

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

**LEGISLATIVE COUNCIL  
FIFTY-FIFTH PARLIAMENT  
FIRST SESSION**

**Thursday, 1 June 2006**

**(Extract from book 6)**

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### Joint committees

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

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

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

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**FIFTY-FIFTH PARLIAMENT — FIRST SESSION**

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Hirsh, Hon. Carolyn Dorothy <sup>1</sup>	Silvan	ALP	Vogels, Hon. John Adrian	Western	LP

<sup>1</sup> Ind from 17 September 2004  
ALP from 10 November 2005

<sup>2</sup> Ind from 7 April 2005

<sup>3</sup> Ind Lib from 30 November 2005



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**Thursday, 1 June 2006**

**The PRESIDENT (Hon. M. M. Gould) took the chair at 9.34 a.m. and read the prayer.**

**PARLIAMENT HOUSE**

**Airconditioning**

**The PRESIDENT** — Order! I want to draw to the attention of members of the house that there have been all sorts of rumours and media reports about a member of Parliament who it is suspected has legionnaire’s disease. I advise members that the airconditioning systems within Parliament House are run on electricity and there are no cooling towers, so there is no issue.

**PETITION**

**Liquor: Bendigo licence**

**Hon. D. K. DRUM (North Western) presented petition from certain citizens of Victoria requesting that the Victorian government recognise that Happy Jack’s store, Lockwood South, is located in the tourist area of the central goldfields of Victoria and should therefore be granted a liquor licence (98 signatures).**

**Laid on table.**

**PAPERS**

**Laid on table by Clerk:**

Auditor-General — Report on access to specialist medical outpatient care, June 2006.

Mount Buller and Mount Stirling Alpine Resort Management Board — Report for the year ended 31 October 2005 (two papers).

Ombudsman — Review of the Freedom of Information Act, June 2006.

**MEMBERS STATEMENTS**

**Coroner: inquiry initiative**

**Hon. RICHARD DALLA-RIVA (East Yarra)** — Only since 1985 has the Coroner’s Act allowed suspected deaths to be reported to the Victorian coroner, even when no body has been found. In November 2004 the state coroner gave families of suspected drowning victims a chance to come forward

with evidence to enable closure of cases back to 1960. This resurrected interest in the disappearance of the Liberal Prime Minister, Harold Holt, at Portsea in December 1967, but the coroner’s initiative extended to the lives of 82 families of suspected drowning victims between 1960 and 1985. Obviously there were suspected drownings from before 1960 and I intend to touch on one of those.

On the morning of 5 November 1922 Arthur Jackson and Reg Hill left Albert Park on the *Lady Betty*. A significantly strong north-easterly sprang up, and the next afternoon the men’s dinghy with their fishing gear was found washed up at Brighton. Despite searches by the police and the RAAF, the bodies of Jackson and Hill were never found.

One of those men was my great-grandfather. Late last year, unbeknownst to me, my mother’s cousin provided the coroner with details from family archives, even though the case was well outside the time frame. I am pleased to say that the coroner investigated the death without holding an inquest and found it:

... reasonable to conclude that Arthur Gordon Jackson drowned when his dinghy was caught in changing weather and capsized.

On behalf of the deceased’s living and future descendants I extend my sincere gratitude to the state coroner and his staff, especially Principal Registrar Rick Roberts and Acting Senior Sergeant David Dimsey, for what I understand was the professional way in which the case was managed.

**Prime Minister: Washington visit**

**Hon. J. G. HILTON (Western Port)** — Recently we saw footage of the Prime Minister being feted in Washington by the President of the United States. I am sure the Prime Minister felt greatly honoured by the attention which was lavished on him. However, when you have so few friends as does the President, it is obviously in your interest to cultivate the ones you have.

Behind the pomp and ceremony, I wonder if anything of real substance was achieved. For instance, did the Prime Minister forcefully advocate for the repatriation of David Hicks? I suspect not. Did the Prime Minister enter into detailed discussions with the President on the timing of the withdrawal of allied forces from Iraq? Again I suspect not. Did the Prime Minister forcefully argue the success of the Doha Round which is so fundamental to the long-term viability of our agricultural industries in Australia? Again I suspect not.

Earlier this week the British Prime Minister, Tony Blair, visited Washington with the intention of discussing with the President the conduct of the war in Iraq. Our Prime Minister will have no part in those negotiations. That is the true value of our worth to the President of the United States.

### Member for Keilor: conduct

**Hon. BILL FORWOOD** (Templestowe) — Twenty years ago in May the then Minister for Health, David White, sacked the St Albans community health and resource centre. He did so 20 years ago after considerable pressure from a former member of this place, the Honourable Mark Birrell.

The president of the St Albans centre at that time was that well-known Labor branch stacker, the member for Keilor in the other place, George Seitz. The then Minister for Health sacked the community health centre of which George Seitz was the president. At the time Mr Birrell said as reported in *Hansard*:

The failure of the Cain government to react decisively on the St Albans issue is based entirely on its reluctance to pursue the reprehensible abuses and wrongdoings of senior Labor Party personalities.

Twenty years on, what is different? Nothing at all! George Seitz is still continuing to undertake his reprehensible abuses and wrongdoings.

**Mr Smith** — He is a good bloke.

**Hon. BILL FORWOOD** — Thank you. Mr Smith has put on the record that he is a good bloke. What we know is that he had his hands up to his armpits in the St Albans community health centre. He then moved on to roting the bingo games and the Star of Malta, and then he moved on to the roting of the house down at Portarlington — and not one senior member of the Labor Party will act against him.

**The PRESIDENT** — Order! Mr Forwood will sit down!

**Hon. R. G. Mitchell** — On a point of order, President, I take offence at Mr Forwood's words and the implications he is making about Mr Seitz. I think he should be asked to withdraw them.

**Hon. BILL FORWOOD** — Which words? I would be interested to know what you object to.

**The PRESIDENT** — Order! The member is well aware that members cannot use 90-second statements to make allegations against another member. The member referred to and quoted certain comments early on but he

then went on to use his own words and made allegations about someone being up to his armpits in rorts. That is an allegation against a member of the other place, and it is not appropriate. Those are the remarks the member is asking Mr Forwood to withdraw.

**Hon. BILL FORWOOD** — No way!

*Honourable members interjecting.*

**Hon. BILL FORWOOD** — They are factual statements.

**The PRESIDENT** — Order! I do not have a problem with what Mr Forwood was quoting when he was quoting from reports of 20 years ago. Then he made allegations beyond that, which the member has asked him to withdraw. I am asking Mr Forwood to withdraw his comments.

*Honourable members interjecting.*

**Hon. BILL FORWOOD** — What particular words do you wish me to withdraw, President?

**Mr Smith** — You know.

**Hon. BILL FORWOOD** — I do not.

**Hon. Andrea Coote** — On the point of order, President, I been listening to this debate and a lot of words have been spoken. I would also like to have it clarified what the member is being asked to withdraw — which words is the member being asked to withdraw?

*Honourable members interjecting.*

**Hon. BILL FORWOOD** — On the point of order, President — —

**Hon. R. G. Mitchell** — You are making accusations about a bloke — unsubstantiated. You do it up there because you are too gutless to do it outside.

**Hon. BILL FORWOOD** — He did not sue the *Australian*, did he? He did not sue the *Age*.

*Honourable members interjecting.*

**The PRESIDENT** — Order! As I stated when I asked the member to withdraw, it is the allegations the member made against the member in the other place. I think the words were to the effect of 'up to his armpits in rorts'. That is an allegation. As I understand it they are the words the member took offence to and they are

the words I am asking Mr Forwood to withdraw so he can continue with the 5 seconds remaining.

**Hon. BILL FORWOOD** — Okay, he was up to his knees.

**The PRESIDENT** — Order! I ask Mr Forwood to withdraw.

*Honourable members interjecting.*

**The PRESIDENT** — Order! Mr Forwood is aware of withdrawing without qualification.

**Hon. R. G. Mitchell** — Just withdraw, please, you silly creodont.

**The PRESIDENT** — Order! Mr Mitchell!

**Hon. BILL FORWOOD** — I absolutely object to that.

*Honourable members interjecting.*

**The PRESIDENT** — Order! I ask Mr Mitchell to withdraw the comment he made to Mr Forwood.

**Hon. R. G. Mitchell** — I withdraw.

**The PRESIDENT** — Order! Mr Forwood, for the 5 seconds remaining of his 90-second statement.

**Hon. BILL FORWOOD** — I look forward to action from the Bracks government against the snivelling grub.

**Hon. T. C. Theophanous** — On a point of order, President, I did not really want to get involved in this debate; however, I am a bit concerned about the difference in standards between the federal Parliament and the state Parliament. I wonder whether you, President, could clarify whether the term ‘snivelling grub’, as used by the honourable member opposite, is appropriate; and if not, ask him to withdraw the comment.

**The PRESIDENT** — Order! With respect to the comments made by the member, they are unacceptable if he is referring to a member of this place or the other place, and I ask him to withdraw.

**Hon. BILL FORWOOD** — I certainly withdraw.

**The PRESIDENT** — Order! I thank Mr Forwood. The member’s time has expired.

## Western Region Indigenous Art Show

**Ms ROMANES** (Melbourne) — In the spirit of reconciliation an enthusiastic group in the western suburbs has been working hard to encourage indigenous artists in the area. Three key members of the group are Colleen Marion, Trevor Sinclair and Ken Matthews. For a third year they have organised the Western Region Indigenous Art Show at the Incinerator Arts Complex in the city of Moonee Valley.

The art exhibition is the culmination of the work they do raising funds to purchase art materials and give art lessons to indigenous prisoners in Port Phillip and Dame Phyllis Frost prisons, supporting storytelling by Aboriginal storytellers in schools, encouraging students to reflect those stories in paintings and generally encouraging indigenous artists in the region to develop their creative talents.

I would like to congratulate Trevor Torrens and Vivienne Huston, the award winners at the Premier’s indigenous art award night last Friday at the Incinerator Arts Complex as part of the Western Region Indigenous Art Show, and alert members to the fact that the exhibition is open until 18 June.

## Murray Valley Highway, Rutherglen: VicRoads report

**Hon. W. R. BAXTER** (North Eastern) — I want to express concern with the delay in presenting a VicRoads study into the road system around Rutherglen in north-eastern Victoria. There is a lot of concern with heavy transport going through Main Street, Rutherglen, which as its name implies is the principal commercial hub of Rutherglen. It is a very narrow street. It is also part of the Murray Valley Highway, and there is increasing use of that highway by B-double transports, particularly now there is a new bridge across the Murray River at Wahgunyah and because of the Logic development at Barnawartha North. There is a lot of concern amongst locals and visitors that heavy transport rumbling through this narrow street is a road hazard, and it certainly is.

In the last 12 months or so at least two motorists parked on the side of the street have had their driver’s doors ripped off by transports passing along the street. Fortunately, there have been no physical injuries, but that is only a matter of time. The report by VicRoads into this road network and the possibility of a bypass of the road was due, I think, some 12 months ago. It is still to come to light and understandably this is causing a lot of concern among the citizens of Rutherglen. I urge the

government and VicRoads to produce that report as a matter of urgency.

### **MPs in Business program**

**Ms MIKAKOS** (Jika Jika) — On Friday, 5 May, I had the pleasure of participating in the Victorian Employers Chamber of Commerce and Industry's MPs in Business program hosted by the Reservoir District Secondary College and its principal, Mr Robin Lockington. This program, which was first successfully run in 2004 and in which I have previously participated, allows members of Parliament to gain an improved awareness of issues facing businesses and how they interact with government. This year over 43 MPs from both sides of politics were involved in the program. Whilst in my previous legal career I interacted with businesses daily, seeing the pressures and issues facing our education sector first-hand was a welcome opportunity.

While at Reservoir District Secondary College I had discussions with Mr Lockington, non-teaching staff, teachers, parents — including members of the school council — and students. The discussions covered a broad range of issues including the school budget, curriculum, school governance and student welfare. The college has a strong relationship with a diverse multicultural community living in the area, with 45 per cent of students living in homes where English is not the first language and 41 different languages being represented. One of the great strengths of this school is its diversity. Parents and parent groups also have a great deal of input and contact with the college, which has forged a strong relationship between students, parents and the college.

I had the honour of attending the college's annual International Day festivities, which is a cornerstone of the college's community links. I thank the principal, Mr Lockington, and the students, staff and parents of Reservoir District Secondary College for giving so generously of their time. I thank them and the Victorian Employers Chamber of Commerce and Industry for an informative and enjoyable day.

### **East Doncaster Secondary College: *The Boyfriend***

**Ms ARGONDIZZO** (Templestowe) — On Friday, 5 May, I was pleased to attend the annual East Doncaster Secondary College production. This year the students delighted the audience with their production of the classic musical *The Boyfriend*. With well over 200 participants in both on and off-stage roles the production was the culmination of many hours of hard

work and determination by an extremely dedicated and talented team. The glittering presence of 75 performers was a vision and sound spectacular. The orchestra was absolutely magnificent. It was a most enjoyable evening which showed the wonderful cooperation of students, teachers and parents in this marvellous annual event. A wonderful night was had by all.

Congratulations go to the East Doncaster Secondary College for again entertaining the community with yet another great event. The happiness and excitement of the performance is a clear reflection of the great strides and efforts of a fabulous school community in the heart of Manningham.

### **Box Hill: town hall redevelopment**

**Hon. H. E. BUCKINGHAM** (Koonung) — On Wednesday, 10 May, I was delighted to attend the announcement by the Minister for Victorian Communities in the other place, who is also the Deputy Premier, John Thwaites, of an allocation of \$1 million from the Community Support Fund for the redevelopment of the Box Hill town hall into a fantastic community centre and community hub. It is a wonderful old building, and the new community centre and gallery space that is to be located in it will enliven and return it to being a community meeting point in Box Hill. The central location and access to excellent public transport will make it more accessible for the building's new tenants and their clients.

I congratulate Mayor Sharon Ellis, the councillors and management and all the others at Whitehorse City Council for both the extensive consultation and planning work they have done in preparing for this project and also for the \$5.5 million they are spending to see it built. In particular I would like to mention Cr Robert Chong, the ward councillor and ex-mayor. The redevelopment has been a long-held vision of his, and it is a credit to his determination that this development is going ahead.

I am also pleased that the number of excellent community organisations that I am familiar with are going to be moving to the new facility with superior accommodation. In particular I would like to mention the Box Hill University of the Third Age, the Louise Multicultural Community Centre, the Box Hill Historical Society, of which I am a member, and the Eastern Community Legal Centre. They are all groups with a wide catchment which will benefit from a central and accessible location. This government has contributed greatly already to Box Hill's status as a community hub, and the Box Hill town hall redevelopment will be a jewel in the Whitehorse crown.

### Sandy Bay Probus Club

**Mr PULLEN** (Higinbotham) — Yesterday I had the honour of hosting members of the Sandy Bay Probus Club of Sandringham. Members who attended were Wilma Jones, president, and her husband, John; Val White, who organised the trip; Rose and Graeme Jepsen; Maureen Jay; Betty Bazeley; Marie Andrews; Ric and Valerie Layfield; Noel and Jean McLoughlin; Lenore and Brenton Howard; Glenis Kirk; Denise Porter; Joan and Kevin Pope; Jack Wilkinson; Justin Gooderham; Lindsay and Guenn Norman.

The Sandy Bay Probus Club is a relatively new club which meets monthly. I had the pleasure of attending one of their meetings where the guest speaker was former Governor-General, Peter Hollingsworth, who gave a fascinating address. Probus clubs are organisations for men and women who have retired from their profession or business and want to maintain a social network with others who have similar interests. Probus clubs were first formed in Canada in the early 1920s, and now there are over 4000 clubs worldwide. Probus clubs are not service clubs and are non-sectarian and non-political. Members are largely active volunteers in many other community organisations. I congratulate the Sandy Bay Probus Club and wish it every success.

### RMIT University: interpreter scholarships

**Hon. KAYE DARVENIZA** (Melbourne West) — Last Wednesday evening I was delighted to attend with the Minister assisting the Premier on Multicultural Affairs in the other place, John Pandazopoulos, the RMIT University presentation of interpreter scholarships. Scholarships were presented to 16 RMIT students who are studying languages from new and emerging communities. Six scholarship recipients are studying Dari and 10 recipients are studying Sudanese Arabic.

The Department for Victorian Communities interpreter scholarship project is part of the government's language services strategy, aimed at increasing the supply and quality of interpreters in Victoria. In particular the project aims to increase the number of accredited interpreters in emerging languages. The scholarship program has now been running for four years, and a total of 90 students of 10 different languages have been awarded scholarships under the program. I take this opportunity to congratulate the Royal Melbourne Institute of Technology students who are recipients of the scholarships and wish them well for the future. We need accredited interpreters in Victoria in a range of

services, and I know these students will go on to participate in a whole range of areas.

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

### STATEMENTS ON REPORTS AND PAPERS

#### Youth Parole Board and Youth Residential Board: report 2004–05

**Hon. RICHARD DALLA-RIVA** (East Yarra) — I rise to talk about the failure of the Minister for Community Services in the other place to submit the Youth Parole Board and Youth Residential Board annual report 2004–05 within the prescribed period and the minister's report on the reasons for that failure.

The way this house works is amazing: I have only 5 minutes to talk on one piece of paper, but it is a significant document. It is an undated letter from the minister to Mr Wayne Tunnecliffe, the Clerk of the Legislative Council. I quote from the letter:

Attached are 20 copies of the Youth Parole and Residential Boards annual report 2004–05. I am advised that the lateness of the report is due to difficulties encountered in various stages of preparation of the report.

I would appreciate if arrangements would be made for the report to be tabled ...

I have looked at the report, which is not the most extensive document — in fact, it is 20 pages long. I am making this statement in the house because the issue goes to accountability and openness. The letter makes no reference to what difficulties were encountered. For the record, the letter has, at most, 3 centimetres of writing. It is very brief in its description and gives no information about why the requirements set out in the legislation have not been complied with.

This is the hallmark of the government — it just does a one-liner, a one-pager or produces one sentence. It does not worry about being late; it does not worry about compliance. I quote again from the letter:

I am advised that the lateness of the report is due to difficulties encountered ...

What were these difficulties? What action was taken? Why was the report late? As I said, it is only a 20-page document — it is not the most detailed report. It is a comprehensive report, but a lot of reports are tabled in the chamber within the due time.

It is fitting to look at an article in the recent autumn 2006 newsletter from the Auditor-General. I will not

read from it, but it is headed ‘Timely reporting and successful outcomes’. The Auditor-General talks about ensuring that we have timely reporting and that the outcomes are successful, but it seems that the Minister for Community Services does not see timely reporting as being important. Not only is it not important in the minister’s view but we also have no explanation whatsoever as to the sloppiness, or whatever it may have been, that caused the delay in the production of the report.

It is a sham to have a one-page document that does not go to anything in depth. It is a sham because it illustrates the way this government handles openness and transparency — that is, it avoids any level of criticism or scrutiny. I raise this in the chamber today to give yet another example of the sloppiness and incompetence that we see constantly from the government. This is called a report, but for the record I can tell members that it is just a piece of paper that does absolutely nothing to show accountability and responsibility. I say again that it is a waste and a disgrace.

### **Melbourne University: report 2005**

**Hon. J. G. HILTON** (Western Port) — This morning I would like to make a brief statement on the University of Melbourne annual report for 2005. As we all know, the University of Melbourne is one of Australia’s premier educational institutions and is an organisation of which we can all be proud. The *Times Higher Education Supplement*, which I am sure honourable members are aware is a UK publication, ranked the university as no. 1 in Australia and no. 19 in the world based on a survey of academics and other criteria. Within various disciplines Melbourne University was also ranked very highly, with arts and humanities at no. 8, biomedicine at no. 10, social sciences at no. 11, technology, which includes engineering and information technology, at no. 18 and science at no 32.

It is obviously very easy to criticise those rankings, but I believe they have merit and indicate, even in very general terms, the status of Melbourne University in the global education environment. Education is one of the world’s major service industries, and students throughout the world have great freedom in choosing at which university they wish to study. These international rankings will, I am sure, have some place in their decision-making processes.

