diversity of services and customer groups amongst the RWAs. Table 1 shows the fees and charges administered by the RWAs in 1999 and 2004 for six main services.

A complete list of all services provided, customer groups served and the fees and charges levied can be obtained directly from the RWAs.

Table 1 - Fees and Charges set by Rural Water Authorities in 1999 and 2004

	Gravity Irrigation		Pumped irrigation		Surface drainage		Surface diversions (regulated)		Groundwater		Domestic and Stock	
Rural Water Authority	**1999**	**2004**	**1999**	**2004**	**1999**	**2004**	**1999**	**2004**	**1999**	**2004**	**1999**	**2004**
Goulburn Murray Water												
Service fee		100				100	66	100		100		100
Water right (per ML)	17 to 22	25.80 to 39.40										
Area fee (per Ha)					1.7 to 6	2.20 to 10.20					3.6	
Volumetric fee (per ML)					1.6 to 5.7	1.75 to 5.39		1.97				105
Entitlement fee (per ML)							6	7.56		1.4		
Minimum fee											53	
Southern Rural water												
Service Fee							89	110	49.5	90		
Water right (per ML)	33 to 114	37 to 127										
Licence fee											48	80
Volumetric fee (per ML)					8 to 16	9.40 to 19	9.5 to 35	10 to 40	1.1	1.65		
Sunraysia Rural Water												
Access Fee (per ML)				52.03								
Water right (per ML)				47.19				20.93				
Wimmera Mallee Water												
Access Fee (per ha)											2.87	2.9
Minimum fee							124.5				214	218
Damfill (per dam)											75	75
Licence fee									55	63		
Allocation (usage) charge (per ML)	35	36.6					8.3		1.5	1.72 to 5.56		
Supply charge	570	600							50			
Sales charge (per ML)	20.3	22										
FMIT												
Bulk water charge (per ML)			)	6.64								
Access Fee (per ML)			) 70	25.4								
Delivery fee (per ML)			)	44.6		4.16						

Community services: support and choice and individualised planning and support initiative

1655. **THE HON. BILL FORWOOD —** To ask the Minister for Aged Care (for the Minister for Community Services): In relation to the Support and Choice/Individualised Planning and Support initiative:

(a) What is the total amount of funding allocated to this initiative.

(b) What amount of funding has been allocated to each region.

(c) How many people in each region are expected to be assisted from this funding.

(d) How many people in each region are expected to be assisted by this funding to move out from Shared Supported Accommodation services.

(e) How many people had been assisted by this funding as at 30 December 2003.

ANSWER:

I am informed that:

(a) A total of $13,550,000 of growth funding has been allocated to the Support and Choice initiative.

(b) The following amounts have been allocated to regions:

$994,057 Barwon South Western Region

$2,644,248 Eastern Metropolitan Region

$741,634 Gippsland Region

$728,320 Grampians Region

$751,197 Hume Region

$871,805 Loddon Mallee Region

$3,885,670 North and West Metropolitan Region

$2,933,069 Southern Metropolitan Region

(c) A minimum of 920 people with a disability or families and carers of people with a disability will be assisted through the Support and Choice initiative. The number of people or families and carers per region follows:

70 Barwon South Western Region

169 Eastern Metropolitan Region

51 Gippsland Region

44 Grampians Region

52 Hume Region

62 Loddon Mallee Region

268 North and West Metropolitan Region

204 Southern Metropolitan Region

In addition to the 920 people with a disability or families and carers of people with a disability, 420 episodes of respite will be provided through this funding.

(d) A minimum of 50 people will be assisted to move from Shared Supported Accommodation (SSA) through the Support and Choice initiative. The number of people per region are as follows:

3 Barwon South Western Region

13 Eastern Metropolitan Region

2 Gippsland Region

4 Grampians Region

3 Hume Region

3 Loddon Mallee Region

13 North and West Metropolitan Region

9 Southern Metropolitan Region

(e) This is the first year of this initiative and as such it is being monitored through processes additional to usual reporting. The Minister is therefore able to provide more recent data than that requested. As at the 31 March 2004, 615 people with a disability, or families and carers of people with a disability, were assisted through the Individualised Planning and Support initiative.