A number of significant decisions were made by the university in the year ending 2005, one of which was to merge Melbourne University Private with the

University of Melbourne. As universities now have greater ability to attract full fee-paying students, the purpose of Melbourne University Private became moot. However the university also decided that the Victorian College of the Arts would be amalgamated within the university, becoming a separate faculty from 1 January 2007. I must point out that commonwealth funding now represents only 37 per cent of the university’s total income, forcing it to rely ever more on the growth of fee revenue from students — and increasingly overseas students. In its notes on fees and charges on page 130 the report states that fee-paying overseas students contributed \$185 million to consolidated revenue, up from \$156 million in 2004. In my view such reliance poses some dangers for the long-term viability of any national educational institution. The overseas market is by nature very fickle, and should the international market decide, for whatever reason, that Australia is no longer the educational place to be, the effect on our education institutions could be very dramatic.

I also point out that the difference between a higher education contribution scheme student’s equivalent national tertiary entrance rank (ENTER) score and a full fee-paying student’s ENTER score is approximately 5 ENTER points. The obvious implication is that students who have wealthy parents can secure a place at university at the expense of more intelligent and gifted students whose parents are not as wealthy. It has never been explained to me how in any way this process could be described as fair or in any way in the long-term interests of this country. However the universities must play the hand they have been dealt.

The presentation of the university’s annual report for 2005 makes interesting reading. Rather than going through each of the various faculties and giving the highlights of the programs within them, the report is structured around issues such as quality people, quality research, quality learning, international positioning, serving wider communities, quality management, quality infrastructure, resourcing quality, and equipment and access. For each of these subjects there is a series of goals and an indication of performance against strategic and operational targets for 2005.

To give just one example, for quality learning the goal — and no one could argue with this — is ‘to create and maintain superb learning environments for undergraduate and postgraduate students’. This goal has been broken down into a number of targets. For example, each faculty is to achieve student to staff ratios that are equal to or an improvement on those of 2004 — and this objective was achieved in 2005.

It is totally impossible in a 5-minute contribution to give anywhere near the full flavour of the quality of information that is produced in the report, so I conclude by congratulating all members of the university on an excellent 2005 and wishing it every success in the following years.

**Public Accounts and Estimates Committee:  
budget estimates 2005–06**

**Hon. BILL FORWOOD** (Templestowe) — I wish to bring to the council's notice the government's response to the recommendations of the Parliamentary Accounts and Estimates Committee's report on the 2005–06 budget estimates. Honourable members would recollect that as part of the accountability process the committee looks at the estimates each year. The report takes about six months to do, and then we wait about six months to get the response from the government. Members will recollect, I am sure, that there were 156 recommendations in our report last year, and this week we have received the response from the government to that report. I am advised by the committee secretariat that 84 per cent of the 156 recommendations have been accepted, accepted in part or accepted in principle. However, I must say that it is misleading to use that statistic, because if you read what is said in the explanations, it often bears no relationship to the recommendations. For example, recommendation 150 states:

The Department of Treasury and Finance direct departments to detail in the budget papers the key initiatives and programs funded from the Community Support Fund.

The government response is shown as 'Accept in principle', yet then — would you believe it? — it says:

The estimated impact of Community Support Fund (CSF) expenditures is incorporated as part of the output cost summary table for each department ... The Department of Treasury and Finance encourages departments to consider providing footnotes ... where appropriate ...

The Department for Victorian Communities' annual report currently contains an appendix listing CSF funding approvals made during the ... year and provides details including the name of the legal entity receiving CSF funding, the name of the project and the grant amount.

It then states:

No further action will be taken on this recommendation.

What that does is entirely miss the point of the recommendation that the Public Accounts and Estimates Committee made, which went to detailing each year in the budget papers how the funds have been expended on the projects. It is all very well to say, 'The CSF is going to give \$X million dollars to this

project' — well, thank you! — but what we would like to know is how much has gone in this year, how much will go in next year and whether the project is on time. I get concerned when I see these 'Accept in principle' responses, when I know that the level of detail required in the information is just not going to be provided by the government.

This is what worries me about this government. It has now got to the stage where it is virtually prepared to say that yes is no or that black is white. Its members will use words to obfuscate their real meaning. If the government wanted not to carry out a recommendation, we would prefer it and be far happier if it just said, 'We are not going to do it' rather than dressing up its response. This goes to the point that I made this morning about the budget papers. The Minister for Finance claims in the third paragraph of his WorkCover press release that the government is cutting \$680 million from WorkCover premiums over four years. No, it is not. It is cutting \$170 million in one year. It then multiplies that by four and says it is a \$680 million cut. Then it adds that to other cuts and says it is taking \$1.4 billion off business expenses. It is just not true.

This is my great complaint about the way this government destroys the English language in its attempts to fool people about what it is doing. I am more grateful to the Speaker for showing that — —

**Mr Lenders** — Four times 170 equals 680.

**Hon. BILL FORWOOD** — I can do that in my head! On page 7 of this document, the Speaker has rejected our recommendation about carrying over committee budgets. At least the Speaker says, 'Reject'. We know where we stand. It again proves that the Speaker in the other place is a financial illiterate and that she has no regard at all for the workings of the committee system. The mealy-mouthed words, the dreadful words, that the Speaker has used to justify this dreadful decision as shown on page 7 of this document — —

**Ms Argondizzo** — The member said he liked the Speaker.

**Hon. BILL FORWOOD** — No, I never did. I do not like the Speaker at all!

**Mr Lenders** — On a point of order, President, while I am very entertained by Mr Forwood's speech, I do take offence at him describing the member for Essendon in the other place as 'mealy-mouthed'.

**Hon. BILL FORWOOD** — I said the words were ‘mealy-mouthed’.

**The PRESIDENT** — Order! I have concerns, again, about Mr Forwood reflecting on members — on this occasion not only on the member for Essendon but on her as the Speaker in the other place. I ask Mr Forwood to be cognisant of the fact he should show respect for members on both sides of the house and in both chambers. As I have said on numerous occasions in this place, members should not reflect on ministers, members of Parliament or presiding officers, so I ask Mr Forwood to be cognisant of that. The Leader of the Government has taken offence, but he did not ask for a withdrawal — or was the minister just putting it on the record?

**Mr Lenders** — I was putting it on the record.

**The PRESIDENT** — Order! The minister was putting it on the record, so I ask that Mr Forwood be cognisant of that and show respect to others.

**Hon. BILL FORWOOD** — I will certainly do that. I had no intention of reflecting on the Speaker, just on her competence.

### **Box Hill Institute: report 2005**

**Hon. H. E. BUCKINGHAM** (Koonung) — I have had a long association with Box Hill Institute, and I am pleased to speak again on its annual report. As a careers counsellor in Box Hill I used to take my students there in the 1990s. That association continued during my role as a councillor and mayor at the City of Whitehorse. From its beginning, as a technical school for girls and women in 1924, Box Hill Institute has evolved to become a global learning provider. Box Hill Institute has delivered successful training programs in several Asian countries, South America, the South Pacific and the Middle East.

Over 1.1 million student contact hours in apprenticeship and traineeship training were delivered. The institute delivered 7.3 million hours of training overall, with a pleasing 5.2 per cent increase in enrolments in the Victorian certificate of applied learning, which is offered as an alternative to the Victorian certificate of education. There was a 3 per cent rise in apprenticeship and traineeship enrolments and a 7 per cent increase in international students to 1189. The institute’s international students hail from over 60 countries and are welcomed with a detailed support and pastoral care program, and a welcoming festival which occurs at the start of each semester. A number of years ago I attended one of those.

In 2004 and 2005 the institute saw the first years of delivery of the new degree courses in applied music and computer systems, and the bachelor of biotechnology and innovation had its first intake this year. In 2005, 89 students were enrolled in the new programs. As a former careers counsellor I am pleased to note that Box Hill Institute covers work experience in its on-campus training businesses. These include placements at the Salon on Elgar, the day spa, at a lighting and sound hire unit, at Delightful Lunches and at Pets on Elgar.

In 2005 the Box Hill Institute retained its position as Victoria’s no. 1 TAFE institute for the second year in a row. Congratulations! It received the award of Large Training Provider of the Year and was one of the three finalists in the national training awards. Box Hill Institute automotive student Amber Sarda was named Victorian apprentice of the year at the state training awards. Both of these achievements clearly point to the role that Box Hill Institute plays as an education leader in Victoria.

The new \$19.5 million Elgar campus building was opened in 2005 by the Minister for Education and Training in the other place. It is a very attractive building, comprising specialist training facilities for animal sciences, biotechnology, business and management. It has state-of-the-art staff and student facilities, and — I know this because I visited it — the Salon on Elgar, which is the hairdressing and beauty training salon that I have already mentioned. There is also Pets on Elgar, the veterinary clinic for the animal sciences students; and the Cafe on Elgar, the canteen with the Internet cafe, which are all open to the public.

The building is also home to two specialist centres, funded by the Victorian government, which are intended to boost industry. These are Bioskills, the specialist centre in biotechnology training and the specialist centre for small to medium enterprises. Box Hill Institute’s corporate citizenship was also rewarded with multiple awards from the Whitehorse Business Group’s excellence in business awards.

I take this opportunity to thank the teaching and operational staff of the Box Hill Institute, its council members and its president, Associate Professor John Rasa. I especially acknowledge the work of the chief executive officer, John Maddock, and his deputy, Darrell Cain, for their tireless dedication and leadership, which has ensured the Box Hill Institute’s place as a top provider of education in the Asia-Pacific region.

### Primary Industries: report 2004–05

**Hon. W. R. BAXTER** (North Eastern) — I wish to make a statement on the most recent annual report of the Department of Primary Industries. I particularly want to turn to the matter of research by the department into matters of interest to farmers and our environment.

I note that on page 1 the report states:

Victoria's natural resources, and the primary industries that depend on them, attract significant investment into Victoria. DPI provides information on natural resource potential, helps primary industries adopt new technologies and tackles barriers that may hold back their progress.

DPI's science helps primary industries be more productive — to do more with less.

DPI employs around 1500 scientists and technicians ... who are at the leading edge of international developments in areas such as biosecurity, biotechnology, environmental technologies and changing on-ground practices.

That may be very good, but I want particularly to say that I believe the department needs to do more in researching the more natural elements that might assist productivity and the protection of our environment and make farmers more viable and more productive.

Last week I had the pleasure of attending at Euroa a field day about dung beetles. That might be seen by some to be fairly uninteresting. That was an assumption I had made for some time until I attended a Landcare conference in Seymour about 12 months ago where a very interesting speaker gave a presentation about the importance of dung beetles, so I was pleased to follow it up on this occasion. It was a very well-attended field day, with farmers from as far afield as Lucyvale in the Upper Murray and Romsey on the outskirts of Melbourne, which indicated the interest in this subject.

Dung beetle activity serves to increase soil fertility by burying dung — that is, nutrients and organic matter — in the plant root zone. It creates tunnels in the soil both when burying dung and on the emergence of new beetles. It increases soil aeration and water infiltration, reduces pasture fouling, reduces water contamination and algal blooms, and it certainly reduces bush fly numbers — any of us who go on picnics in country Victoria would welcome the reduction in bush fly numbers — and it does that by the rapid burial of dung pads, which removes the fly breeding habitat, and by reducing the water content of the dung so that larval incubation does not occur. It also reduces parasite loads.

It seems to me that here is a natural element in our environment. We have a number of dung beetles that

are native to Australia, but the more productive dung beetles come from Africa, particularly South Africa. The species released at Euroa some five years ago is known as the Bison dung beetle. It is a much larger beetle than I had anticipated, and the thing that really impressed me was that the activities of these beetles were plain for all to see. They are winter-operating beetles as against most that operate in the hot weather, and one could easily see how these beetles were processing the cattle dung, conveying it underground and getting rid of it. In the process they were creating soil aeration and enabling better ingress of water after rainfall.

It seems to me that this is a project that is somewhat underdone in the department. I am not aware of the Department of Primary Industries undertaking any research into the advantages that dung beetles might have for farmers in the state, but I do commend the Goulburn Broken Catchment Management Authority, which is currently running a program from the upper to the lower reaches of the Goulburn River to encourage farmers to learn more about dung beetles. There are a number of field trials, and the field day last week was part of that process.

This is a very worthy initiative by the catchment management authority and Landcare groups in that area, and the department could well turn its mind to how it might be more active in demonstrating to farmers and others just how important dung beetles could well be as a natural means of improving our environment. This would ensure that we need to rely less on the application of artificial fertilisers, particularly as those fertilisers are rapidly becoming more and more expensive and putting farmers under more economic pressure. It seems to me that dung beetles, because of their value in aerating and returning nutrients to the soil, could in some instances and to a degree replace fertiliser application. This is a good project that needs more government support.

### Public Accounts and Estimates Committee: budget estimates 2005–06

**Ms ROMANES** (Melbourne) — I rise to take note of the government's response to the recommendations of the Public Accounts and Estimates Committee on the 2005–06 budget estimates. It is six months since the PAEC delivered its report on the 2005–06 budget estimates, and in line with the responsibilities outlined in protocols relating to committee reports the government's response has been tabled this week. As Mr Forwood mentioned, the strike rate for positive responses to the 156 recommendations is 84 per cent of those recommendations having been accepted fully, in

part or in principle. Some recommendations are under further review and the rest have been rejected. But it is important to note that for all the recommendations, whatever the response of the government is to each of them, there is attached to the government's response a description of what action has been taken to date in that area, and there is another column to show what further action will be taken in the future for those recommendations that have been accepted fully, in part or in principle.

The response that is outlined by the government is an informative one, providing explanations and clarifications. I note that Mr Forwood drew attention to the government's response to recommendation 150, which was the committee's recommendation that the Department of Treasury and Finance direct departments to detail in the budget papers the key initiatives and programs funded from the Community Support Fund. But in accepting in principle that particular recommendation, when one reads the column headed 'Action taken to date', it is very clear that the DTF, while not directing departments to highlight CSF funding in their output costs tables, is encouraging departments through footnotes to highlight the CSF allocations for individual departments. What is also very clear from that column is that DTF has made it very clear where that information is currently available, and that is in the one of the appendices of the Department for Victorian Communities annual report.

This is the process that the Public Accounts and Estimates Committee is engaged in and is all about — transparency and accountability. It is an iterative process; it is related to examination of the outputs, outcomes and performance indicators that are outlined in the budget estimates papers. It is concerned with continuous improvement in government performance. It is about the committee asking questions, seeking further information on behalf of the Parliament and feeding the responses of government into the next round of hearings on the 2006–07 estimates which will begin next week, thereby influencing and helping to improve the government's next year of operations. The Secretary of the Department of Treasury and Finance, Ian Little, said this morning at the Public Accounts and Estimates Committee budget breakfast that PAEC recommendations are taken seriously, and it is very timely that this government response has been tabled in the house this week because it will very much inform PAEC's preparations for the budget estimates hearings next week.

### **Museums Board of Victoria: report 2004–05**

**Hon. ANDREA COOTE** (Monash) — I have pleasure in reporting today on the Museums Board of Victoria annual report 2004–05. At the outset I would like to congratulate Museum Victoria's chief executive officer, Dr Patrick Greene, OBE, and his staff. I am not certain whether anyone in this chamber has been to the museum recently, but it is exceedingly interesting. Some of the work it does, the displays and exhibitions it has, particularly the interactive displays, are absolutely first rate. Visitors can see people of all ages and all nationalities, tourists, visitors from the country and so on at the museum, which is very pleasing. I know it has a very healthy outreach program, which is terrific, to make certain that the treasures we have in the museum are available to all Victorians, even those who cannot travel to Melbourne. These are taken out and shown at appropriate places around the state.

I also commend the museum on the work it did at the time of the Commonwealth Games. There were some excellent and first-rate exhibitions there which encapsulated the spirit of the Commonwealth Games and added a great new dimension to the sporting activities that were happening at the time.

The issue I wish to speak about today is the museum's web site development. I noted in this week's budget that the State Library of Victoria got \$.25 million for works on digitisation and other issues. As all members in the chamber know, I am a huge advocate for the library, I am thrilled to see that money going towards the museum and that it is getting recognition. It is an absolutely first-rate museum. However, I am never satisfied. I want to see that sort of money going towards the same type of web site development and funding for the museum.

The museum has done a very good job, but I would have to say that the web site is a huge resource for our museum. One only has to do a Google search to see what the British Museum and British Library have done, and what information is readily available to anybody in the world who cares to look at it. That is huge advertising for the exhibitions we have here and the excellent material that is housed within our museums. This does not come cheaply; it comes at a huge cost, and it is important that the state government put appropriate funding in to enable this to happen. We want to put ourselves on the map internationally. It is important to make certain that it happens.

I could not find in the annual report anything about the financial details of what the museum wants to put into

its web site development. It was perplexing to say the least. I was disappointed. I hope that when the new annual report is being compiled for this year, details of how much funding will be used on web site development for the dispersion of our knowledge will be articulated so we as Victorians can see with some certainty what will happen into the future and that the museum itself can be certain that it will be given the funding to ensure that the web site development and information dissemination can happen well into the future to make the museum absolutely first rate in the world.

When talking about web sites, one can see the number of online visits that the State Library of Victoria has received and can see the potential that the museum has. For example, in 2003–04 the library had 2 000 759 hits, and in 2004–05 there were over 2 million hits as well. It is pleasing to see that over 2 million people are hitting the library site each year, and there is an opportunity for the museum to have the same type of access. This would bring all of the information that the museum has to all Victorians, which is important.

As I said earlier, the museum has made an attempt to take some of its treasures to rural and regional Victoria in its outreach program, which is pleasing. If there were adequate funding for web site development, this could be taken around the country not only for researchers and scholars in Victoria but for children and other members of the public and indeed create worldwide interest in what we have in our wonderful museum in Melbourne, Victoria.

### **Public Accounts and Estimates Committee: budget estimates 2005–06**

**Hon. D. McL. DAVIS** (East Yarra) — My statement today concerns the Treasurer's response to recommendations of the Public Accounts and Estimates Committee (PAEC) report on the 2005–06 budget estimates. The budget estimates process is a very important one, and I want to zero in on two aspects of these recommendations and government responses by the Department of Sustainability and Environment, in this case through the Treasurer.

Recommendation 120 relates to Yarra River water quality for swimming and recreation and the extent of any additional funding initiatives that may be needed to be considered in future budget deliberations, with an emphasis on water quality and stream condition. I would have to say that the government has been tardy in its approach with the Yarra River. You only need to follow the monitoring that is available on the Environment Protection Authority web site; it is

incomplete monitoring, I would say, but it is certainly indicative of the health of the river.

If you look at the E.coli readings that are taken each Wednesday, and usually reach the web site on the Thursday or Friday morning at the latest, it is clear that the government is failing. It is interesting that the PAEC report says:

The committee noted that the minister has stated in the media that 'authorities had advised him that the 2008 target was achievable in the area upstream of Dights Falls in Collingwood, but would be difficult to achieve downstream towards Princes Bridge'.

He said there is a 2008 target for cleaning up the river. The reality is that the government has been in power since 1999, and it could have taken the steps that were necessary to clean up the middle Yarra. The minister, in his evidence to the PAEC, made it clear that Melbourne's water quality upstream is good, which is true in the heads of the catchments, but it is not true as you come down the river. That is principally due to the presence of sewage that comes through faulty septic tanks and, to some extent, illegal connections. It is human sewage, it is sewage that no Victorian believes is acceptable in our major river, and it is sewage that Victorians think should have been cleaned up a long time ago.

The minister, when under pressure a year ago, tried to blame dog owners and their Fidos for the problems of Melbourne's river. This, of course, is absurd. It is not the main cause, and the minister knew that at the time. He misled the people of Victoria. There was a report in the late 1990s, of which he would have been aware and certainly the department was very well aware, that indicated that most of the sewage in the Yarra River was human sewage, and that has been confirmed by more recent testing.

The problem is not only with the Yarra River — it is with Gardiners Creek and many of the other creeks that flow into the Yarra River. Until the minister and the department are prepared to do the hard work — make the budget allocations to help Victorians, particularly through the city of Manningham area in the middle Yarra but elsewhere too — to make the shift from septic tank systems to proper reticulated sewerage systems, and until the minister and his department are prepared to actively follow and understand the causes of leakage or deliberate placing of sewage into the stormwater system, then we will not deal with this problem.

I compliment one of the important crusaders in this area, the Yarra River keepers. That group of people

have been important advocates of the river, and in more recent times Clem Newton-Brown, the Liberal candidate in Prahran, has been active in campaigning on behalf of the river — something that all Victorians, and particularly people in the electorate he seeks to represent, would see as a very important priority.

**The PRESIDENT** — Order! The member is talking about a candidate.

**Hon. D. McL. DAVIS** — I am talking about recommendation 120 in the government's response. It relates to Yarra River water quality, the programs that have been outlined, and some of those who have been prepared to advocate to see these accelerated. What is clear is that the government has failed, the minister has failed, and he ought to do better.