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.

Wednesday, 12 May 2004

Industrial relations: ministerial staff

1265. **THE HON. W. R. BAXTER —** To ask the Minister for Aged Care (for the Minister for Industrial Relations): Are any members of the Minister's staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, remunerated by way of consultancy fees in lieu of salary and allowances.

ANSWER:

I am informed as follows:

No members of my staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, are remunerated by way of consultancy fees in lieu of salary and allowances.

Multicultural affairs: ministerial staff

1266. **THE HON. W. R. BAXTER —** To ask the Minister for Aged Care (for the Minister for Multicultural Affairs): Are any members of the Minister's staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, remunerated by way of consultancy fees in lieu of salary and allowances.

ANSWER:

I am informed as follows:

No member of my staff listed in the 2003-04 Victorian Government Directory, persons who have replaced those listed, or staff engaged since the Directory's publication, have been remunerated by way of consultancy fees in lieu of salary and allowances.

Arts: ministerial staff

1273. **THE HON. W. R. BAXTER —** To ask the Minister for Sport and Recreation (for the Minister for Arts): Are any members of the Minister's staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, remunerated by way of consultancy fees in lieu of salary and allowances.

ANSWER:

I am advised that no consultants have been employed by the Department of Premier and Cabinet, including Arts Victoria, or my private office that are identified either in the *Victorian Government Directory* or that have replaced any officers.

Agriculture: ministerial staff

1278. **THE HON. W. R. BAXTER —** To ask the Minister for Energy Industries (for the Minister for Agriculture): Are any members of the Minister's staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, remunerated by way of consultancy fees in lieu of salary and allowances.

ANSWER:

I am informed that:

There are no consultants that have been employed by Department of Primary Industries who are identified either in the Victorian Government Directory or who have replaced any officers.

Financial service industry: ministerial staff

1283. **THE HON. W. R. BAXTER —** To ask the Minister for Small Business (for the Minister for Financial Services Industry): Are any members of the Minister's staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, remunerated by way of consultancy fees in lieu of salary and allowances.

ANSWER:

I am informed as follows:

No members of my staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, are remunerated by way of consultancy fees in lieu of salary and allowances.

Manufacturing and export: ministerial staff

1285. **THE HON. W. R. BAXTER —** To ask the Minister for Small Business (for the Minister for Manufacturing and Export): Are any members of the Minister's staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, remunerated by way of consultancy fees in lieu of salary and allowances.

ANSWER:

I am informed as follows:

No members of my staff listed in the *2003-04 Victorian Government Directory*, persons who have replaced those listed, or staff engaged since the Directory's publication, are remunerated by way of consultancy fees in lieu of salary and allowances.

Environment: hazardous soil waste

1509. **THE HON. PHILIP DAVIS —** To ask the Minister for Local Government (for the Minister for Environment): What is the quantity (volume), type, and origin (by local government district) of hazardous soil waste for each year since 1999-2000.

ANSWER:

I am informed that:

Information about soil waste is not collected by local government district. An EPA publication "Wastes Likely to Require Long-Term Containment – Technical Appendix" Publication 947, details the quantities and types of prescribed wastes (including soil) sent to landfill in 2002.

Environment: hazardous waste

1510. **THE HON. PHILIP DAVIS —** To ask the Minister for Local Government (for the Minister for Environment): What is the quantity (volume), type and origin (by local government district) of prescribed hazardous waste by each category for each year since 1999-2000.

ANSWER:

I am informed that:

Information about prescribed waste is not collected by local government district. An EPA publication "Wastes Likely to Require Long-Term Containment – Technical Appendix" Publication 947 details the quantities and types of prescribed waste sent to landfill in 2002.

Environment: illegal hazardous waste disposal

1513. **THE HON. PHILIP DAVIS —** To ask the Minister for Local Government (for the Minister for Environment): In relation to the regulation of illegal hazardous waste disposal, including contaminated soil, for each year since 1999-2000, what is the — (i) number of prosecutions (ii) location of illegal dump sites by local government district; (iii) location of offenders by local government district; (iv) size of each individual illegal dump; and (v) fine imposed on each individual breach.

ANSWER:

I am informed that:

(i) there have been 26 completed prosecutions since 30 June 1999;

(ii) - (v)
the details are provided in the table below.

Defendant	Date of Hearing	Charge (Hazardous Waste)	Location of Illegal Dump Site	Location of Offender	Estimated Size of each individual illegal dump	Penalty imposed on each ind. Breach
Belandra Pty Ltd	06.08.99	– Dump industrial waste (hot saline water) – Pollute waters (fatty animal waste) – Pollute waters (tallow)	Maribyrnong Council	Maribyrnong Council	Not quantified	$6,000 fine $10,000 fine $7,500 fine
Pierre Cabral (director of above company)	06.08.99	Dump industrial waste (hot saline water)	As above	As above	N/A (as above)	$6,000 fine
Westgate Fuel Supply Pty Ltd	26.11.99	Transport waste without certificate (PCBs)	Hobsons Bay Council	Hobsons Bay Council	12,000 litres	$2,000 fine

Defendant	Date of Hearing	Charge (Hazardous Waste)	Location of Illegal Dump Site	Location of Offender	Estimated Size of each individual illegal dump	Penalty imposed on each ind. Breach
G J Colchester Transport Pty Ltd	13.10.99	Dump industrial waste (cristobolite, petroleum jelly)	Kingston Council	Greater Dandenong Council	200 litres	$1,500 fine
Geoffrey Bryson Dudding (director of above company)	13.10.99	As above	As above	As above	N/A (as above)	$7,600 aggregate fine
Westkon Precast Concrete Pty Ltd	25.02.00	Dump industrial waste (various, including chemical residues)	Brimbank Council	Brimbank Council	Not quantified	$10,000 fine
Minesco Pty Ltd	25.02.00	As above	As above	As above	As above	$10,000 fine
Boral Resources (Vic) Pty Ltd	13.06.00	As above	As above	As above	As above	$10,000 fine
George Duncan	26.07.00	Permit dumping industrial waste (bitumen)	Melton Shire	Melton Shire	Not quantified	$4,000 aggregate fine
David Speranza	08.09.00	Dump industrial waste (various hydrocarbon)	Melton Shire	Melton Shire	100 litres	$12,000 fine
PJ & IW Gillespie Pty Ltd	15.09.00	Dump industrial waste (asbestos)	Moorabool Shire	Moorabool Shire	Not quantified	$2,000 fine
Irwin Gillespie (director of above company)	15.09.00	As above	As above	As above	N/A (as above)	$500 fine
Deep Creek Park Pty Ltd	05.10.00	Dump industrial waste (building rubble)	Hume Council	Hume Council	Not quantified	$4,000 aggregate fine
Keith Thomas McLaughlin (director of company)	05.10.00	As above	As above	As above	Not quantified	Nil
Michael John Van Vlaanderen	01.11.00	Dump industrial waste (building rubble and hydrocarbons	Hume Council	Hume Council	Not quantified	$450 to Court Fund
A T Butler Pty Ltd	01.03.01	Cause environmental hazard (drums containing various residues including toluene, butanol, alkylbenzenes)	Whittlesea Council [1]	Hume Council	Not quantified	$7,000 fine