### Primary Industries: report 2004–05

**Hon. J. A. VOGELS** (Western) — I would like to make a few comments on the Department of Primary Industries annual report for 2004–05. I must say at the outset it is an excellent report. However, when people look at this year's budget many of them will be disappointed to see that most of their funding has been cut. The majority of the department's nine performance measures have been going backwards, which is disappointing. Agricultural research and development projects are down by 12 per cent, technical and scientific papers published are down by 6 per cent and audits of minerals and petroleum sites are down by approximately 5.3 per cent. Most of those measures are going backwards, which is disappointing. The only one that is increasing is the fisheries area, and I will come to that shortly, because it is very important.

The report talks about the dairy industry, which I know a fair bit about. I would like to reiterate to the Department of Primary Industries that the dairy industry employs about 70 000 people in Victoria. It is an integral part of the state's export effort, having contributed more than \$2 billion in 2004–05. However, Victorian dairy farmers are finding it very difficult at the moment because there is a severe skilled labour shortage. Many young, well-educated farmers are leaving the industry because they cannot get skilled labour. I would like to see the department working much closer with the federal government to have farming seen as a skill. It is a skill, but it is not seen as one.

Although we get many migrants coming to Australia because of skill shortages in other industries, the agricultural industry is not seen as needing skills that would justify having people from overseas come to

work in Victoria. That needs to be addressed, because the dairy industry is the largest exporter out of the port of Melbourne and it employs about 70 000 — and we want it to survive.

The Department of Primary Industries must be very disappointed with the budget that was brought down a couple of days ago. One of the department's performance measures is to protect the quality and safety of Victoria's primary products by building and maintaining Victoria's capability to monitor, detect and respond to disease, pest and residue incidents outbreaks and other biosecurity threats. It is therefore disappointing to see on page 210 of budget paper 3 that funding has gone down by approximately 20 per cent, from \$96.5 million to \$79 million. It is also disappointing to see that funding for sustainable practice changes will drop by 20 per cent from \$139.4 million this year to \$111 million next year. That concerns me because the fisheries review in the report says:

Abalone is Victoria's most valuable commercial fishery. Its value is in excess of the rest of the state's fish stock combined. South-east Australia has the only remaining wild catch abalone fishery in the world.

In south-west Warrnambool in the last few weeks the industry has suffered a devastating blow. I quote from an article by Liz McKinnon that appeared in the *Warrnambool Standard* of Wednesday, 10 May:

Millions of dollars worth of abalone has been destroyed by a deadly virus at south-west mariculture farms, threatening the immediate future of this lucrative industry.

...

Since December Port Fairy has lost its entire stock of more than 3 million abalone with an estimated potential market value of approximately \$13.5 million.

That is enormous. The article continues:

The loss is expected to have a major impact on the \$45 million Australian industry, according to an insider.

The loss is one-third of the total. The article goes on to say:

The deadly virus infects the abalone's nervous system causing curling of the creature's foot and protrusion of the mouth, leading to an increased mortality rate.

The fish had to be destroyed. That is where the Department of Primary Industries needs to be in there. I know that it is there, but government funding is needed to make sure it can stay there. The article further states:

Fisheries Victoria and the Department of Primary Industries have been working closely with both farms to research the disease and to find robust screening and control measures.

On the whole, I commend the report. I think it is an excellent report, and I am pleased to be able to stand up here and say that.

## PLANNING AND ENVIRONMENT (GROWTH AREAS AUTHORITY) BILL

*Second reading*

**Ordered that second-reading speech be incorporated for Hon. J. M. MADDEN (Minister for Sport and Recreation) on motion of Hon. M. R. Thomson.**

**Hon. M. R. THOMSON** (Minister for Consumer Affairs) — I move:

That the bill be now read a second time.

### **Incorporated speech as follows:**

In October 2002 this government released Melbourne 2030 — the policy framework to guide Melbourne's development over the first third of this century. It is an ambitious, forward-looking plan which takes a longer term view — a core stewardship role for government.

With Melbourne 2030 the government has articulated its vision for our city. Melbourne 2030 provides the policy basis for better managing urban growth. It outlines nine strategic directions for Melbourne, including ensuring a more compact city, better management of urban growth, achieving a more prosperous city, and a fairer city, amongst others.

It laid the groundwork for the Transit Cities program, and for the protection of green wedges. It provides a basis for better linking Melbourne with regional cities and for better transport links providing genuine options for travellers.

It also established Melbourne's urban growth boundary; the UGB was largely based on the land zonings that were current at the time of the announcement of Melbourne 2030. Five growth areas were identified in Melbourne 2030. A commitment was made to review the development plans for each corridor, and to finalise the UGB once this work was completed.

The growth areas identified in Melbourne 2030 are Casey-Cardinia, Hume, Melton-Caroline Springs, Whittlesea and Wyndham. The Bracks government established smart growth committees to undertake this review of development plans. Each of those committee's reports was assessed, and in November 2005 the government launched *A Plan for Melbourne's Growth Areas*.

That plan included a series of modifications to the urban growth boundary in each growth area to ensure sufficient land for development, land for communities to grow and for housing to remain affordable, land that will be served by appropriate levels of infrastructure, land for employment and industrial purposes, and land to provide opportunities for the development industry. *A Plan for Melbourne's Growth Areas* provided a framework for the development of each of the growth areas over the next 25 years. And the government

outlined two further actions to implement its plans for Melbourne.

Along with sufficient land and a framework for development in each area, *A Plan for Melbourne's Growth Areas* announced the introduction of a development contributions regime to support the more timely provision of infrastructure necessary for our new communities.

And the government announced it would establish a Growth Areas Authority to bring together all involved in the development of Melbourne's growth areas.

The Bracks government announced that the new authority will work with stakeholders to ensure a strategic release of land, and to secure a more timely delivery of infrastructure and services to new communities. We said that it will also play a role in coordinating other government agencies, and streamlining how new developments are planned, approved and delivered in growth areas.

This legislation establishes the Growth Areas Authority.

And now I will turn to the bill.

The Growth Areas Authority is established under new part 3AAB of the Planning and Environment Act 1987.

Division 1 of new part 3AAB provides that the authority will operate in areas of land declared in the *Government Gazette* by the Minister for Planning to be growth areas for the purposes of the legislation. A declared growth area may cover the whole or a part of a municipal district and may comprise land in the municipal district of one or more growth area council. The growth area councils are Casey, Cardinia, Hume, Melton, Whittlesea and Wyndham.

The authority will comprise between five and seven members. It will be skills based, with members having skills, experience or knowledge in the areas of planning, development, economics, financial management, local government and housing.

The authority will be a body corporate and have all the usual powers of such a body.

The Planning and Environment Act 1987 provides for the planning, use, development and protection of land. The authority has been established to further this objective in growth areas.

The authority's own objectives are provided in new section 46AR and they relate both to the co-ordination of development with the timely provision of infrastructure, services and facilities in growth areas and to the nature of that development.

As outlined in *A Plan for Melbourne's Growth Areas* the government is committed to well-planned communities with services that are needed and employment opportunities, affordable housing and housing choice, more timely provision of infrastructure, and protecting the natural environment. A Fairer Victoria committed the government to finding better ways of working together at a local and regional level. The growth areas authority is an implementation tool for these policy commitments.

The functions of the authority are broad and facilitative. The preferred model for its operations is a partnership model. A

close working relationship with growth area councils and developers in those areas will be crucial to its effective operations.

The government has not removed planning or responsible authority powers from growth area councils. Neither has it plans to do so. However, there may be occasions where either the Minister for Planning or councils request the authority to undertake a complex planning task. In some situations it will be efficient for the authority to take the lead on implementing a particular outcome, for example where a proposal involves developing provisions intended to be applied consistently across all, or a number of, growth areas.

The authority will work with the Department of Sustainability and Environment's urban development program and regularly advise on land supply issues. Into the future the authority will be tasked with undertaking the studies and analysis necessary to support future consideration of land supply issues. At that time the minister could authorise the authority to act as the planning authority and prepare the necessary planning scheme amendment(s).

However, priority work for the first period of operations will be to work with councils on an assessment of structure plans in growth areas, ensuring both that these plans are put in place where they do not exist and that they deal with functional community size — ensuring that communities are planned to develop to a size that supports the provision of public transport and other services — and other matters such as housing diversity, appropriate locations for community facilities and open space.

*A Plan for Melbourne's Growth Areas* announced the introduction of a development contribution levy to support the provision of state infrastructure in growth areas including roads and public transport, regional open space, trails, creek protection, libraries, neighbourhood houses and major recreation facilities. The other initial priority of the authority will be to administer the development contribution plans being developed by government to introduce this scheme.

As part of this responsibility the authority will operate as the collecting agency for the levies. In line with the legislation the authority is also able to accept land, works, services or facilities in full or part satisfaction of the levy. One of the authority's functions under new section 46AS is to report on the use and expenditure of levies collected under development contribution plans. This amendment is designed to strengthen accountability for the use of funds paid to development agencies.

The government has previously advised that it plans to introduce the initial development contribution plans for growth areas in July. However, the initial development contribution plan is just that — the first one for each area. The authority will be asked to progressively develop more mature contribution plans. The authority's experience with the initial development contribution plans will inform the manner in which the more mature plans are developed.

In carrying out all of these functions the authority will answer to the Minister for Planning.

I commend the bill to the house.

**Debate adjourned on motion of  
Hon. D. McL. DAVIS (East Yarra).**

**Debate adjourned until next day.**

**INFRINGEMENTS (CONSEQUENTIAL  
AND OTHER AMENDMENTS) BILL**

*Second reading*

For **Hon. J. M. MADDEN** (Minister for Sport and Recreation), **Hon. M. R. Thomson** (Minister for Consumer Affairs) — I move:

That, pursuant to sessional order 34, the second-reading speech be incorporated into *Hansard*.

I bring to the attention of the house the fact that a number of amendments which were technical in nature were made in the other place. They have been incorporated in the second-reading speech. Also, there was a deletion from the second-reading speech made by the minister, which has been corrected in this second-reading speech.

**Motion agreed to.**

**Hon. M. R. THOMSON** (Minister for Consumer Affairs) — I move:

That the bill be now read a second time.

**Incorporated speech as follows:**

The bill is cognate with the Infringements Act 2006, which received royal assent on 11 April 2006. As members will be aware, that act provides for a new infringements system. It has two principal purposes:

first, to improve the community's rights and options in the process and to better protect the vulnerable who are inappropriately caught up in the system; and

second, to provide additional enforcement sanctions to motivate people to pay their fines in order to maintain the integrity of the system.

Broadly, the new elements of the system are:

overarching legislation to cover infringements law and process;

a fairer infringements process based on early intervention and improved information to the public;

process improvements which include a right of internal review by the issuing agency;

measures at various stages, including internal review stage, to filter people out of the system who cannot understand or control their offending behaviour (e.g. people with mental or intellectual disabilities, the homeless, people with serious addictions);

improved administration by issuing agencies of the infringements environments they manage;

firmer enforcement measures to improve deterrence in the system, reducing 'civil disobedience' and the undermining of the rule of law;

arrangements to establish a gatekeeper role for the infringements system who will take a system-wide view and be responsible for managing ongoing improvements to the system; and

changing the name of the current PERIN court to infringements court.

The introduction of a new overarching infringements system requires numerous consequential amendments to around 60 other pieces of existing legislation to refer to the new Infringements Act and to repeal or amend provisions which would otherwise have been redundant or inconsistent under the new system. Acts which are more extensively amended include the Road Safety Act 1986, the Marine Act 1988 and the Transport Act 1983. Remaining consequential amendments are included in a schedule to the bill. The bill also includes a schedule of transitional and savings provisions which will allow for the orderly transition from the existing system to the new system on 1 July 2006 when the Infringements Act commences operation.

In addition, the bill amends the Infringements Act to incorporate minor technical amendments to correct typographical, cross-referencing and consistency errors.

Amendments to the Liquor Control Reform Act 1998 have been included in the bill which allow for two existing offences to be enforceable by infringement notice. The first offence relates to failure to notify the director of liquor licensing within 14 days that a person has ceased to be, or has become, an associate (section 103A(2)). The second offence is permitting any other person to carry on the business of supplying liquor on licensed premises without the consent of the director (section 106(1)). As the infringement penalty for section 103A(2) is proposed to be 1 penalty unit, an amendment to section 144 of the act is included to make specific provision that the penalty departs from the standard 10 per cent of the maximum penalty set under that section.

Finally, the bill encompasses a number of amendments to the Infringements Act, which involve minor changes of policy. In summary, these amendments provide for:

the extension of the front-end protections contained in parts 1, 2 and 3 of the Infringements Act as well as the majority of the provisions of part 13 of the act regarding service to local laws and children and young persons;

clarification of the extent to which the Magistrates Court needs to consider the definition of special circumstances contained in the act by expressly providing that the infringements registrars and the court are not bound by the act's definition of special circumstances in hearings for revocation of enforcement orders or in considering the substantive infringement offence upon a referral of it to the court following a failed internal agency review or revocation hearing;

improved provisions to allow for prosecution of breaches of community work permits issued under the act;

amendments to the provisions relating to the Sheriff's powers to direct VicRoads not to renew motor vehicle

registration and not to transfer registration to close potential loopholes which would undermine the intended effectiveness of the provisions;

inclusion of 'return to sender' provisions deeming infringement notices posted to the address given by the offender to VicRoads or to a public transport enforcement officer to be validly served even if returned to the issuing agency and marked 'return to sender'. The effect of the amendment will be that the enforcement of an infringement notice will be able to continue in the event that a person opportunistically returns an infringement notice in the hope of avoiding paying his or her fine. The Infringements Act already contains a safety net, so that persons who are genuinely unaware that an infringement notice has been issued against them can apply to the Magistrates Court to have the infringement withdrawn; and

inclusion of a deemed service provision in response to concerns that there is a lack of clarity as the actual date when service by post is effected. The amendment will provide that, subject to evidence to the contrary, where a document is served by post it is deemed to be served 14 days after the date of issue of the notice.

I commend the bill to the house.

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

**Debate adjourned until later this day.**

## JUSTICE LEGISLATION (FURTHER MISCELLANEOUS AMENDMENTS) BILL

### *Second reading*

**Ordered that second-reading speech be  
incorporated for Hon. J. M. MADDEN (Minister  
for Sport and Recreation) on motion of  
Hon. M. R. Thomson.**

**Hon. M. R. THOMSON** (Minister for Consumer  
Affairs) — I move:

That the bill be now read a second time.

**Incorporated speech as follows:**

#### **Background**

This bill gives effect to the government's decision to make a series of technical amendments to legislation related to the justice portfolio. The amendments are primarily of a mechanical nature.

While none of the amendments alone marks a significant policy initiative, together they reflect the government's commitment to ensuring that the justice system continues to work efficiently and fairly.

**Crimes Act 1958 — forensic procedures**

The Victorian DNA sampling laws, set out in the Crimes Act 1958, define the circumstances in which a forensic (DNA) procedure can be conducted and what use can be made of the person's DNA profile on the DNA database.

Different rules apply, depending on whether or not a person has been found guilty of a relevant offence. A finding of guilt means that the person comes under the rules applying to offenders. Offenders' profiles can be retained indefinitely, whereas the profiles of suspects or volunteers must be destroyed at the conclusion of the proceedings in which that DNA evidence is relevant, if the person is not found guilty.

Under the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997, people who are assessed as being mentally (intellectually or psychiatrically) impaired may be charged and tried.

However, they cannot be criminally liable for the commission of the offence because of their limited capacity to understand the implications of their actions and/or the trial process. At the end of the proceedings, a finding of 'not guilty by reason of mental impairment' is entered.

This bill addresses the particular position of defendants found not guilty by reason of mental impairment with regard to the DNA sampling laws.

As far as DNA sampling is concerned, such defendants fall within the ambit of the provisions relating to suspects, not offenders:

A person found not guilty by reason of mental impairment may have been sampled as a suspect during the investigation of the crime. If so, his/her DNA profile would have been entered on the DNA database and searched against all unsolved crime scenes for the duration of the investigation and ensuing proceedings.

A finding of guilt for a relevant offence permits police to apply for an order either to retain the offender's DNA (if previously obtained), or to require the offender to undergo a forensic procedure so that his/her DNA profile can be entered on the offenders' DNA database.

A 'not guilty' finding precludes either of these options. It requires any DNA sample and related information (including the DNA profile) that has previously been obtained to be destroyed. There is no basis under the current Crimes Act 1958 provisions to require a defendant who has been found 'not guilty' to undergo a forensic procedure.

Since November 1997, when the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997 commenced, approximately 125 people have been tried under this act. The act permits a range of custodial and non-custodial orders to be made for the care and treatment of defendants found not guilty by reason of their mental impairment.

The implications for crime detection need to be considered. There is a risk that a person who has been found not guilty of conduct which, but for his/her mental impairment, would have constituted a criminal offence, may at some stage have engaged in conduct which resulted in harm to others. Alternatively, they may in the future engage in such conduct.

The forensic benefit to be gained from broadening the scope for DNA sampling to this cohort is:

the detection of any future criminal acts that these defendants may commit; and

the matching of crime scene samples that are entered on the database after proceedings involving such a defendant have concluded.

While the detection of such conduct may not lead to criminal sanctions against the defendant, it will nevertheless assist in resolving the impact of the conduct on victims and their families.

In the *Forensic Sampling and DNA Databases in Criminal Investigations* report, the Victorian parliamentary Law Reform Committee supported a proposal for an amendment to enable a person's forensic material to be retained or obtained and held indefinitely if he/she has been found not guilty by reason of mental impairment.

The government response to the report subsequently gave in-principle support for relevant amendments to be made to the Crimes Act 1958. This bill makes those amendments and strikes an appropriate balance between the individual rights of mentally impaired defendants and the interests of the broader community.

**Crimes Act 1958 — digital technology**

The bill makes amendments to subdivision 30A of division 1, part III of the Crimes Act 1958 to provide for the use of digital technology in the recording of specified information.

Currently, the only medium upon which recordings may be made is the surface of a magnetic tape, a medium that is rapidly becoming outmoded and is beginning to create problems for Victoria Police.

The shift to the new form of technology brings with it concerns relating to the risks of tampering or manipulation. Accordingly, the bill provides for the prescription of a safeguard that will ensure that any risks of tampering or manipulation are minimised.

**Crimes (Sexual Offences) Act 2006**

The bill amends the Crimes (Sexual Offences) Act 2006 to remove an incorrect reference to the relevant offence being committed against a child. The relevant part of the act, which in turn amends the Sex Offenders Registration Act 2004, only relates to sexual offences committed against adults.

**Surveillance Devices (Amendment) Act 2004**

The bill amends the Surveillance Devices (Amendment) Act 2004 to reflect legislative action at the commonwealth level regarding the reporting regime that applies to the commonwealth ombudsman in relation to the Australian Crime Commission's use of surveillance devices under Victorian law.

**Major Crime Legislation (Office of Police Integrity) Act 2004**

As a consequence of those amendments to the Surveillance Devices (Amendment) Act 2004, the bill repeals two

provisions of the Major Crime Legislation (Office of Police Integrity) Act 2004, which are now redundant.

#### **Working with Children Act 2005**

A minor amendment will be made to the Working with Children Act 2005 so that the application form for a working-with-children check will contain the particulars set out in the legislation.

The government is committed to ensuring that Victoria's laws remain responsive and effective.

I commend the bill to the house.

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

**Debate adjourned until later this day.**

## **VICTORIAN URBAN DEVELOPMENT AUTHORITY (AMENDMENT) BILL**

### *Second reading*

**Ordered that second-reading speech be  
incorporated for Mr LENDERS (Minister for  
Major Projects) on motion of Hon. M. R. Thomson.**

**Hon. M. R. THOMSON** (Minister for Consumer Affairs) — I move:

That the bill be now read a second time.

#### **Incorporated speech as follows:**

The objective of this bill is to provide additional and more appropriate, flexible and equitable options to recoup government investment in major urban development projects than currently provided under the Victorian Urban Development Authority Act 2003.

VicUrban, the Victorian government's sustainable urban development agency, was established by the Victorian Urban Development Authority Act 2003 to undertake strategic urban renewal projects across Victoria. It has an explicit focus on the delivery of the government's key urban and regional renewal projects, particularly in areas where there has been market failure or there are other impediments to overcome.

The Victorian government is committed to delivering high-quality infrastructure to enhance the social, economic and environmental outcomes across the state. Sustainable development and urban renewal projects are critical to the future of Victoria and the way we live. In order to continue to fund these VicUrban declared-area projects, it is necessary for the government to have a range of options available to fairly recoup a portion of its investment specifically, and only in VicUrban declared-project areas where levels of investment are expected to be substantial.

This bill will enable this by allowing VicUrban to levy an infrastructure recovery charge based on development value. The trigger for the charge will be development. The bill defines development as being the subdivision of land into

more than two lots, development of more than two dwellings on a lot and works to a value of more than \$250 000 for development of any other kind. This figure will be indexed to ensure that, over time, small-scale developments continue to be unaffected. The charge will therefore apply to people undertaking works on a commercial scale or for a commercial purpose only. It is important to note that because charges of this type will always be associated with significant additional government investment in a declared area, the value of development opportunity and land value increases are expected to significantly exceed the quantum of the proposed charge, so as to deliver a net economic benefit to landowners within a declared area.

Major urban development projects, including the high levels of government investment dedicated to them, would not be possible without the opportunity for government to recoup a portion of its investment. Where government leads, private investment follows.

In September last year the government announced a \$92.8 million infrastructure funding package to initiate the revitalisation of central Dandenong. The central Dandenong area was then declared under the VicUrban act. In April this year, the government announced a further \$197 million, bringing the total investment to around \$290 million. The area's revamp will be one of the largest urban renewal projects undertaken in Australia. This 15 to 20-year project is expected to generate more than \$1 billion of investment from the private sector and create around 5000 jobs. This will leverage great private sector growth, and in addition to the partnership between the state, VicUrban and the City of Greater Dandenong will make Dandenong a better place to live and raise a family.

The Revitalising Central Dandenong project is the first of its kind in transit cities and is crucial to the prosperity of Victoria, this key Victorian city and its local community. This bill enables fairer options for government to recoup some of its investment, a necessary measure to enable a regeneration project of this scale and future VicUrban projects to occur.

As I have informed the house, the bill defines 'development' as being the subdivision of land into more than two lots, development of more than two dwellings on a lot and works worth more than \$250 000 for developments of any other kind. The charge will not apply to ordinary home owners or small-scale non-commercial development.

The charge will be calculated on a percentage of development value. Development value is the cost of the building works plus the site value of the land at the time of development, or in the case of subdivisions, the estimated site value of the land after subdivision, and the actual or estimated cost of building works. Estimates will be determined by the Valuer-General and will be subject to an appeal process provided for as part of the amendments. An upper limit for the percentage of the development value will be set at 10 per cent. It is likely that, in many cases, a lower percentage would be charged. In the Dandenong case, based on extensive modelling, it is expected that 5 per cent of the development value will be charged.

The current provision for VicUrban regarding what is called a 'general charge' in a declared area will remain under its existing powers. Some minor changes will be made to the framework for these existing charges under the bill, these being:

allowing the charge to vary depending on the relative distance of the land from a service or facility; and

allowing the general charges to be levied on development only. This is called a 'general development charge'.

These comparatively minor amendments are designed to enable fairer application of the general charge. These options remain available to VicUrban so as to retain flexibility in options to levy a charge in future instances as appropriate. It is the government's preference that a charge be levied at the time of development, that is, using the general development charge or infrastructure recovery charge. These options, provided for in the amending bill, are fair and will only affect those undertaking works on a commercial scale.

The money collected from the charges must be paid into the VicUrban declared project fund. To ensure proportionality between the level of government investment and the amount recovered through the charge, the Minister for Major Projects must be satisfied that the forecast revenue will not exceed the estimated level of government investment in the project before recommending that the Governor in Council approve the charge. The bill also states that the resolution levying an infrastructure recovery charge may be revoked if the Minister for Major Projects is satisfied that the estimated amount of public investment is recovered. This ensures that the charge is not an open-ended revenue-raising mechanism.

The bill includes objection and appeal rights against the initial charge levied by VicUrban and for an appeal to the Victorian Civil and Administrative Tribunal (VCAT) where the objector is still dissatisfied. The grounds of objection that can be made differ depending on the type of charge levied. The grounds are set out in the bill. The existing grounds of appeal referred to under the VicUrban Act were extracted from the Water Act 1989 and had limited application. This bill expands and clarifies the existing rights of objection and appeal and are specifically tailored to charges under the VicUrban Act.

Further, the bill gives the president of the VCAT power to transfer appeals against the new infrastructure recovery charge to the Supreme Court where the president is satisfied that the appeal raises questions of unusual difficulty or of general importance.

The bill also makes amendments to the Subdivision Act 1988 and the Building Act 1993. The amendments require notification by councils and building surveyors to ensure VicUrban is aware of development applications in declared areas.

This bill will enhance VicUrban's ability to find the best fit between a charge and the government's objectives. The decision surrounding the introduction of a charge in any declared area, including the Dandenong transit city project, must take into account social equity, efficiency, simplicity and certainty, as well as the development objectives for the specific declared area and broader government policy.

I commend the bill to the house.

**Debate adjourned on motion of  
Hon. D. McL. DAVIS (East Yarra).**

**Debate adjourned until next day.**

## TERRORISM (COMMUNITY PROTECTION) (FURTHER AMENDMENT) BILL

*Second reading*

**Debate resumed from 30 May; motion of  
Mr LENDERS (Minister for Finance).**

**Hon. C. A. STRONG** (Higinbotham) — In rising to speak on the Terrorism (Community Protection) (Further Amendment) Bill I would like to put on record that the opposition will be supporting the bill. The bill amends the Terrorism (Community Protection) Act 2003. One will recall that we passed a series of amendments to that act only a matter of a few months ago. Those amendments were proclaimed just before the Commonwealth Games, so the piece of legislation we are amending is extremely young, if that is the right choice of words. We are amending something which has had a currency of only a couple of months.

I must say that when I looked through the amendments in detail, and I intend to take the house through a few of these amendments to explain them, I was struck by the type of amendments in the bill. A lot of them are nitpicking in the extreme. They are what you might call belts-and-braces amendments, they are correcting drafting errors and so on. The legislation we passed earlier this year was clearly rushed through for the Commonwealth Games and it looks to me as if the department sent the act out for more serious consultation with various departments and they came up with a series of amendments which highlight the inadequate and rushed drafting of the provisions we dealt with earlier in the year.

In essence this bill makes no substantive changes to the principal act. One would recall that the principal act, which caused quite a bit of controversy in the community, gave the police quite draconian powers. It gave the police so-called preventative detention powers which allowed them to virtually swoop in and take somebody off the streets and make them disappear for, I think, 28 days. They could keep them incommunicado, could restrict their access to legal advice, and could, in fact, override, in the cause of countering terrorism, all the normal safeguards citizens have grown to expect over many years. These quite draconian powers have been put in place to prevent terrorism. The principal act also gave the police unprecedented powers to lock down a particular area — they could declare a particular area and basically lock it down and have total, unfettered powers in that area in the cause of trying to mitigate against a terrorism event or as part of the clean-up of a particular terrorism event.

It also gave them quite sweeping powers over documents and the like.

The amendments in this bill further refine, elucidate and make clearer the extent of those powers. As I have said, it looks to me as if the act has been sent out for consultation and the police, emergency services and various departments have come back with a whole lot of i-dotting and t-crossing and corrections they require, and this is what this bill does. As a matter of interest I might take the house through some of these changes for a few minutes, just to indicate their scale.

If, for instance, we look at clause 4 in part 2 of the bill, we see it deals with definitions. Clause 4(2) amends the principal act as to the issue of access to electronic systems. I will give members an idea of how these are incredibly belt-and-braces-type amendments. In its definition of what a terrorist event is, the principal act says in section 4(2) that an action falls within the subsection — that is, the definition of a terrorist event — if it causes serious harm, damage to property, causes a person's death, endangers a person's life or creates a serious risk to health and safety. Section 4(2)(f), which is the one that is amended by this bill, states:

seriously interferes with, seriously disrupts, or destroys, an electronic system, including, but not limited to —

- (i) an information system; or
- (ii) a telecommunications system; or
- (iii) a financial system; or
- (iv) a system used for the delivery of essential government services ...

The amendment simply adds 'whether publicly or privately owned'. So it is a fairly narrow type of change. It is real belts-and-braces stuff. The bill gives draconian powers to enter and do most things, but also defines whether the essential service system is publicly or privately owned.

Clause 5 inserts new section 4B regarding documentation. It is a whole new provision headed 'Providing documents or information facilitating terrorist acts', and it is instructive for the house to hear this. In essence it says that a person commits an offence if they possess documents and knowingly and deliberately makes them available to somebody for the purpose of a terrorist act. We have defined all the things that terrorism is. If somebody has documents in their possession and makes them available for the purposes of a terrorist act, I would have thought it was unnecessary to further define that as a terrorist act.

Clearly it is by itself a terrorist act. This looks to me as if somebody has gone through and i-dotted and t-crossed everything they can possibly find.

Clause 7 is interesting because it contains an amendment to section 16(1)(b) of the principal act. I think this is an interesting drafting exercise. Section 16 deals with the locking down of an area for protection against chemical, biological and radioactive contamination. In essence it says that for the purpose of protecting people from such a chemical and biological — et cetera — attack, a police officer can authorise a member of the police force to go into an area, and so on. This section states in part:

... in relation to an area if that senior police officer forms a belief on reasonable grounds that —

- (a) a terrorist act has or may have occurred; and
- (b) that area, or people in that area, may have been exposed to such contamination.

So the amendment here is that rather than having 'that area, or people in that area, may have been exposed to such contamination', it states 'people in that area will be, or may have been exposed to such contamination'. Once again, this is a very minor drafting-type error which is the sort of thing that is picked up by a more detailed check of the legislation.

Clause 8 further deals with the chemical contamination issue. It amends section 18(1)(c) of the principal act, which authorises members of the force to go in and do all sorts of things in the case of a contamination event, where through a terrorist act people might have been exposed to contamination by some contaminants or other. The principal act allows the police to go and do this, that and the other, to detain people, clear up the contamination and all the other things you would expect. The amendment simply allows them to:

dispose of, destroy or seize —

the contamination. So, once again, we have dealt with the whole issue of a contamination event and what the police and authorities can do, and we are simply adding, almost unnecessarily, that as part of their actions to overcome such a contamination event they can dispose of, destroy or seize the contaminants. One would have thought those provisions would have already existed under the Crimes Act, the Environment Protection Authority Act or some other act, and once again it seems to be pretty much belt-and-braces-type stuff.

The same section of the principal act concerns contamination attacks and, as I said, the bill allows for

an effective lock-down of an area under any sort of attack or any sort of terrorist event whether threatened or actual. In that lock-down area basically the police have unlimited powers, and all the amendment in clause 8(3) does is say — rather by way of duplication — that the police can also enter private property as a result of their activities in this lock-down area, which power it seems to me from reading the act they had anyway.

I will touch on clause 10 quickly, because I think it is an interesting one. It amends section 22(1) of the principal act. There are quite a few amendments to this provision, but, once again, I will explain them to the house because they are an interesting insight into how our bureaucrats have a lovely time going through and nitpicking legislation. Section 22 deals with the reporting of prescribed chemicals and other things. In other words, it deals with a situation where if somebody has a chemical store and some chemicals are stolen, missing or inadvertently disappear, and therefore may have been stolen by terrorists for some particular act, the owner or occupier of those facilities where the chemicals are stored is required to alert the police so they are aware that there might be some terrorist act in the offing. Section 22(1) states:

An occupier of any premises, on becoming aware of any theft, attempted theft or loss from those premises of a prescribed quantity of a prescribed chemical or other prescribed substance —

must let the police, the WorkCover authority and all sorts of people know so they can take the prescribed action. I will read that again:

An occupier of any premises, on becoming aware of any theft, attempted theft or loss from those premises ...

The clause will amend that section so that an occupier of any premises, on becoming aware of any theft, attempted theft or unexplained loss, must take action — so rather than just a theft, attempted theft or loss from those premises we have added that it has to be an unexplained loss. The amendment goes on to further explain what an unexplained loss is.

This is what happens when you let experts get involved, because you do not know where you are going to end up. It then goes on to describe ‘unexplained loss’ as including chemical losses that occur through a change of temperature — as the temperature goes down, the amount of chemical reduces. In other words, it is an unexplained loss through the containment arrangements of the chemical, but it is not an unexplained loss insofar as its being stolen is concerned. So we have introduced a whole new terminology of ‘unexplained loss’, which means a loss that cannot be explained through spillage,

calibration variations, the effects of humidity and other like things.

I see the advisers sitting over in the box. Perhaps they might have a look at clause 10(1)(b) of the bill — sorry, that is, once again, just a drafting issue. It allows for the deletion of the word ‘prescribed’.

It would seem to me that another amendment was probably asked for by the security forces which have a passion for secrecy in all of these things, but I am not too sure what confusion would be brought about by this particular amendment. The amendment in clause 11 of the bill simply says:

- (1) In section 28(1) of the Principal Act, omit ‘published in the Government Gazette’.

What part 6 of the principal act, which deals with essential service infrastructure risk management, essentially says is that there is a series of essential services. Section 26(1) lists those essential services as transport, fuel, light, power, water, sewerage and so on. Section 26(2) states:

The Governor in Council, by Order published in the Government Gazette, may declare any service to be an essential service for the purposes of this Part.

If we go over to section 28, which is the part that is amended, we see it is headed ‘Application of this Part to an essential service’. It says:

- (1) The Governor in Council on the recommendation of the relevant Minister for the essential service, by Order published in the Government Gazette, may declare that this Part is to apply to an essential service or any part of an essential service.

It seems that the only difference between section 26(2), which says the Governor in Council can declare in the *Government Gazette* an essential service as falling under the act, and section 28 is that under section 28 he may declare a part — rather than presumably the whole — of an essential service as falling under the act. So if the whole of an essential service, say, water, is to be declared an essential service, then that has to be published in the *Government Gazette*, but under the amendments now before us if they decide to only declare the Hume Reservoir, for instance, then that would not have to appear in the *Government Gazette*. So we have a very strange and confusing situation where sometimes an essential service, if it falls under part 6 of the act, will be declared in the *Government Gazette*, and sometimes, if only a part of it is to be declared, it will not be allowed to appear in the *Government Gazette*. That seems to me to be somewhat of a recipe for confusion.

The bill amends some other provisions. Some of the amended provisions deal with the requirement for risk management plans, which nobody would disagree with. It makes it quite clear that if, for whatever reason, authorities do not get around to or cannot be bothered producing a risk management plan, there is a penalty. It will make sure that they do in fact carry out that essential work, and I do not think anybody would disagree with that.

As I have outlined, the majority of them are far and away belts-and-braces, nitpicking, little corrections. It is unfortunate they could not have got it right the first time. As with many amendments to amendments, one often wonders whether they create more confusion than they solve. One always wonders about whether it is wise to define these things. If you define a 'terrorist event' as being a criminal act, do you need to then go through and specify every other act that somebody may or may not do in furthering a terrorist event? As we have seen with tax law, it is often better to keep it at a higher level rather than give escape routes through overdefinition and detail. With those few comments the opposition does not oppose this piece of legislation; it supports this piece of legislation. We just simply say that many of these things could have been fixed up initially, particularly when you think that this particular bill, which had its proclamation rushed through for the Commonwealth Games, was in the cooking pot for quite some time before that. It is a pity some of these rats-and-mice things could not have been done right the first time. With those few comments I commend the bill to the house.

**Hon. B. W. BISHOP** (North Western) — I rise on behalf of The Nationals to make a contribution on the Terrorism (Community Protection) (Further Amendment) Bill. I must say I agree with Mr Strong's view that it seems like a belt-and-braces approach. It is a bit of a pity that we collectively could not have got it right in the first place. However, it is all a matter of balance as you go through these things, and we have before us today a bill with a number of amendments that will tidy up some of those issues. The Nationals have consulted quite widely on this bill and have reached the position of not opposing it. I congratulate the Honourable Chris Strong on his dissection of the amendments that are before us today. I will not go into the same amount of detail as he did, but I will certainly be making some comments on a number of them.

The broad purpose of the bill is to provide further powers to the police to deal with people and events in circumstances where terrorist acts could occur. One of the interesting things in the broader sense is that it amends the relevant legislation so that some of the

documents will not be available for public scrutiny even after 30 years. It is quite interesting that that is in the bill, and it is quite strong in its intent.

To go into a bit more detail, but not too much, about what the bill does and where it has come from, I note that this is template legislation that will be passed by all states and territories. In this house we have seen a tendency to move away from template legislation. I think template legislation is a good idea because it involves each state and territory putting in place exactly the same legislation so that we do not get any difficulties across borders, which is a particular nuisance to those who live in the border areas and work on the other side of the border. We have drifted towards model legislation — I understand this bill is not model legislation — which allows a bit of variance and therefore creates some concerns. As I understand it, this is template legislation and I suspect — I do not really know — that each state and territory will be doing the same as we are regarding the intent of the bill. If that is not so, perhaps the minister could tidy that up and let us know the position of each state and territory and the weighting each has put on the issues we are looking at today; otherwise the legislation tends to go away from the spirit of template legislation and drift more towards the model legislation we have seen in this place over the last few years.

As the Honourable Chris Strong said, earlier this year we dealt with a bill that gave police stronger detention powers and special powers to stop, search and seize by inserting provisions into the principal act. This bill makes a number of amendments to the principal legislation, and I will touch on a few of them. One of the changes is the putting in place of preventive detention orders regarding persons under 18 years of age. When you think about it, you realise that is a pretty big leap to take in our society. I suspect that a number of years ago we would not have even considered doing that, so that adds weight to the concern our community has in relation to terrorism. Another change deals with medical treatment for persons in detention. One provision deals with the reporting of the theft of a prescribed chemical. Whilst Mr Strong touched on that issue, I will give that a bit more attention later on, because it may have an effect on agricultural production.

Another provision removes the requirement for a declared essential service to be published in the *Government Gazette*. An important point following that is the requirement that risk management plans comply with any prescribed standards, which is reasonable. In my mind that simply means that you cannot just go off and do your own risk management plan; you need to

conform to a certain standard, thus ensuring consistency throughout a wide range of areas. I also note the amendments that require training exercises to be of an appropriate standard and conducted in accordance with specified requirements. I think that is about the same thing. It is certainly a good idea that we have that sort of conformity across a wide range of areas. As I have said before, the bill also prescribes that certain documents will not be available for public scrutiny even after 30 years. I think that is a very interesting amendment, and perhaps the minister could explain a little bit about it in summing up.

The last point I will talk about in detail is that the bill also provides that specified documents be exempt from the provisions of the Freedom of Information Act. We had a bit of concern over that. Our concern relates to the government's general handling of the freedom of information process. We have had a number of difficulties in relation to that area. Documents that we believe should have been readily available were, for example, declared cabinet in confidence. In other cases we believe the government has not been adhering to the principles of the act. We accept that this type of thing may be necessary to ensure that in difficult circumstances everything is done to stop terrorism, but we put on the record our concern that there is always the temptation for the government to abuse that power. In some of our discussions relating to issues such as that in particular, a suggestion was made that there be an overview of such issues — that an umpire, if you like, could be put in place. I have no real suggestion as to who that umpire might be, but someone like the Auditor-General springs to mind, or perhaps some other appropriate officer. If such a process were put into place, it might resolve some of our concerns on that issue.

As I said, the bill follows on from some tough measures that were introduced previously. I have been fortunate enough to travel internationally to places where terrorism has been around for some time, and as I read through the bill and the second-reading speech and thought about it a bit, I realised that 15 years ago, or even 10 years ago, we would not have accepted these measures — we would have said they were too tough. I think the community has assessed the situation and come to the realisation that these measures are required if we are to combat terrorism.

I guess the process required is to get the right balance between managing the threat of terrorism and not intruding too much into the freedom that we so enjoy in this country of ours. I think it is a great pity that we have had to come a long way in relation to these types of measures, but when I ask myself whether we have

any choice, I do not believe we have. That is why we are here today in this Parliament discussing these issues.

I picked up what I think is an excellent report on the operation of the Terrorism (Community Protection) Act 2003, which was tabled in Parliament just a while ago. It certainly gave me a better shot at working out why we need the legislation we have been progressively putting in place and how the act has been operating to date. I am going to quote from the report because I consider it worthwhile to do so at this time. Under the heading 'The threat of terrorism' it states:

Since the terrorist attacks by al-Qaeda against the United States in September 2001, the international and national terrorist threat environment has continued to evolve. al-Qaeda and affiliated organisations ... have continued to target western democracies and have demonstrated a continued capacity to plan and undertake such attacks and to adapt new and innovated approaches to defeat security measures.