Defendant	Date of Hearing	Charge (Hazardous Waste)	Location of Illegal Dump Site	Location of Offender	Estimated Size of each individual illegal dump	Penalty imposed on each ind. Breach
Ronald Gordon Smythe (driver of vehicle involved in above prosecution)	01.03.01	As above	As above	As above	Not quantified	Nil
FBT Operations (Vic) Pty Ltd	29.05.01	Provide misleading information (about paint wastes)	Wyndham Council	Maribyrnong Council	50,000 litres	$30,000 fine
Donald McChristie (co-offender, along with above company)	04.09.01	As above	As above	As above	N/A (as above)	Bond, special condition $1,000 payment to Landcare
AES Transpower Holding Pty Ltd	11.06.02	Contravene NCO (PCBs)	Maribyrnong	La Trobe Shire	10,000 litres	$25,000 via s.67AC Order
Walter Constructions Limited	09.09.02	Dump Industrial Waste (low level contaminated soil)	Docklands	Melbourne Council	1,500 cubic metres	$10,000 via s.67AC Order
Detail Excavations (Vic) Pty Ltd	10.10.02	As above	As above	Maroondah Council	N/A (as above)	$1,000 fine
Roads Corporation	30.10.02	As above	As above	City of Boroondara	N/A (as above)	Decision reserved
Miatech Pty Limited	04.12.02	Contravene NCO (PCBs)	Glen Eira Council	Greater Dandenong Council	1,025 litres	Nil
Michael Kiley	15.01.03	Contravene waste transport permit (asbestos)	La Trobe Shire	Bass Coast Shire	Not quantified	$1,000 to Court Fund
Master Waste Pty Ltd	03.11.03	Contravene NCO (PCBs)	Greater Geelong Council, Loddon Shire, Northern Grampians Shire, Hume Council	Maribyrnong Council	> 539,500 litres	Bond, special condition $7,500 payment to Landcare
Raymond Leigh Hammond (**On appeal**)	29.01.04	Dump industrial waste (septic tank waste)	Southern Grampians Shire Council	Southern Grampians Shire Council	Not quantified	$5,000 fine

1. EPA intercepted the waste before it reached that destination

Environment: Tullamarine hazardous waste facility

1514. **THE HON. PHILIP DAVIS —** To ask the Minister for Local Government (for the Minister for Environment): In relation to the Tullamarine hazardous waste facility, for each year since 1999-2000, what is the — (i) volume of the various categories of wastes received at this facility; and (ii) annual revised capacity.

ANSWER:

I am informed that:

(i) The information available about waste sent to Tullamarine (and Lyndhurst) is detailed in EPA publication "Wastes Likely to Require Long-Term Containment – Technical Appendix" Publication 947.

(ii) Information about the capacity of the Tullamarine facility is publicly available as part of a Works Approval Application (WA46591) submitted to EPA in June 2001.

Environment: Lyndhurst hazardous waste facility

1515. **THE HON. PHILIP DAVIS —** To ask the Minister for Local Government (for the Minister for Environment): In relation to the Lyndhurst hazardous waste facility, for each year since 1999-2000, what is the — (i) volume of the various categories of wastes received at this facility; and (ii) annual revised capacity.

ANSWER:

I am informed that:

(i) The information available about waste sent to Lyndhurst (and Tullamarine) is detailed in EPA publication "Wastes Likely to Require Long-Term Containment – Technical Appendix" Publication 947.

(ii) Information about the capacity of the Lyndhurst facility is publicly available part of a Works Approval Application (WA48573) submitted to EPA in February 2002.

Community services: disability services — accommodation and support

1657. **THE HON. BILL FORWOOD —** To ask the Minister for Aged Care (for the Minister for Community Services): Further to the answer to Question No. 1030, given in this House on 26 November 2003, where the disability services expenditure by activity for 2003-04 totals $768.5 million, how is this amount reconciled with the figure of $844.4 million shown in the 2003-04 Budget Estimates.

ANSWER:

I am informed that:

Question Number 1030 requested budgeted expenditure for a range of specific activities. This information was provided in the House on 26th November 2003.

The difference between the budgeted expenditure by the activities specified in Question 1030 and the initial 2003-04 Budget Estimates relates to other costs associated with output infrastructure, statewide program management and capital asset charges. These costs were not requested as part of Question 1030.

Planning: Beach Road, Hampton — development

1667. **THE HON. CHRIS STRONG —** To ask the Minister for Sport and Recreation (for the Minister for Planning): In relation to Mr Noel Pullen's statement in the *Bayside Leader* on 22 March 2004 regarding third-storey development:

(a) Is a three storey development at 56 Beach Road, Hampton, allowed for under the planning scheme amendment C2 Part 1.

(b) Was the third storey development a result of a judgment at VCAT.

ANSWER:

I am informed that:

(a) Bayside's Planning Scheme is found at www.dse.vic.gov.au.

(b) VCAT falls within the responsibility of the Attorney General.

Victorian communities: community support guidelines and web page

1677. **THE HON. ANDREA COOTE —** To ask the Minister for Aged Care (for the Minister for Victorian Communities):

(a) What expenditure did the Department for Victorian Communities devote to the update of the Community Support guidelines and the creation of the new 'Grants@DVC' webpage.

(b) Why are the grants now called Community Support grants from 'Grants@DVC' rather than the Community Support Fund grants from the Community Support Fund.

(c) When did the name change from Community Support Fund to Community Support and 'Grants@DVC' occur and why.

(d) As the 'Grants@DVC' webpage lists a number of initiatives and strategies under the grant categories of planning, strengthening communities and building community infrastructure, such as the Indigenous Community Grants Strategy, the Womens' Grant Strategy and the Multicultural Grants Strategy, has it already been determined that a certain amount or percentage of grants will be allocated to these already defined strategies; if so, what are the amounts or percentages; if not, what will be the outcome of these strategies and what will the source or funds be for these strategies if no grant applications are submitted to fulfil them in 2004-05.

ANSWER:

I am informed as follows:

a) The Department for Victorian Communities primarily used internal resources and capabilities to update the Community Support Guidelines and to create the new Grants@DVC webpage. Expenditure to publish the new guidelines was $5,403.75.

b) & c)
Grants made to the community from the Community Support Fund are now called Community Support Grants. This change of name occurred on 8 April 2004 to distinguish these grants from other projects funded by the Community Support Fund.

d) The Strategies listed under the various grant categories on the Grants@DVC webpage are supported by portfolio programs. Funding is allocated to these portfolio programs in accordance with the State Budget.

Victorian communities: Community Support Fund — grants

1695. **THE HON. ANDREA COOTE** — To ask the Minister for Aged Care (for the Minister for Victorian Communities):

(a) What percentage of grants by, and percentage of funds from the Community Support Fund in 2003-04, was awarded to projects to benefit rural communities in Victoria.

(b) What was the total dollar value of grants by the Community Support Fund that was awarded to projects to benefit rural communities in Victoria.

(c) What were the projects undertaken with 2003-04 funding from the Community Support Fund in rural Victoria.

(d) Does the Department of Victorian Communities have any policy to encourage grant applications that will give rise to projects that will benefit rural Victoria; if so, what is the policy; if not, does the Department plan to introduce such a policy.

(e) What is the targeted level of 2004-05 Community Support grants (in dollar and percentage terms) to be awarded to projects that will benefit rural communities in Victoria.

ANSWER:

I am informed as follows:

(a), (b) & (c)
The Community Support Fund secretariat does not collect information in a form that can identify benefits to rural communities. Since The Community Support Fund data has been collected on a local government area basis.

(d) The government introduced new guidelines in April 2004 for the Community Support Fund which for the first time specifically identifies rural communities and puts in place more favourable funding arrangements.

(e) There are no specific Community Support target levels for 2004-2005 for rural communities. The regional offices of the Department for Victorian Communities will be increasing both the awareness and accessibility of Community Support grants to rural communities.