It then goes on to list some major terrorist incidents since 2001. I will not quote them because the report is available to anyone. It is good to read about this, because it gives you some perspective on what we are trying to do with this bill. The report goes on to talk about the threat to Australian interests and domestic security. It states:

As demonstrated by the incidents —

which I have just talked about —

outlined above, Australian interests overseas have been and continue to be the target of terrorist attacks. Although there have not been any successful terrorist attacks within Australia, Australian security agencies have discovered evidence of Australians with terrorist links, as well as organised groups with intentions to conduct terrorist attacks within Australia.

That gives us the reason for what we are doing in this house today. I was interested to read in the report about how the act has operated. As legislators we stand in this Parliament and put our views on the public record, and then the legislation begins to operate. As Mr Strong said, a number of acts, even when they are being amended as we are doing in this place today, are untested to a fair degree. However, it is probably a good thing, and we are fortunate that a number of these issues remain untested. I note that since the passage of the act in 2003, its provisions have assisted Victoria Police and other counter-terrorism and emergency management planning and operations.

The report goes into some detail. In relation to covert search warrants, none were issued or applied for in 2003–04, six were applied for and issued in 2004–05 and no further warrants have been applied for to date.

The report also deals with the detention of persons and the power to direct them to submit to decontamination procedures, which was referred to by the previous speaker. The report states that power has not been used, and I suppose we should say thank goodness for that. The report goes on to talk about essential services infrastructure risk management provisions and indicates the number of organisations which have been declared as essential services under those provisions since the act has been in operation.

I go finally to the mandatory reporting of the theft or loss of prescribed chemicals and other substances such as ammonium nitrate. I am not going to read the detail of that because it is the principle on which I wish to comment. On reading this section of the report the provisions might seem reasonable in respect of ammonium nitrate, but I suggest that in some areas we have gone a bit too far with the regulations. In the practical sense of their operation the regulations are over-bureaucratic and very restrictive. A producer who wishes to use ammonium nitrate — and many do in their normal day-to-day work in growing products, particularly in the horticultural area — needs to fill out an eight-page document to get a security licence. That is a fair few pages to slog through. For a security plan you have to slog through another 12 pages and then go through police and Australian Security Intelligence Organisation checks.

It is a fairly tough process. These guys are farmers. They are hardly likely to do anything else. If farmers have a number of properties, they have to designate a route so they can transport the product. There are even tougher regulations in the storage area. Say a farmer has a good steel shed, which most of them have — a standard, straight up and down steel shed with a concrete floor — to get through this process the doors have to have special locks on them, which are very expensive. I did not believe this when I was told about it, but the steel walls of such a shed, if they are made of corrugated iron and screwed on, as most of them are in farm and many other dwellings, have to be secured with non-removable, non-reversible screws. If it is a pump shed — and a number of these sheds are pump sheds; people store some of their fertilisers at one end of them — you have to have a cage around the fertiliser.

The process really goes a fair way in relation to the management of, for example, ammonium nitrate and some other chemicals. I believe we have overcooked this a bit. I have appealed before to the Minister for WorkCover and the TAC, and I appeal to him again, to have a look at this to see if we can get better management into this process.

By the way, I am not blaming the WorkCover officers because I think they are just working through the system with the directions they have been given, but the system needs review. The USA simply has an awareness process in place, where people need to be aware of all these things, so its system is nowhere near as restrictive and bureaucratic as Victoria's at this stage.

With those few remarks I conclude my contribution to debate on this bill. We will probably all keep a close eye on this legislation as it moves into the operational mode and gets tested. I think that as legislators we all strive to create the right balance in respect of overregulation and excessive bureaucracy as we move towards the very important task of combating terrorism.

**Ms MIKAKOS (Jika Jika)** — It is with great pleasure that I speak in support of this bill, which is part of a bipartisan, Australia-wide approach to dealing with terrorism and security issues. That approach resulted from a September 2005 Council of Australian Governments agreement and subsequent statements made by the Premier in September and November 2005.

National coordination is essential when we are dealing with the global threat and potential devastation of a terrorist attack. The Victorian government recognises that finding a balance between protecting the people in our state and their civil liberties in times of crisis can be a close-run thing. We have made every attempt to ensure that appropriate scrutiny and oversight is provided for in our legislative responses.

The Victorian government continues to take appropriate legislative and other measures to ensure the safety of our Victorian community. These include a further \$109 million in this week's state budget to protect Victoria from terrorism and organised crime.

Bills of this type are essential in dealing with what is a continually evolving threat. Who knew, for example, prior to the Oklahoma City bombing that fertiliser could be used in the manufacture of explosives? Who knew that hijackers would be prepared to sacrifice their own lives as well as the lives of many hundreds of passengers to fly planes into buildings — with such deadly consequence? So it has to be an evolutionary approach. It is a deadly race, I would say. Hopefully our own imaginations and powers are greater than those of the people who would do us harm. We make no apology for the fact that we are continually improving our counter-terrorism response.

Most of this bill relates to amendments to the Terrorism (Community Protection) Act 2003, which was

substantially amended in March this year. The bill earlier this year introduced preventative detention provisions and provisions relating to stop, search and seize police powers. This bill will make only one minor amendment to those provisions in that it will require the Supreme Court to take account of any evidence or submission made by the Secretary of the Department of Human Services when the court is considering an application for a preventative detention order for persons aged under 18. This amendment recognises that the Secretary of the Department of Human Services is responsible for juvenile detention centres in our state.

The bill will amend the 2003 provision that enables police to detain, and direct to submit to decontamination procedures, those people who have been exposed to contamination through a terrorist attack. Police will also be able to enter land exposed to contamination and to seize, dispose of or destroy a source of contamination. Police must obtain the prior consent of the occupier of residential premises, unless immediate entry is necessary to ensure the safety of any person or prevent the spread of further contamination.

Police will also be required to facilitate access to medical treatment of any detained person who may have been contaminated in a terrorist attack. The exercise of all of these powers will be supported by the creation of a new offence of failing to comply with a police direction or hindering or obstructing an authorised police officer exercising such powers.

Further amendments will complement the Terrorism (Community Protection) Act by making it a criminal offence to provide information or documents that facilitate the planning of an act of terrorism. As well, this bill clarifies the reporting requirements for theft or unexplained loss of prescribed chemicals so that only situations involving a real security concern will need to be reported to police.

Not planning for an emergency or keeping one's head in the sand is a sure recipe for disaster. The 2003 act has required operators of essential services to prepare risk management plans to protect their assets from terrorist attack. Given the extensive privatisation that occurred under the previous government, many of these essential services are now controlled by private operators. This bill will provide that a copy of an order declaring an essential service will not be required to be published in the *Government Gazette* as doing so may indicate potential terrorist targets.

The bill will require that all risk management, emergency plans and training must be developed to a prescribed best-practice standard. This will ensure that

critical assets, essential to the welfare of all Victorians and the ongoing running of the state, are as prepared as they can be.

In addition to its proposed amendments to the Terrorism (Community Protection) Act the bill will modify other legislation to provide a consistent approach to the security of sensitive documents — for example, the bill will amend the Public Records Act 1973 to ensure certain sensitive documents now kept by Public Record Office Victoria remain secure and accessible only upon approval by the minister responsible for PROV.

I was fortunate to be provided recently with a guided tour of PROV's vast and impressive facilities in North Melbourne. It is my understanding that of the millions of records kept within the hectares of storage facilities at North Melbourne, only a small proportion will be affected by the amendments contained in this bill. They include, for example, documents that relate to the location, access and security details of key infrastructure and public buildings, including Parliament House. Consideration is also given in the amendments to the necessity that people such as civil planners may require access to these protected documents, and the bill enables conditional access to such documents to take place.

Finally the bill also amends the Freedom of Information Act 1982 with a number of technical amendments and clarifications, which include, for example, amending the definition of a document to include copies of an original document. An amendment is included which provides for the deletion of material reasonably regarded as irrelevant to an FOI request, and I note in relation to this particular amendment that in the Ombudsman's June 2006 report tabled in the house just this morning, entitled *Review of the Freedom of Information Act*, at pages 6 and 7 he recommends that section 25 of the act be amended in terms similar to section 22 of the commonwealth FOI act to enable agencies to delete material that is not within the scope of the request where deletion is both practicable and not contrary to the applicant's known wishes, so the bill is in fact implementing this particular recommendation.

The bill also includes a provision that a requested document may be subject to more than one exemption and a provision that ensures the FOI act does not affect the operation of other laws. There is also a provision that ensures a certificate exempting cabinet documents need not specify whether such a document exists.

Most importantly the bill contains an amendment that exempts from disclosure, documents created by the

counter-terrorism coordination and emergency management department of Victoria Police and any document that would endanger the security of premises. The bill also exempts from disclosure any document relating to the risk management plans of essential services or outlining a training exercise or a report on the adequacy of such a plan or training exercise and also documents created by Victoria Police's bureau of criminal intelligence.

While the FOI provisions have been modified to address issues of security, the Bracks government remains committed to the ideals enshrined in the original FOI act which was one of our first contributions as a new government, and we remain committed to ensuring open and accountable government via the freedom of information legislation and through the separation of powers. We are responsible, however, to ensure that that information is appropriately secure and is used for legitimate and legal purposes.

This bill is about enhancing the safety of all Victorians, and I therefore commend it to the house.

**Hon. RICHARD DALLA-RIVA** (East Yarra) — I rise on behalf of the Liberal Party to make my contribution to the debate on this further amendment bill; in doing so, I indicate I will be supporting it. There is again the issue about processes that the government goes through to bring legislation to the chamber with all the resources that it has. Today the Terrorism (Community Protection) (Further Amendment) Bill amends the Terrorism (Community Protection) (Amendment) Act of earlier this year, which followed on from the original principal bill in 2003. Again it raises the question: if we have had a significant amendment to the original principal bill, why are we now looking at further amendments?

One needs to go to some of the detail and some of the prescriptive information that has been put forward. The house heard Ms Mikakos talk about the bill and the principal act. I think most of her speech related to the passage of the principal legislation; I think today's contribution was just a rehash of her speech back then. Probably if one were to compare like for like — the Community Protection (Amendment) Act with this further amendment bill — one would probably see that they are along the same lines, that nothing has really changed apart from the rhetoric around it.

Some issues in the bill cause me concern. Why are there particular insertions of proposed sections? Clause 5 is an example, although I understand the merit of it. Under clause 5 a new section 4B is to be inserted.

It talks about providing documents or information facilitating terrorist acts. I understand it and I understand the application, but I could not quite understand why it is necessary because if one looks at the principal act, the actual application of being involved in facilitating a terrorist act does not necessarily have to mean providing documents or information; they could be actually a component of that.

As one of my colleagues said before, and he may have raised it in his speech, what happens if somebody provides a car? A car is not specifically a document or information, but the bill has not specified motor vehicles in the amendment. The amendment specifies documents or information, but what happens if a car is provided to facilitate a terrorist act?

As we know, motor vehicles are often used for the purposes of blowing up. Does that mean cars are not part of a terrorist offence because a car is not included in the bill but information and documents are included? I understand the intention of the clause, but I cannot see how it works in terms of being specific about certain items. If it said 'documents or information', one would have thought it should be 'documents or information or other things', to then include matters that may not have been as prescriptive as those two things.

I guess what I am getting at is that in the application of the legislation, it continually comes back here. It amazes me how we continually come back for fix-ups — then for fix-ups to fix-ups. The best I can ever recall was when, on a particular bill that escapes me at the moment, we were debating an amendment, with further amendments about to come through from the lower house. We could have held off debating the amendment, since there were amendments flying everywhere. I get the feeling that we are going down the same path with this bill.

It is on the record that I have said that when you try to deliver a coherent strategy for dealing with terrorism, it is not the MPs who have to deal with it but the law enforcement agencies which have to apply it. Every time you bring in an additional piece of legislation it creates so much confusion that it almost comes to the point where it is not applied. I said in my contribution to the debate on the original amendment that while we can debate the principles, it is the application and adherence to the legislation and the real-life operation outcome that we should be measuring.

There are other insertions which I will not go into, but one which pricked my mind was about risk management plans. I noted that Ms Mikakos used the

words ‘world best practice’ or words to that effect. I seem to recall that phrase in a lot of Brackspin documents about how great the government is. Needless to say we are all heading down the gurgler under this government. Unfortunately government members are even believing their own spin and are using it in this debate. I refer to clause 12(2)(ab) of the bill which proposes to insert after section 34(a) of the principal act:

- (ab) the risk management plan complies with any prescribed standard ...

I think Ms Mikakos was confusing ‘prescribed standard’ with world best practice or world best outcomes or something that she might have read in the glossy brochures that went out today telling everyone about the \$300 for children. It is amazing; the glossy brochures have already gone out telling everyone how great it is, but needless to say the Treasurer does not know how it will be applied.

That is the problem with this bill. The words sound good, but the problem is the application. When you read it you wonder what is meant by ‘prescribed standard’. What is that? My interpretation would be different from that of Ms Mikakos who considers it to be world best practice. I simply draw that to the attention of members.

The next clause, clause 13, gave me a laugh. The Minister for Police and Emergency Services is probably feeling a bit media-deprived or not included in the process, because clause 13 deals with training exercises. I have always wondered how a police minister could be actively involved in operational matters. In the principal act training exercises were to be undertaken with the Chief Commissioner of Police. That stands to reason as the chief commissioner is the most appropriate person to assist in training exercises for anti-terrorism events. But this bill proposes:

- (1) In section 33(1)(b) of the Principal Act, after “Chief Commissioner” insert “and the relevant Minister”.
- (2) After section 33(1) of the Principal Act insert —
 

“(1A) The training exercise must comply with any prescribed standard.”.

There we have the words again. This is again more terminology being used that requires interpretation. I looked for ‘prescribed standard’ in the definitions but could not see it, so I might seek guidance there.

The one thing that really got me was clause 13(3) which states:

For section 33(2) of the Principal Act substitute —

“(2) The training exercise must be —

- (a) prepared in consultation with the relevant Minister; and
- (b) conducted at a time and place, and in the manner, determined by the relevant Minister.

Why on earth does a police minister need to be involved in the operational duties of the Victoria Police in relation to terrorism activities? Next there will be legislation to say he has to be the helicopter pilot because he wants to fly in the little whirligig; or maybe he wants to be the driver in a police car, with the lights and sirens going. Maybe he feels deprived because he did not get enough police cars in his early life, so that he needs to insert the provision in a piece of legislation that he must now be involved in the training exercise. If he so feels he must do that, he should do the right thing and resign from being a minister and apply for a position with the Victoria Police, because that is about the only way he is ever going to be involved.

It is just stupidity to include the relevant minister — and I gather that would be the police minister, as that is the only one suitable. Why on earth would you want a minister to be involved in the training exercise? The clause says:

- ... prepared in consultation with the relevant minister; and
- ... conducted at a time and place, and in the manner, determined by the relevant minister.

What idiotic clause insertion is this? Why do the police have to tell the minister they are conducting training exercises? Every time they go out to the police driving school for two weeks do they have to tell the police minister? It is just stupidity.

The fact of the matter is that the chief commissioner has enough work on her hands without being worried by a minister who cannot read memos. Now she has to worry about training exercises. Good luck to the person who writes the training exercise because I can tell you that it will sit on the minister’s desk for a lot longer than a week. It will probably sit on his desk for about four months as he tries to work out what has been written. I hope he will not write any disparaging comments on the memo. He will know what I am talking about if he reads *Hansard*. I can tell you one thing: I am going to chase that down and if I find that memo it will be out in the public arena.

The minister should get his fingers out of the operational duties of Victoria Police and out of the operations of the bureaucracy that is trying to do the

right thing in dealing with terrorism in this state. It really fires me up that this has been inserted because it demonstrates that he feels deprived of attention — I do not know what it is — but it is just stupidity to have that there. The reality is that we always support the principal bill and support the notion that we should fight terrorism, but I do not think the police minister should be getting his grubby little fingers involved in operational duties.

**Hon. J. G. HILTON** (Western Port) — I am very pleased today to make a contribution to the debate on the Terrorism (Community Protection) (Further Amendment) Bill. This bill and the previous legislation that we debated earlier this year seeks to balance the need for public safety and security with the requirement to maintain an open and free society. I have to tell honourable members that this issue has given me the greatest concern since I was elected to this place.

Terrorism is, of course, not a new phenomenon. We have had terrorism for thousands of years. It could be argued that one of the first acts of terrorism was the 10 plagues of Egypt. Whether the Almighty could ever be considered a terrorist I suppose would make an interesting point, but certainly what happened then would fulfil the definition of terrorism.

In 1605 Guy Fawkes attempted to blow up the English houses of Parliament. Some people might say that he had the right idea. Whether it was a good idea or not, it was certainly an act of terrorism. In more recent times we have had the Irish Republican Army campaign to unite Northern Ireland with the Republic of Ireland; there were many acts of terrorism in that campaign. In the early 1970s there was a terrorism attack in Birmingham in England — the so-called pub bombings which killed over 20 people; and in the early 1980s the IRA came very close to assassinating the British Prime Minister Margaret Thatcher and nearly half of her cabinet when they were attending a Conservative Party conference in Brighton. More recently we have had 9/11, the Bali bombings, the UK and Madrid bombings, amongst many others.

In Australia up to this point we have been very fortunate in not having terrorism on our shores. In fact I think the only instance of terrorism that I can recall was the Hilton bombings in Sydney; and I, of course, refer to the location and not the perpetrator. If we have been relatively free of terrorism activity, why are we debating, and why have we been debating for the last few months, terrorism bills in this place? These bills have been introduced because we need to maintain consistency with commonwealth government legislation, so each state has to pass appropriate bills to

give effect to the commonwealth legislation. I suppose the real question is: why did the commonwealth government pass this legislation?

My view, and it is a very personal one, is that the Prime Minister and his Attorney-General are using this legislation for a very base political motive — and the Prime Minister has some history in this regard. The 2001 election, which I believe will be seen as one of the lowest points in our history, was fought solely by exploiting fear within the electorate. The Prime Minister was able to make a connection between the terrorism attacks in New York and Washington and the influx of asylum seekers. Every asylum seeker was portrayed as a potential terrorist and, in the words of our Prime Minister, ‘not the sort of people we want coming into this country’. That such a claim was made was in my view quite ludicrous, but it was not able to come through in the campaign that it was ludicrous, and I do hold my own Australian Labor Party guilty to some degree in that regard.

Although there were some concerns about the appropriateness of the government’s security legislation, which was a backdrop to the 2001 campaign, my party felt that it needed to be seen to be supporting that legislation because the alternative was that it would run the risk of appearing weak on security. My own view — and again I stress that it is my own very personal view — is that if our party had fought the election on the principle of civil liberties, pointing out the ludicrous claim that asylum seekers were terrorists, the Labor Party could have won that election.

Now, five years later, we have a similar situation. It is absolutely impossible for any elected government in this country to frustrate the will of the commonwealth government on this issue of terrorism, and although the reasons are obvious I intend to state them. Should there ever be a terrorist attack in this country, which is obviously something we all wish to avoid, any government which had frustrated the commonwealth would be blamed for that terrorist attack. That is politics. No state government and no Premier could afford to be held accountable in such circumstances. Hence, when the commonwealth government decided to introduce terrorism legislation, state governments had to comply.

We have had attempts by a number of people, both outside the parliamentary party and inside the federal Liberal Party — and I particularly mention Petrou Georgiou in this regard — to ameliorate as far as possible the most egregious aspects of these terrorism bills. My fundamental disagreement with this terrorism

legislation, of which this bill is a part, is that it is unnecessary.

I read with great interest a submission from the Law Council of Australia in response to the original Terrorism (Community Protection) (Amendment) Act. The law council's view was that there are presently on the statute books sufficient powers to address the circumstances which it is proposed that that particular piece of legislation addresses. In the view of the law council, which I would suggest is totally independent of this process, that legislation was not necessary. I therefore return to my original premise: that the reason we are having this type of legislation is a desire by the federal government to exploit people's fear. To me, that is the epitome of cynicism.

As I have said previously, I have every sympathy with the premiers and the position in which they have found themselves. For this reason and for no other I intend to commend this bill to the house, but I do so with great reservations and absolutely no enthusiasm.

**Mr SCHEFFER** (Monash) — Earlier this year we debated the Terrorism (Community Protection)(Amendment) Bill in the middle of widespread community concern over the need to have legislation that balanced the obligation to protect members of the community against acts of terrorism while at the same time not unnecessarily limiting citizens' freedoms.

Members at that time spoke with great strength of feeling about the terrorist actions in several parts of the world that have, in the judgment of most, necessitated very harsh and restrictive legislation.

In the end I supported the Terrorism (Community Protection)(Amendment) Bill because I was satisfied that it had been thoroughly questioned through community debate, because it was in proportion to the magnitude and complexity of the issues its provisions sought to address, and because its safeguards sufficiently protect the community against the arbitrary exercise of power.

The amendments to the Terrorism (Community Protection) Act, to the Public Records Act and the Freedom of Information Act are the result of further consideration of issues concerning counter-terrorism measures already in place. As the Attorney-General outlines in his second-reading speech, the amendments are a consequence of further analysis and assessments of the current legislation and of what might occur in the event of a terrorist episode. The Attorney-General states that the bill contains no addition to the powers already

given to police to detain and to stop, search and seize that were introduced in previous legislation.

The objective of further amendments to the Terrorism (Community Protection) Act is to give the police additional powers in the wake of a terrorist attack, to enable them to get rid of a source of contamination or to gain access to an area of land so as to protect people and stop any contaminant spreading.

Under these amendments police will be, empowered to enter places that are suspected to have been exposed to a contaminant even though the owner has not provided consent. Usually the occupier gives the police consent to enter private premises, but the police can enter without consent if they believe on reasonable grounds that immediate entry is necessary to protect someone's safety or to prevent them from spreading contamination.

The amendments also introduce offences where people do not comply with police directions for them not to enter or to leave a place that is affected by a terrorist act or who disrupt, hinder or delay the police in their work.

The amendments also require operators of essential services to prepare plans that will ensure the essential services they provide are not knocked out by a terrorist attack and to face being guilty of an offence if they fail to have plans in place. The plans must include both risk management and training exercises that comply with prescribed standards. The amendments also clarify the obligations of occupiers of premises to report any thefts or loss of substances which are prescribed. The amendments make it an offence for a person to intentionally pass on a document or information that can assist in the perpetration of a terrorist act — even if nothing happens.

The bill also amends the Public Records Act so that documents whose content could cause damage to the security of the commonwealth or a state or territory, to the defence of the country, or harm Australia's relations with other countries may be kept secret for a specified period of time or indefinitely. As well, the bill states that any person, such as a researcher, who is permitted to see sensitive documents must strictly observe the conditions which may apply to their having been granted permission to see the materials in the first place.

In relation to the Freedom of Information Act, people who apply to see documents will not be permitted to see exempt material, as is the case at the moment, but will as a result of the amendments not be able to see material that is irrelevant to the request. In other words,

people who apply to see documentary information will only be able to see the precise information they have requested, provided that it is not exempt.

It is also important to remember that the legislation is only one component of the government's response to the potential for a terrorist act. I agree with many constituents in Monash Province that there is a risk that if we put too much emphasis on gearing up the community to focus on counter-terrorism measures, we ramp up the issue and may end up precipitating the very thing we do not want to happen.

But this is why balance in proportion is so important. The Victorian government's policy paper 'Protecting our community: attacking the causes of terrorism' which was released last September set out the government's position on legislative matters, law enforcement, emergency services, effective prevention, deterrence, response and recovery. It devotes considerable space to the government's continuing commitment to multiculturalism, partnerships with faith leaders, the promotion of democratic principles and community harmony, the strengthening of freedom of expression and debate, and freedom against racial and religious vilification.

The provisions contained in the amendments to the Terrorism (Community Protection)(Amendment) Act are but one element in a wide range of measures necessary to deal with the phenomenon of terrorism. I think most Victorians subscribe to these laws because they are not used by the government to feed community fear and suspicion.

**Motion agreed to.**

**Read second time.**

*Third reading*

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

That the bill be now read a third time.

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

**Motion agreed to.**

**Read third time.**

*Remaining stages*

**Passed remaining stages.**

## JUSTICE LEGISLATION (FURTHER MISCELLANEOUS AMENDMENTS) BILL

*Second reading*

**Debate resumed from earlier this day; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).**

**Hon. C. A. STRONG** (Higinbotham) — In rising to speak on the Justice Legislation (Further Miscellaneous Amendments) Bill I indicate that the opposition will be supporting this legislation. It is interesting to reflect that this is the second piece of legislation that has been introduced with a similar title as on 30 March the house passed the Justice Legislation (Miscellaneous Amendments) Bill. Today, barely 30 days later, we are debating new legislation called the Justice Legislation (Further Miscellaneous Amendments) Bill.

This shows the rapid rate at which the government is able to churn out new legislation under the same name. One is left to wonder, on a more serious note — —

**Mr Gavin Jennings** — Whether the supplementary amendments will come later.

**Hon. C. A. STRONG** — Yes, when we will get the further further miscellaneous amendments bill. It is with some regret that there cannot be a more comprehensive approach to these issues.

That being said, the bill makes a few interesting changes which are significant and worthy of some comment. The first and most interesting is that it brings the police into the digital age by providing them with an ability to record evidence on digital technology. It was interesting in our briefing that one would have imagined the police would have used this most up-to-date technology, but when they are conducting interviews or taking a statement from people, they are recorded on analogue tape. The bill now allows police to use digital recording equipment.

The issue with digital recording equipment is that, as we all know, it is more easily manipulated. One can more easily change, manipulate and perhaps tamper with evidence that is digitally recorded than is possible with analog recordings. The bill allows the police to use digital recording equipment, and it puts in place various safeguards which attempt to ensure that the digital record is not tampered with. One can only hope that works successfully.

The next major amendment is to allow the police to take DNA samples from people found not guilty because of a mental incapacity; and, having taken that

DNA sample from such a person who is found not guilty, to keep that in their DNA store for reference in the event of further crimes, et cetera. That means one can ask realistically why you would want to take and store samples from somebody who is found not guilty of an offence. The issue is that if they are found not guilty because of mental impairment it does not mean that they have not committed the crime: they could in fact be under some sort of custodial order as a result of what they have done or held under some sort of supervision; or, although they may have committed the offence, they are because of their mental incapacity not guilty, and therefore there is a very justified and realistic reason to take and to keep those DNA samples on record as you would for any other criminal individual even though because of their mental incapacity such people are deemed not to be criminals. The opposition agrees totally with that.

The next amendment amends the Crimes (Sexual Offences) Act, and it is basically a drafting stuff-up. I might just read what the minister says on that issue in his second-reading speech, because it is interesting. He explains this amendment by saying:

The bill amends the Crimes (Sexual Offences) Act 2006 to remove an incorrect reference to the relevant offence being committed against a child. The relevant part of the act, which in turn amends the Sex Offenders Registration Act 2004, only relates to sexual offences committed against adults.

In other words, basically we had a drafting error and the legislation in this bill is correcting that drafting error.

Another amendment deals with the Working with Children Act, and we all know about that particular act — how it is basically a nightmare, a regulatory overkill of the highest order causing a great deal of pain, suffering and confusion everywhere in the community. As far I am able to ascertain, a lot of people do not know about its provisions and, as a consequence of either benign neglect or deliberate action, omit to follow a great many of its provisions. It is a bill which was always going to cause trouble, is causing trouble and will continue to cause trouble; and it is something that one day the government will have to turn its mind to.

It is a pity the amendments do not do something more significant. The current provisions in the act require an application form when one wants to go through the whole process of using a child in some working occupation. The current act requires that the form be in a prescribed form, which is not an unusual requirement. This bill changes it so that the form has to be in a form approved by the Secretary of the Department of Justice. It is no longer a prescribed form, it is just a form which

is approved by the Secretary of the Department of Justice. The bill says it has to carry certain information like the name and address but not much else.

The interesting thing here is — and I must say it is interesting that today we have just finished dealing with the terrorism bill because one of the amendments in that bill was to delete the requirement that one of the forms there had to be in a prescribed form, it was in a form agreed to by the department. Here we have again another bill where the requirement of the prescribed form is removed and replaced by a form that is approved by the secretary.

One always gets a bit suspicious in this place as to whether this is a pattern. A prescribed form is being removed from various pieces of legislation, and I must admit I have in the back of my mind that perhaps this is a pattern because we know that prescribed forms go through a fairly rigorous process. They go through the regulatory review process, they go through a regulatory impact statement and there is a proper overview and assessment of the extent to which such prescribed forms have an impact on red tape et cetera.

There is a process which they have to go through as prescribed forms, and once they are not prescribed forms presumably they will not have to go through that process and therefore they will certainly not have the same rigour applied to them with regard to red tape and to the extra work that is imposed on the community and business by having to fill them out because they will simply be forms produced by the secretary of the appropriate department. I hope we are not seeing a trend here for the removal of prescribed forms because, as I said, there is some safeguard in a prescribed form.

The other major provisions deal with amendments to the Surveillance Devices (Amendment) Act, the special investigations monitor legislation and the Major Crime Legislation (Office of Police Integrity) Act. Members may remember the crazy situation brought about by this government's refusal to carry out what was logical, what is done everywhere else and what has proven to be very effective and that is to have a royal commission into police corruption or some sort of royal commission into corruption. The government put in place this whole process based on the Ombudsman also being the director, police integrity and having to run up the corridor from his office as Ombudsman to his office as director, police integrity to look at something. We had this crazy situation of a man with dual hats trying to do two jobs. We had a person looking at police corruption who had very few skills and little experience in that area because he was simply an ombudsman more used to looking at justice and fairness and documentation

than corruption and honesty and police matters. We still have this ludicrous situation.

When we brought in a series of special crime bills, which was legislation agreed to by other jurisdictions across Australia and which gave the police very significant powers to do things like use surveillance devices, assume false identities and so on, it was agreed that the use by police of these fairly draconian powers would be overviewed by somebody to see that the powers were not abused. The person chosen to overview them was the Ombudsman. This created an incredibly convoluted situation. The Ombudsman was also in charge of the Office of Police Integrity and when the Office of Police Integrity wanted to use surveillance devices, run special operations and use assumed identities, as Ombudsman he could not overview himself using those powers. When he had his Ombudsman hat on, he could overview the police using those powers to see that they did not abuse them, but when he used those powers himself he could not very well overview himself. The net result of this was the government had to create a new position called the special investigations monitor, with the ability to overview Office of Police Integrity investigations. When those special powers were used by that office, he could overview the person who overviewed the police when they were using them. It is very hard for most people to grasp, which is not surprising because it is an absolutely ludicrous situation.

This bill fixes up that absolutely ludicrous situation, and it is about time. It gives the special investigations monitor the power to overview the use of these surveillance devices powers by the Office of Police Integrity and by the police. That seems to be a sensible role — at least we will have one person overviewing the use of these special powers regardless of who is using them: he can overview them no matter who uses them. This is sensible and goes some way to fixing up the mess this government has made of this whole police integrity and anticorruption business.

With those few comments I would like to commend the bill to the house and wish it a speedy passage. I look forward to seeing a further further miscellaneous amendments bill any time soon.

**Hon. W. R. BAXTER** (North Eastern) — I am sure Mr Strong is correct and we will see a further further amending bill very shortly. That is the nature of these things, and I think it is the nature of the current Attorney-General in another place that we are going to get a series of bills like this. In some respects this bill is a housekeeping measure, but in other respects it fixes up sloppiness and carelessness and the crazy notions of

the Attorney-General. Mr Strong alluded to that in his closing remarks in particular.

Nevertheless, these are amendments that I think are worthy of support by the house. I am particularly impressed by the proposal to allow DNA samples to be retained in cases where a person is found not guilty on the grounds of mental impairment. I note that that is not an automatic right being conveyed by this legislation — it will still require an application to the court — but it seems to me that in the circumstances it is a worthy initiative. If the court is persuaded that there is some value in retaining those DNA samples for the future — in case this person is again engaged in criminal activity — I think the community would demand that safeguard. There is no doubt that DNA has been one of the great breakthroughs of our generation in terms of solving crimes. In some respects I am a bit disappointed that this bill has come on for debate before and not after lunch today. There is a science briefing during the luncheon break today which goes to the issue of DNA. I am proposing to attend so that I might better acquaint myself with its operation, its technicalities and its outcomes. It is clear that it is enabling our police to, on many occasions, gather that vital last piece of the jigsaw in order to allow them to lay charges against a suspect.

It not only goes to offences against the person. Anyone reading this week's rural newspapers would note that DNA has been used by a very alert policeman in the north-west to sheet home a charge of sheep stealing. DNA was able to be detected on the wool of some sheep, particularly in the branding fluid that had been used on those lambs. It was checked against the DNA of the rams at the property from where it was alleged the sheep had been stolen. It was discovered that eight of the property owner's rams had sired a fair number of these lambs. The person was convicted and fined \$3000 or something of that nature.

**An honourable member** interjected.

**Hon. W. R. BAXTER** — I am advised that he was in fact fined \$5000. It is a unique incident because quite often when sheep are stolen, particularly lambs, they go straight to the abattoirs and it would not have been so easy to conduct the tests if that had happened. That is a fascinating example of the extent to which DNA will assist in the apprehension of wrongdoers in our community. I hope that sort of development continues.

This amendment goes to an issue which is a bit difficult. It deals with mentally impaired people but mentally impaired people sometimes commit crimes and sometimes they are serial offenders. If that is going

to be the case, we need to be able to prove they are serial offenders, and in so doing this will obviously be another part of the armoury.

I am not surprised that there is an amendment to the Working with Children Act, and I suspect there will be heaps of amendments as the government wrestles with the implementation of that legislation. The Nationals took a particular view when the principal act was being debated — that it is totally unnecessary, it will add a huge cost to the community and will engender tremendous rancour in the community as well.

These amendments are somewhat minor, meaning that the secretary can approve the form rather than it being prescribed in regulations, and it sets out some of the information that is required on the form. One wonders why it needs all the detail, but it appears that in its nanny-state mode the government wants to require persons and applicants to list all this stuff on a bureaucratic form. I do not like it, but on the other hand this amendment at least goes some way to simplifying the process, although nowhere near far enough.

The bill also obviously brings us into the modern age by authorising digital recording. It dispenses with the definition of 'tape recording' in another illustration of the speed of technological advance in our community, and how fortunate we are to live in this day and age of such extraordinary technological innovation. It is quite appropriate that the courts be empowered to use the latest and best technology. It should also help the community at large if it leads to transcripts becoming available much more readily and much more speedily than is the case using the more manual types of tape recorders that perhaps need to be transcribed in a slower process than can be done with digital recording devices.

The Nationals support the bill because each of the amendments, in their own way, is worthy of support. It should not be taken to mean that members of The Nationals have changed their view on the Working with Children Act; we have not and will not, but we will support any amendments that go some way to improving it.

Certainly when it comes to crime and the apprehension of wrongdoers and miscreants, we will support any reasonable actions which go to the issue of community safety. It is very clear that people in our larger urban communities do not feel as safe as they did, and we are finding the same now in our smaller rural communities. For many years they were felt to be very safe environments where people felt able to leave their houses unlocked or leave the car keys in the ignition —

not two actions that I advocate, of course. Those days have largely gone. But more than that, some criminal activity particularly relating to physical assault, theft and intimidation is regrettably creeping into smaller country towns as well, so anything that can be done which catches up and metes out an appropriate punishment to wrongdoers, particularly serial offenders, is welcome.

One of the frustrations I have is that we spend so much of the community's resources pursuing a minority of the community who are persistent offenders. I acknowledge that perhaps some people, young people in particular, kick over the traces, get on the wrong side of the law and learn their lesson, and that often happens, but regrettably we have a number of people who seem to be persistent offenders.

That apprehension, the meting out of a fine or a spell in jail does not seem to have the required effect. It is very difficult to know what to do about those people. But increasing the likelihood of apprehension has surely got to be the greatest deterrent, and innovations such as DNA testing obviously go a long way towards increasing the likelihood of apprehension. Therefore I am happy to support the legislation on that basis.

I did not cover the aspects of the bill that go to the issue of surveillance devices at particular length because Mr Strong did it so well.

**Hon. E. G. Stoney** — Will it help cattle stealing? That is what we want to hear.

**Hon. W. R. BAXTER** — I am not sure that it will, Mr Stoney. We want people who live in the country to be more alert to unusual activity than perhaps they have been in the past. In that sense it is surveillance, although it may not be a surveillance device within the parameters of the act. Clearly, in the old days many people would have opposed the use of surveillance devices on privacy grounds.

We now have this dichotomy where we seem to be much more worried about privacy than we ever were in the past — and I think unnecessarily so. But on the other hand we are much more ready to accept the use of surveillance devices than we would have been in the old days when we did not seem to be too worried about privacy. It just shows how attitudes are forced to change.

We have to cut the cloth according to the circumstances of the day, and that is clearly one of those instances where circumstances have changed so much that people who had severe reservations about a particular action in the past have had to amend their views and accept that a

changing society calls for changing attitudes as well. I am pleased to indicate that The Nationals are able to support this amending bill.

**Ms MIKAKOS** (Jika Jika) — Mr Baxter gave a well-considered contribution to debate on this bill, and I appreciate that because it enabled me to duck out of a Legislation Committee meeting to make a short contribution to this debate.

I indicate my support for this bill, which is very much a technical bill that seeks to make amendments to a range of legislation in the justice portfolio. They are fairly mechanical in nature, but are really about this government's commitment to ensuring that the justice system works efficiently and fairly. The bill contains a number of amendments to the Crimes Act 1958. The first set of amendments give effect to the government's in-principle support for the Victorian parliamentary Law Reform Committee's recommendation that Victoria's DNA sampling regime be revised to enable a person's forensic material to be retained, or obtained and held indefinitely if that person has been found not guilty by reason of mental impairment.

I particularly want to acknowledge the work of the Law Reform Committee for the well-considered and very lengthy report it produced in relation to DNA samples, but also in a range of other areas. The government very much values the work of that bipartisan committee.

Essentially, the powers are intended to help police solve existing cases and investigate future crimes that may be committed by a group of defendants. It involves the difficult issue of striking an appropriate balance between ensuring that police have the appropriate powers and resources to fight crime and the equally worthy consideration of protecting individual civil liberties. The mental impairment legislation aims to protect vulnerable defendants by ensuring that they are diverted out of the criminal justice system under appropriate levels of supervision so that they do not carry the stigma or other consequences of being found guilty. As I said, it is important that we try to strike an appropriate balance with the need for effective law enforcement.

The bill seeks to enable the County and Supreme courts to order that DNA samples be taken from people found not guilty by reason of mental impairment and be retained. The Magistrates Court will not be able to make these orders. For less serious cases dealt with by the Magistrates Court a mentally impaired defendant will have the right to be automatically and unconditionally discharged. This approach is fundamentally inconsistent with the right to require a

defendant to give a DNA sample, but in effect it is consistent with the approach that the government has taken with the sex offenders registration scheme.

Another set of amendments contained in the bill relate to the Crimes Act, particularly the use of digital technology in the recording of specified information such as interviews of suspects. The bill also contains a number of amendments to other pieces of legislation. I will touch on them very briefly. There is an amendment to the Crimes (Sexual Offences) Act 2006, which removes an incorrect reference to the victim of an offence being a child. Schedule 3 of the Sex Offenders Registration Act 2004 lists offences against adult victims, for which a court has a discretion to make a sex offender registration order. This amendment will mean that schedule 3 includes an offence under section 38A of the Crimes Act, which deals with compelling sexual penetration, regardless of the victim's age.

The bill also contains some technical amendments to the Surveillance Devices (Amendment) Act 2004 and the Major Crime Legislation (Office of Police Integrity) Act 2004. These amendments will ensure that we have consistency with legislation at the commonwealth level as it relates to the reporting regime that applies to the commonwealth Ombudsman in relation to the Australian Crime Commission's use of surveillance devices under Victorian law. The final amendment in the bill relates to the Working with Children Act 2005 so that the application form for a check need not be prescribed but will contain the particulars set out in the legislation.

In conclusion, this bill contains a number of technical amendments across the justice portfolio. It is about ensuring that we have a justice system that is efficient and fair and continues to meet the needs of all Victorians. I commend the bill to the house.

**Motion agreed to.**

**Read second time.**

*Third reading*

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

That the bill be now read a third time.

I thank members for their contributions to the debate.

**Motion agreed to.**

**Read third time.**

*Remaining stages*

**Passed remaining stages.**

**Sitting suspended 12.47 p.m. until 2.02 p.m.**

## QUESTIONS WITHOUT NOTICE

### Hazardous waste: Nowingi

**Hon. D. McL. DAVIS** (East Yarra) — My question without notice is to the Minister for Major Projects, Mr Lenders. When did the minister first become aware that Major Projects Victoria had failed to present critical evidence exposing the dangers of leakage from the planned toxic waste dump at Hattah-Nowingi?

**Mr LENDERS** (Minister for Major Projects) — It is a good thing that Mr David Davis does not go out there to be an actor and get paid for theatre, because he is not particularly good at looking outraged. He knows very well the history of Nowingi. He knows very well about the environment effects statement (EES) process and that this government, in the most open and transparent manner, has put in place an EES process with 24 major reports staggered over two periods of time to meet the needs of the local community. This government has also had six supplementary reports under the process, has had hearings in Mildura, Bendigo and Melbourne, has sent officers from Major Projects Victoria to Sunraysia whenever community forums have been required and has provided information on web sites — despite people like Mr Davis and his colleagues trying to stop documents being tabled in municipal libraries and other areas in the region and despite every bit of subterfuge to stop the debate going on. Mr Davis cries crocodile tears, and crocodile tears that come very late.

I remind the house that 1700 members of the community bothered to put in written submissions to the EES process, but was Mr Davis one of them? No! Was Ms Lovell one of them? No! Was any member of the Liberal Party one of them? No! So it is a little bit late for this to come from Mr Davis.

Mr Davis asked me when I knew about the studies. I do not profess to have all the technical details in front of me, nor do I profess to follow what happens every day, but what I do know is that if people request information from this government we give it to them. We follow the law and go out of our way —

*Honourable members interjecting.*

**The PRESIDENT** — Order! That is enough interjection. I ask the minister not to respond to interjections, as they are unparliamentary, and to conclude his answer through the Chair.

**Mr LENDERS** — This government is about providing information. This government has boosted the Freedom of Information Act. This government has received numerous freedom of information (FOI) requests. I will have this discussion with Mr Davis at any time. I was not part of the Kennett government, which closed down Parliament, gagged FOI and cut off courts — and nobbled the Auditor-General while it was at it.

I am happy to engage in a discussion on this project with Mr Davis at any time. I expect him to put on a little bit of theatre, because he needs to make up for the fact that he did not get his submission in on time, for the fact that his colleague Ms Lovell does not know where Nowingi is and for the fact that there is no coherent case on his part. I am happy to have a dialogue with Mr Davis. I have been to Sunraysia and had a dialogue with the community. We have an EES process which every day is out there listening to the community and putting information in front of it so that this government can make an informed decision on the basis of the advice of the EES panel.

### *Supplementary question*

**Hon. D. McL. DAVIS** (East Yarra) — I still do not believe the minister has answered the question about when he knew. The fact is that the minister fought the FOI request of Russell Savage, the member for Mildura in the other place, to prevent the release of the Macumber report, which said:

The acidic nature of the ground water would turn any dump material leakage into a liquid and therefore the potential risk of contamination to the Raak was significant.

That refers to leaks and damage to valuable country. A spokesperson for the minister has admitted that the government did not provide that material, and the panel now knows that the government did not provide that material. I ask the minister: are there any further reports or studies that he is aware of that have been held back from the panel?

**Mr LENDERS** (Minister for Major Projects) — I know Mr Davis comes from a different planet than I do. He is of the view that freedom of information (FOI) requests are determined by ministers, not by independent public servants, but seeing that he has mentioned the Macumber report, this was a report about which Mr Savage, whom I have a strong

disagreement with on the issues of Nowingi, made that FOI request to the Department of Infrastructure. In the terms of his request it was a band of dates he asked for. The DOI information officer gave him all the information he required. The Macumber report, as I understand it, was drawn to the attention of the department. What Mr Savage asked for was not caught by that, and the DOI information officer, as I am advised, gave further information to Mr Savage when it was requested — because this government, unlike the government Mr Davis was associated with, actually gives information. We are open, transparent and accountable and have given out all the information.

**Hon. D. McL. Davis** — You are an outrage!

**The PRESIDENT** — Order! Mr Davis has asked his question, and he will stop interjecting.

### Aboriginals: government initiatives

**Hon. KAYE DARVENIZA** (Melbourne West) — My question is to the Minister for Aboriginal Affairs, Mr Jennings. I ask the minister to inform the house as to how the Bracks government is continuing to make our state a better place to live and raise a family for indigenous Victorians.

**Mr GAVIN JENNINGS** (Minister for Aboriginal Affairs) — I thank Ms Darveniza for asking the question and for her ongoing concern about the wellbeing of the indigenous members of our community. I am very pleased that today the Premier and the Deputy Premier took the opportunity to launch the next iteration of *A Fairer Victoria* — including a commitment that the Bracks government has made on any number of occasions but in a very tangible way in last year's budget and again today.

The Leader of the Government has just passed me a brochure cover which shows the smiling faces of Bianca and Ivy-Rose Hood from Lake Tyers. Last year the *A Fairer Victoria* policy made a significant undertaking to the people of Lake Tyers with the funding of a neighbourhood renewal program. Whilst the Hood family and other Aboriginal people in Lake Tyers experience some degree of disadvantage and some of their life outcomes still warrant further support, the optimism and enthusiasm on those young women's faces hopefully will be an inspiration to many thousands of Aboriginal people across the state of Victoria.

We are not resting on our laurels. Whilst we have committed \$45 million as part of *A Fairer Victoria* this year, the Bracks government has committed as part of

the 2006–07 budget under *A Fairer Victoria* a record \$75 million to programs to support the wellbeing of Aboriginal people. We are making significant investments — \$14 million has been allocated to strengthen families, to provide better opportunities for children and to increase the capacity of mothers to care for the needs of their children. Families that receive Aboriginal children will be supported in relation to child placement needs and their capacity to enrich the lives of younger members of the Aboriginal community will be enhanced.

There will be significant reinvestment in the Aboriginal justice agreement. One of the hallmarks of the first term of the Bracks government was establishing the justice agreement, and I, with the Attorney-General, will have great pleasure in being at a very important community-based event to mark the next iteration of the Aboriginal justice agreement — \$26 million will be allocated to enhance the roles which Koori courts may play in our community. Various diversion programs and juvenile justice programs will support a more active and successful participation by young Aboriginal people in community life and will mitigate the circumstances they might find themselves in within the criminal justice system.

A significant amount — \$10.8 million — has been allocated to establish a new representative arrangement body for the state of Victoria to ensure there is grassroots participation and local people come together in Aboriginal communities to determine their priorities and support one another in their interaction with governments, both state and commonwealth.

I am pleased to say that the circumstances confronted by Aboriginal people in Victoria are not as acute as we find in other parts of Australia at the moment in terms of the misery that Aboriginal people confront, and we will make sure that Aboriginal people in Victoria have the opportunity to discuss their concerns with not only the Victorian government but also the federal government, which sometimes is acutely hard of hearing in relation to the wellbeing of Aboriginal people, certainly in south-eastern Australia.

We will be providing \$12.6 million to support the implementation of the Cultural Heritage Bill which was passed by this house during the last sitting week and which will enhance cultural heritage protection and the understanding of the value of cultural heritage to all in this state. I am pleased to provide that support.

We will provide other significant investments in the 2006–07 budget to support the maintenance of community-based facilities and in particular facilities to

support the needs of young Aboriginal people in the years to come in training and rehabilitation to enrich the lives of Aboriginal people.

**Melbourne Recital Centre: construction**

**Hon. ANDREA COOTE** (Monash) — My question is for the Minister for Major Projects, Mr Lenders. The minister announced that Bovis Lend Lease had been awarded a \$120 million contract to construct a 1000-seat recital hall. I ask: is it a fact that the project is currently \$30 million over the original budget and already one year behind the announced completion date?

**Mr LENDERS** (Minister for Major Projects) — I am delighted to receive my first question in the house from Mrs Coote.

**Mr Gavin Jennings** — That's how I feel.

**Mr LENDERS** — My ministerial colleague, Mr Jennings, would rather he had more questions. The recital centre, with the recital hall and the Melbourne Theatre Company theatre, is a great project for Victoria and is one that has had a very long gestation period in coming forward. It is a very interesting illustration of how major projects operate. As we know, it was announced today that Bovis Lend Lease has been contracted to do it. This project has been quite a journey.

Mrs Coote says the figure is \$30 million more than earlier figures announced. To an extent that is correct, but I think it is worth explaining, firstly, what it is and how it got there. It will be a state-of-the-art recital centre. I noticed Mrs Coote's media comments — some from her and some from a Liberal arts spokesperson — where she acknowledged that this is a world-class facility. It raises the question: why would you build a recital centre unless it was going to be a world-class facility?

The facility is being built in partnership with the arts community and other stakeholders. It is also an interesting partnership, with the University of Melbourne being involved through the Melbourne Theatre Company (MTC) component. As part of the partnership we have philanthropic trusts raising money to put towards the centre. We also have a vestige of the Kennett government's Crown legislation — the requirement to build a lyric theatre has effectively been extinguished by the money coming in to the recital hall-MTC project.

There is no point in building a recital centre unless it is a world-class facility to which performers will come.

We will attract performers from overseas. There are a number of orchestras and the like that would be likely to come — and my colleague Ms Delahunty, the Minister for the Arts in the other place, would certainly be happy to enlighten Mrs Coote about them. If you are going to proceed with this project and build the facility, you want to do it correctly. To my knowledge we have never built a recital centre here before — a facility with such a high level of acoustics. I think it involves 36 major blocks, and springs. We cannot have the facility vibrating from traffic on the streets around it, because musicians are far more sensitive to these things than someone like me.

**Mr Gavin Jennings** — They are more temperamental than we are.

**Mr LENDERS** — They are more temperamental than we are, Mr Jennings; that is correct.

The long and the short of it is that, yes, the timing on this has been extended from what we had originally hoped it would be. But as does a person building their own house, you want to get it right. You come up with a concept, you put the plans in place and you then go out and get a builder to quote. You get an estimate of the cost, and when that is done you announce and proceed. Often when a family is building a house they will get an indicative costing and further indicative costings at various stages.

Transparency is always a challenge for government — how much we put out and about regarding where we think things are going to be and how much we budget for before we have actually finally tested that in the market at actual cost. Mrs Coote is correct: it will be a higher cost than the original estimation we started with. As to where we are now, Mrs Coote's issue of it being over budget or the like, we now finally have a commercial costing of it.

**Hon. J. A. Vogels** interjected.

**Mr LENDERS** — We have finally made a number of changes. Mr Vogels wants to take up a couple of points by interjection, but I would put this to him: if the original concept is that you have an MTC theatre on one side of a road and a lyric theatre on the other and a bridge in between, and someone shows you that there are economies of scale in the long run in putting the two together, would you stick to the original plan or would you be adaptable? There is some merit in Mrs Coote's question about the cost issue, but we are talking of a world-class project that stakeholders will support. We will have a very good project in place that

Melbourne will be proud of, Victoria will be proud of and stakeholders will be proud of.

*Supplementary question*

**Hon. ANDREA COOTE** (Monash) — I really thank the minister for his answer, but I would like him to answer this supplementary question: can the minister reassure us that the additional cost for acoustics will not continue to blow out and that we will not have a repeat of the Sydney Opera House acoustics fiasco here in Victoria?

**Mr LENDERS** (Minister for Major Projects) — I could spend hours talking about the Sydney Opera House, but I will stay far more localised. I can assure Mrs Coote that unlike the construction of the Victorian Arts Centre by the Hamer and Thompson governments, when Mr Norm Lacy, the Minister for the Arts under the Hamer government, let the expenditure on the centre spiral threefold — almost as much as Ms Asher, a former minister, let expenditure on Federation Square spiral out and almost as much as former Premier Kennett let expenditure on the state library spiral out — we are far more vigilant and far more attentive. We want an arts project to go ahead, we want it to go ahead well and we will watch the cost. We have put a figure out there — and obviously Mrs Coote will hold me accountable if we go above that figure.

**Hon. Andrea Coote** — I will!

**Mr LENDERS** — I am very conscious of that and obviously conscious of my responsibility to make the project come in on time and on budget.

**Neighbourhood houses: funding**

**Ms ARGONDIZZO** (Templestowe) — My question is to the Minister for Local Government. Can the minister please inform the house of additional assistance the Bracks government is providing to the neighbourhood houses in Victoria?

**Ms BROAD** (Minister for Local Government) — I thank the member for her question and for her commitment to neighbourhood houses, including her work for the Bulleen and Templestowe community house. I would like to acknowledge the work that all members do in supporting neighbourhood houses. The Bracks government believes that every Victorian deserves access to the opportunities provided by neighbourhood houses for developing skills, pursuing lifelong learning, enjoying recreation and being connected to their local communities.

Neighbourhood houses connect people with their communities through the use of programs; more than 90 000 Victorians make use of programs and activities in neighbourhood houses every year. That is why I am very pleased to inform the house that this year's budget, through the government's A Fairer Victoria policy, the Next Steps, which was released today, will provide neighbourhood houses with additional recurrent funding of \$27.8 million over four years. This will certainly assist them to create opportunities for the communities that we all represent. This is a new record in funding for Victoria's neighbourhood houses. It means a threefold increase to recurrent funding for neighbourhood houses from \$6 million in 1999, when the Bracks government was first elected, to \$18 million in the next financial year.

For those members opposite who want to carry on about more funding for neighbourhood houses, let us just remember that when their side was last in government, funding for neighbourhood houses was just \$6 million. Under the Bracks government this has increased to \$18 million in the next financial year. Neighbourhood houses will receive more funding than ever before. This funding boost will strengthen the financial base of neighbourhood houses and allow the range and number of programs they provide to thousands of Victorians to be significantly expanded. More Victorians than ever before will have access to programs and services offered by neighbourhood houses.

I would like to congratulate the neighbourhood house workers, their committees, the volunteers, the neighbourhood house networkers and the Association of Neighbourhood Houses and Learning Centres for all the work they do for the whole community. It was a great privilege to be invited to open the association's conference in Warrnambool and to be able to congratulate association members in person for the terrific work they do for the whole community.

This budget delivers a great investment for neighbourhood houses and a great investment for families. We make this investment because the Bracks government believes all Victorian families deserve access to the opportunities created through neighbourhood houses and learning centres.

**Neighbourhood houses: funding**

**Hon. D. K. DRUM** (North Western) — My question is also to the Minister for Local Government. Is it not a fact that the adult, community and further education program funding to neighbourhood houses has been cut by 9 per cent over three years, and has the

minister undertaken any assessments on how this funding cut will impact on the operation of neighbourhood houses?

**Ms BROAD** (Minister for Local Government) — I have just outlined to the house what is a massive increase in funding to neighbourhood houses. So there will be more funding, more services and more opportunities than have ever been provided to neighbourhood houses.

As I also just recently outlined to the house, in attending the conference of the Association of Neighbourhood Houses and Learning Centres and talking to many people, both committee members and workers in neighbourhood houses, I had the opportunity to listen to what they had to say about a whole range of issues, not only at the conference but on many other occasions. I can say this is not an issue that has been raised with me by the association through the neighbourhood house networks, or by individual neighbourhood houses. I reiterate that this government is doing more for neighbourhood houses than has ever been done before — a threefold increase in funding under the Bracks government — and this is something which has been welcomed by neighbourhood houses and learning centres and their committees.

*Supplementary question*

**Hon. D. K. DRUM** (North Western) — When the minister decides to get out of Melbourne and visit some of the smaller rural neighbourhood houses she will find that it is an issue, and I would like to ask her if —

*Honourable members interjecting.*

**The PRESIDENT** — Order! I am having difficulty hearing the member ask his question and I am sure Hansard is having just as much difficulty trying to record it, so I ask for less interjections and chatter in the chamber.

**Hon. D. K. DRUM** — Is there any scope within the \$7 million per year package that was announced in the budget to fund coordinators at over 30 neighbourhood houses around the state that currently do not qualify for coordination funding?

**Ms BROAD** (Minister for Local Government) — Under the Bracks government some 76 neighbourhood houses that were not funded when the Bracks government was first elected have been funded for the first time ever. As well as increasing pay rates for coordinators so that they receive a fair rate of pay, as well as increasing coordination hours, as well as building and funding the building of more

neighbourhood houses through A Fairer Victoria, the Bracks government has also funded 76 neighbourhood houses that were not funded when it came into government.

The Bracks government has done more than has ever been done before for neighbourhood houses, certainly more than was ever done under the Liberal Party and The Nationals when they were last in government. We will continue to work and support neighbourhood houses into the future.

**Energy: consumer protection**

**Hon. S. M. NGUYEN** (Melbourne West) — My question is to the Minister for Energy Industries. As part of the budget the Bracks government announced extensive energy consumer protection measures. Can the minister inform the house of industry reaction to these measures?

**Hon. T. C. THEOPHANOUS** (Minister for Energy Industries) — I thank the member for his question. The Bracks government is proud of its record on energy consumer protection in this state. We introduced the safety net for consumers, which has resulted in significant real reductions in electricity prices over the last four years. I also introduced the \$250 per day compensation for wrongful disconnection, which has resulted in disconnections being halved in this state. Of course, having established the inquiry into hardship, the government will also legislate so that retail companies adopt a best practice hardship policy and are prevented from disconnecting customers on the grounds of incapacity to pay. These are important protections for consumers.

I report to the house that the retail companies themselves have also responded — for example, TRUenergy released a statement saying that its financial hardship package to match the government's efforts will result in benefits of more than \$4 million to its customers through both direct energy savings to low-income families and better access to energy-efficient appliances. Some of the things it is proposing to do include an extension of its customer support plan, a disconnection prevention program, energy audits, a fridge refurbishment program to refurbish about 1000 refrigerators of disadvantaged people in its area to ensure that they are more energy efficient, and grants to assist households in purchasing or upgrading their old inefficient appliances.

TRUenergy is not the only large retailer to have indicated to the government that this is what it will be doing. Origin Energy is also looking at increasing its

protection measures through initiatives such as a doubling of the existing energy audits, investing further in programs which provide households with interest-free purchases of energy-efficient appliances, investing and supporting Victoria's indigenous communities specifically in northern Victoria, and increasing and expanding its existing plans such as its contribution payments scheme.

AGL, the other energy retailer, has also indicated that it is working on a program in response to the government's announcements, and is looking at support services such as a referral service that will refer customers to financial counsellors, various entitlements and flexible payment options, introducing energy audits and a range of low or no-cost energy-efficient appliance loans for its consumers as well.

These are important initiative from the retailers. They do not come by accident; they come because of the determination of this government to negotiate on behalf of consumers, particularly consumers in hardship, so that when we put up a package we expect a response from these retailers. These retailers are therefore coming to the party to the extent of about \$9.6 million in their programs as well.

This is the difference between us and the opposition. The opposition was prepared to leave consumers for dead. It was not prepared to intervene on behalf of vulnerable consumers in order to keep prices down. This is the major difference between the opposition and us: we care about vulnerable consumers in this state.

### **Information and communications technology: broadband access**

**Ms HADDEN** (Ballarat) — My question without notice is directed to the Minister for Information and Communication Technology. The minister recently advised the house about the importance of information and communications technology (ICT) as a growing industry in Victoria and that she is committed to supporting and driving this sector. Rural and regional Victoria is lagging behind in access to broadband asymmetric digital subscriber line service, and many of my constituents in particular either cannot get access to high-speed broadband or find it so inefficient as to be unusable.

Would the minister advise the house of the current status of the government's \$6 million Moving Forward funding for the Grampians and Loddon regions which was granted in the 2005–06 budget year?

**Hon. M. R. THOMSON** (Minister for Information and Communication Technology) — I thank the member for her question, which is a very important one for rural and regional Victoria, and one on which I have spoken in this house numerous times.

I believe the federal government has failed to meet its commitment to country and regional Victorians by not providing them access to levels of broadband that they should have access to. We all know that in a global economy there is no reason why you should not be able to do business anywhere in the world and have access to the world, but here in Australia we are falling behind in our access to proper broadband services.

It beholds the federal government to set the right parameters, framework and regulations, to put in place an environment within which we can see broadband out in our communities, giving people access to affordable broadband that works both for the economic growth of regional and country Victoria and also provides access to the globe for individuals and communities. This is vitally important — as important as roads and traditional telephones. It is the next line of communication and one upon which we will all have to rely more and more as technology develops. Because we are not prepared to sit back and wait for the federal government to act, we have put a number of initiatives in place in Victoria to try to encourage an environment where we see broadband come to Victorians earlier than might otherwise be the case.

Regarding the \$6 million of funding that was referred to in the Moving Forward project by Ms Hadden, we are calling for expressions of interest now to have a look at how we might formulate the final request for tender to put in place a program to assist in getting better access to broadband services for people in regional and rural parts of the Grampians and Loddon regions. It is unfortunate that we have to do this; that the federal government has not set the right parameters to encourage broadband uptake. It is very hard when you have a conflict of interest, when on the one hand you are the major shareholder of Telstra and you want the best possible price when you sell it, and on the other hand you are also the regulator.

It is important that a framework be put in place that will ensure that people get proper access to broadband services and that there is a strategy in place so that people can have confidence that if they have not got access now, they will get it. Unfortunately, that is not the case. There is no real strategy on a national level for providing broadband to Australians. There is a framework, however, in this state to use what levers we may have available to us to assist in that, whether that

means aggregating our own purchasing, which we have done for data under the telecommunications purchasing and management strategy, or TPAMS, which will see every school over the next three years obtaining real access to real broadband; whether it is through the number of trials we have put out under the customer access network demonstrations program, or whether it is through such programs as the \$6 million we are putting towards the Loddon and Grampians regions.

*Supplementary question*

**Ms HADDEN** (Ballarat) — The particular trouble areas in my electorate are in the Hepburn shire and the Moorabool shire. Many small businesses are being discouraged from either remaining in or relocating to these rural shires because of the lack of the essential infrastructure to deliver broadband, as well as the high costs of running a small business in rural Victoria. Will the minister outline the time frame within which she will deliver on her \$6 million commitment to bridge this competitive barrier to small business, particularly in these two rural shires?

**Hon. M. R. THOMSON** (Minister for Information and Communication Technology) — As I have said, the matter is now out for expressions of interest, and we will be interested in talking to any telecommunications companies which are potentially interested in working with the Victorian government to provide access to those communities.

I cannot guarantee that every single community in those shires is going to get access to broadband services, but what we do want to see is how far we can spread it. We do want to give the best and maximum access to those communities. We hope for positive feedback from the industry to provide those services, and we have asked the federal government to think about participating with us in this project to enhance the possibility of our communities getting access to broadband, and using it as a test case for how they may use Connect Australia money. We are getting on with the job. We are looking after Victorians. We want the federal government to do the same.

**Budget: sport and recreation**

**Mr SMITH** (Chelsea) — My question is to the Minister for Sport and Recreation. Will the minister inform the house how the state budget builds on the success of the Commonwealth Games and enhances sport and recreation in Victoria at both the community and elite level?

**Hon. J. M. MADDEN** (Minister for Sport and Recreation) — I welcome Mr Smith's particular interest in sport. I know what a great lover of sport he is. We live in a great sporting state, and we showcased that to the rest of the world with the Commonwealth Games. But we are not resting on our laurels. We are rising to the challenges. We are doing that with a boost to sport and recreation in Victoria of \$177 million, which was announced in yesterday's budget. What is important about this is that we have great people, great places and great participation. I encourage members of the opposition to take on board some of the data I am giving them today. They should start a file and keep the information we provide them with so that they can monitor our policy announcements. They might even develop a bit of policy on sport and recreation.

Data from the Australian Sports Commission released last year shows that record numbers of Victorians are now playing sport or exercising. In fact 85 per cent of Victorians over the age of 15 are involved in exercise, sport or recreation. In 2001 the figure was only 77 per cent, so almost 500 000 more Victorians are more physically active today than they were in 2001. That is basically four or five times the capacity of the Melbourne Cricket Ground — and, just to remind the opposition, the MCG redevelopment was delivered by a Labor government.

Our goal is to keep working on our message and getting more people actively engaged in physical activity. We are doing that by investing in sport and recreation. We are turning sporting capital into social capital, and one way we are doing that is through a \$143 million grant towards a 20 000-seat soccer and rugby stadium. But this is not just about elite sport, it is about turning elite sport into a motivator to develop those sports that use rectangular pitches.

There will be \$12 million to increase access to community sport and recreation facilities by revitalising specific suburban sporting facilities. The government is providing \$4.2 million to improve community sport and recreation infrastructure at some of the state's sporting facilities, and \$2 million to increase the spectator capacity for the diving events at the FINA World Swimming Championships to be held next year. As well as that there will be \$10 million to continue support of regional sports assemblies, state sporting associations and the Victorian Institute of Sport. This is on top of the \$6 million announced for country football and netball clubs in the *Moving Forward in Provincial Victoria* statement.

Victorians are participating in sport in record numbers. That is a compliment not only to this government for

what it is doing but to the Victorians who are getting out there and doing it — as opposed to members of the opposition. We are rising to the challenge. We are building on the huge success of the 2006 Commonwealth Games. We are making Victoria a better place to live. We will continue to rise to the challenge of delivering what Victorians need.

**Consumer affairs: government commitment**

**Hon. A. P. OLEXANDER** (Silvan) — I direct my question to the Minister for Consumer Affairs. The Victorian Parliament has a very long history of working to protect consumers through legislative means against traders like dodgy real estate agents, shonky builders and a range of other scams that target the most vulnerable consumers in our community. These legislative protections have ensured that consumers do not get ripped off when they make significant purchases. In the budget handed down this week I noticed that the Bracks government announced a \$42 million commitment to reducing red tape for business. In light of that announcement, can the minister assure the house of the Bracks government's ongoing commitment to consumer protection via legislative and regulatory means?

**Hon. M. R. THOMSON** (Minister for Consumer Affairs) — I welcome the government's commitment to cutting red tape. I am very proud to be part of a government that is committed to ensuring that we look at the way businesses are burdened by red tape. We are conscious of the fact that as the regulator we should take into account in all that we do what we are asking of businesses by way of compliance. Having said that, by no means should cutting red tape be interpreted as meaning that we will be doing away with adequate protection for consumers. There are a number of mechanisms at the disposal of Consumer Affairs Victoria in relation to how businesses comply and how we protect consumers. They can be simple measures like an education program through to infringement notices. They can range from codes of conduct through to quite detailed regulations and laws that we put in place to protect the most vulnerable in our community. It is important that we use all the mechanisms that are within a government's armoury to protect consumers. It is about the appropriateness of legislation and regulations we may put in place — and deciding what mechanisms we should use is vitally important in dealing with the problems we confront.

We have within our community some very vulnerable consumers. Some consumers are very vulnerable at certain periods of time to being ripped off, exploited and losing large sums of money. Some Victorian

families expend large sums of money building a house, buying a house or renting. We need to ensure that they are protected and not ripped off. The legislative means we have at our disposal are crucially important, because these consumers are most vulnerable when they are building, buying or renting housing. We do not want to see those mechanisms not being utilised and relied on.

It is unfortunate that members of the opposition, when they were in government, saw fit to do away with the consumer affairs area. They did not have a minister for consumer affairs. They saw no need to look after consumers. It was all about business, business, business.

It is not about business, business, business. It is about balance, balance, balance — balance between the consumer, balance for businesses and balance in regulation. The Liberal Party recently released its policy in relation to this. It is silent on building, it is silent on buying and it is silent on renting and protecting the most vulnerable of residents.

**An honourable member** — They don't care.

**Hon. M. R. THOMSON** — Not only do Liberal Party members not care, they are vacant space when it comes to consumers. What we will see is the abolition, again, of Consumer Affairs Victoria rather than the protection of consumers in this state.

*Supplementary question*

**Hon. A. P. OLEXANDER** (Silvan) — In the absence of legislative protections and regulation to protect the most vulnerable consumers in our community, what would the impact be on consumers if policy shifted to voluntary codes of conduct and the like?

**Hon. M. R. THOMSON** (Minister for Consumer Affairs) — There are times when voluntary codes of conduct are appropriate, such as when you are not looking at truly exploitative practices, where large sums of money are not involved or where there is no large detriment to consumers. However, that is not the case in all instances. It would be unfortunate if you started winding back some of the legislative practices and programs we have in place to look after the most vulnerable at the most vulnerable point in their lives. The government believes not only in using all the powers it has at its disposal to protect Victorians, but also to use them in a way that is responsible, that makes it easy for businesses to comply and that protects consumers. It is time that the opposition stood up for consumers in this state.

**Information and communications technology:  
broadband access**

**Mr VINEY** (Chelsea) — My question is to the Minister for Information and Communication Technology. As part of the Bracks government’s social policy statement, *A Fairer Victoria*, \$3.5 million was allocated to ensuring public Internet access to disadvantaged Victorians. Can the minister inform the house of the progress of this initiative?

**Hon. M. R. THOMSON** (Minister for Information and Communication Technology) — I thank the member for his question because I know that he has a real interest in helping communities that otherwise would not be able to breach the digital divide. The Bracks government has allocated \$9 million over four years for community information and communications technology projects. We have a commitment to doing what we can to ensure that communities and individuals can breach the digital divide. Part of that commitment is the \$3.5 million public Internet access points, or what we call the PIAP program. Under this program the government’s aim was to provide more than 500 000 hours of free or affordable Internet access through community organisations to Victorians who might otherwise not have access to the Internet. Already we have funded around 90 community organisations, which has provided over 12 000 hours of Internet access to Victorians.

Recently I announced the recipients of the second round of grant funding under this program. They are a good representation of the communities that the Bracks government is working with to ensure that Victoria, no matter where you are or where you live, is a great place to live and raise a family. Peterborough general store received \$5000 to help seniors and young people in outlying areas to get online. Members might remember Tim from Timboon. He might want to pop in and use that one the next time he goes down the beach. Kaleidoscope neighbourhood house in Whittlesea received \$5000 to help seniors and unemployed people get online. Fawkner community house received \$7500 to help people from non-English-speaking backgrounds, including recent migrants and refugees, to get online. The Natimuk National Hotel, working with the Horsham Rural City Council, received \$5000 to help seniors, unemployed people and young people get online. I know, too, that Ms Carbins has been visiting Casterton, which has another program that received funding.

It is interesting to note that a number of the grants under the program went to facilities that were set up under the federal government’s Networking the Nation program.

Unfortunately the federal government has not seen fit to continue funding that program. That is the difference between Labor governments and Liberal governments. We are there to support communities where they are and where they need those services; we do not withdraw those necessary services but provide them. The Bracks government is committed to growing a fairer Victoria and making this the best place to live and raise a family.

**QUESTIONS ON NOTICE**

**Answers**

**Mr LENDERS** (Minister for Finance) — I have answers to the following questions on notice: 5829–38, 5870, 5881, 5883, 6546–8, 6559–67, 7202–9, 7212, 7214, 7215, 7219, 7404, 7405, 7408, 7409, 7411, 7414–16, 7421–30, 7510, 7572, 7573, 7614, 7615, 7656, 7657, 7757, 7782, 7783, 7799, 7871, 7872, 7901, 7913, 7914, 7943.

**BUDGET PAPERS 2006–07**

**Mr LENDERS** (Minister for Finance) — I move:  
That the Council take note of the budget papers 2006–07.

I graciously relinquish my 60 minutes so that the lead opposition spokesman can address us.

**Hon. G. K. RICH-PHILLIPS** (Eumemmerring) — I thank the Minister for Finance for his good grace in allowing the lead opposition speaker to have more than 15 minutes to comment on the budget papers. I would like to start my contribution this afternoon by congratulating the Leader of the Liberal Party in the other place, Ted Baillieu, on his inaugural reply to the budget as party leader. Ted Baillieu articulated a Liberal vision for a better Victoria. In his speech he spoke about the lack of leadership that Victoria has had under this government over the last six years.

As all Victorians know, with the current Premier we have somebody who, by his own comments, has as a key policy tool a mirror: a Premier who looks into things and who looks back at things but who has not been driving the state forward over the last six years. As Ted Baillieu said, with this government we have basically had a Slumber Party for six years, a period when nothing has progressed, where the government has been content to let things drift and where, as a consequence, Victoria has not achieved all that it could have done. It has been a government that has been willing to accept mediocrity rather than pursue

excellence. The budget is another example of this government's acceptance of mediocrity.

In listening to treasurers delivering budget speeches I often think of how they would be received in a corporate context.

**Mr Lenders** — Isn't he a good speaker? He is a class act!

**Hon. G. K. RICH-PHILLIPS** — I will come back to that, Minister. If a Treasurer were to deliver a speech akin to a budget speech at a company annual general meeting, how would it be received? I suspect shareholders in a corporate context would not receive a budget speech well — a speech which outlines commitments to spend more money and to throw more resources at things without identifying what will be achieved through that process would not be well received. Of course it is not only a direct comparison between a government and a corporation, but it is a salient point that Victorians are entitled to know what they are getting for their government's expenditure. That is where this budget breaks down, as have the previous budgets that have been delivered by the Treasurer.

It is often the case when budgets are delivered that a government can adopt a certain arrogant approach that basically says, on the one hand, 'Let's raise as much money as possible' while, on the other hand, 'Let's find ways to spend it'. In the budget immediately prior to an election we have a certain amount of pre-election pork barrelling and elements of middle-class welfare.

Rather than essential expenditure being identified and then funded on a needs basis, we simply have a grab for the maximum amount of cash possible, then the government doling it out to get the maximum political benefit. The resultant attitude from government is that Victorians are expected to be grateful and the government expects to be rewarded for the miniscule tax cuts it ultimately gives, such as the announcements made by the Treasurer on Tuesday and which I will come to later. It is certainly the case that Victorians deserve better than they are getting from this government in terms of the way in which public money is spent.

The most interesting aspects of this budget are the capital transactions or capital funding. Under this government the budget could take the state of Victoria to record levels of debt. Nobody pretends that debt is always a bad thing; of course it is not. Most people in this country would not be able to buy houses without going into debt, and in that context the acquisition of

assets is a very good use of debt. However, debt for consumption or debt for a holiday — or worse, using debt to buy groceries — is not a good use of debt.

That is why Victorians have the right to be concerned about the Labor government's use of debt, because Labor governments in this state have form when it comes to debt. While we would accept the sensible use of debt for capital expenditure, when that debt is ultimately used for recurrent expenditure as we saw under the previous Labor administration in this state, then people have a right to be concerned.

I turn to budget paper 2 at page 68, which outlines the future scenario for debt under the budget as it was announced on Tuesday. It reports on general government net debt, which was \$4.8 billion in 1999 and fell to \$1.5 billion as of June 2005 and is projected to rise to \$7.1 billion as at 2010.

*Honourable members interjecting.*

**Hon. G. K. RICH-PHILLIPS** — If the Minister for Finance wants to talk about debt levels under the previous Labor government, I am certainly happy to go there.

The reason these figures are important is because of the dishonest press release that came from the office of the Premier on Tuesday, saying, 'Yes, we acknowledge that debt is rising but as a share of gross state product (GSP) it is going to be lower than it was under the previous administration when we took over'.

I have to give credit to Ian Little, the Secretary of the Department of Treasury and Finance, because on page 69 of budget paper 2 a chart shows the level of general government net debt in dollar terms projected out to 2010 and also expressed as a percentage of GSP. The chart, and I can only credit Mr Little for this, includes the year 1995 before jumping to 1999; so we can see the level of debt that was inherited from the previous Labor administration and which had to be managed by the previous Liberal administration.

**Mr Lenders** — Whose name is on the front of the book? Why not give the Treasurer credit?

**Hon. G. K. RICH-PHILLIPS** — Mr Lenders says, 'Give the Treasurer credit'. Based on past form I do not think there is much to give the Treasurer credit for when it comes to disclosure, and I will come to that again later.

The chart on page 69 shows that in 1995, three years into the Kennett government, the state was carrying general government net debt of 20 per cent of GSP —

and that is after some of it had been drawn down under the Kennett administration. That demonstrates the sort of problem that the previous Labor administration got this state into, and now we are seeing the trend start again.

While thus far the projections for 2010 — I remind members it is now only 2006 — are for general government net debt as a lower percentage of GSP than when this government came to power, there is no indication that we will not see a further increase in debt beyond the current projections next year, in the year after and in the year after that; and in dollar terms general government net debt will be higher than that inherited by this government when it came to power.

The other factor to bear in mind when talking about general government net debt is that it is not the percentage of GSP that is important for Victorians, it is the dollar figure, because it is the dollar figure that has to be repaid, and it is the dollar figure on which the interest bill has to be paid.

I turn to budget paper 4 at page 186. It looks at the cost of servicing that debt over the next four or five years. The table on page 186 shows two lots of interest expense — one for superannuation and the other being for 'other' interest expense. It shows that for 2006-07, being the budget year, interest expense for the state will be \$415 million. Of course with this government moving towards rising debt levels that figure will rise to \$604 million by 2010. Over the four years of the budget period the cost of servicing this government's debt will rise by more than \$200 million per annum. Every member of this place and every citizen of Victoria knows what could be funded with the \$200 million recurrent that will be lost from this state as a consequence of the increase in debt this government is taking on.

A couple of other capital transactions in this budget are worth looking at. I turn to the situation with the Transport Accident Commission (TAC). It has been a bit of a cash cow for this government over the past five or so years. I start by placing on the record the fact that according to the Insurance Council of Western Australia, Victorian motorists pay higher premiums for their compulsory third-party motor vehicle insurance than motorists in any other state in Australia.

**Mr Lenders** interjected.

**Hon. G. K. RICH-PHILLIPS** — According to the figures from the Insurance Council of Western Australia, Mr Lenders, in 2005 the Victorian TAC's average private motor premium was \$381, including

GST. This is compared to an average of all of the states of \$328. Victorians pay an extra \$50 per annum for their compulsory third-party motor vehicle insurance, but where does it go?

**Mr Lenders** — Roads, injuries.

**Hon. G. K. RICH-PHILLIPS** — Mr Lenders says injuries. If only that were the case. If only the money Victorian motorists pay in TAC premiums actually went into running the TAC scheme. However, under this government we have seen a growing trend to strip out tax-equivalent payments and special dividends.

**Mr Lenders** — Two years, no dividends.

**Hon. G. K. RICH-PHILLIPS** — Mr Lenders says, 'Two years, no dividends', but before coming to the arrangements in this year's budget the government had more than made up for that in the past few years. I look back at the history of this government over the past couple of years. If you go back to 2000, Victorian motorists paid into the TAC premiums of \$772 million. What did the government do? It took out almost \$400 million in dividends and tax-equivalent payments. Victorian motorists pay in \$770 million and the Treasurer and Mr Lenders come along and put their hands in the TAC's pocket and take out \$400 million. Instead of those funds being used for accident benefits, as Mr Lenders suggested, the bulk of them went directly to the government.

It was a bit better the following year — \$767 million in premiums and \$175 million taken out in dividends and tax-equivalent payments. The story goes on. The next year, \$800 million in premiums and \$100 million taken out in dividends and tax-equivalent payments. In 2003, \$860 million in premiums and \$111 million taken out in tax-equivalent and dividend payments. The trend continued. In 2004, \$917 million in premiums and \$180 million taken out in tax-equivalent payments. In 2005, \$973 million was paid in by Victorian motorists and \$464 million was immediately taken out by Mr Lenders and the Treasurer, Mr Brumby: \$169 million in tax-equivalent payments and a whopping \$295 million taken out as a dividend. It is drawing a very long bow for Mr Lenders to sit there and say that the money motorists pay into the TAC goes to accident benefits. A proportion of premium income — upwards of 50 per cent in some years — flows straight through to the government as consolidated revenue, in either tax-equivalent payments or dividends.

**Mr Lenders** — Promise you won't sell it if you get into government.

**Hon. G. K. RICH-PHILLIPS** — The TAC has been a real cash cow for this government over the past five years. This budget demonstrates that that will be the case yet again.

**Mr Lenders** — Mr Theophanous, he refuses to rule out selling the TAC if he gets into government.

**Hon. G. K. RICH-PHILLIPS** — I draw the attention of the house to — —

**Hon. T. C. Theophanous** — Are you going to flog the TAC? Are you selling the TAC?

**Hon. G. K. RICH-PHILLIPS** — I commend Mr Theophanous for his originality — if he has to get his lines from Mr Lenders, he is obviously slipping.

I draw the attention of the house to page 45 in budget paper 2. It contains some interesting statements about the TAC and the government's intentions. Under the heading 'Public order and safety' it states:

This funding also includes measures to further enhance road safety for Victorians. In addition, \$471 million capital funding and \$55 million over four years will be provided by the Transport Accident Commission to extend the safer roads infrastructure program, as part of *Meeting Our Transport Challenges*.

That is \$526 million announced there. Budget paper 3 confirms that figure on page 37 but contradicts it on page 32 where it states:

\$597 million over 10 years provided by the Transport Accident Commission to extend the safer roads infrastructure program ...

We have a contradiction of roughly \$50 million within the budget papers about the amount that will be taken out of the Transport Accident Commission, ostensibly for the government's road funding program.

This claim as to what this \$600 million being stripped out of the TAC is for is at odds with what the Secretary of the Department of Treasury and Finance, Mr Little, said at the briefing on the budget held by the Department of Treasury and Finance and the Public Accounts and Estimates Committee this morning. When he was asked a question, I am not sure if it was by the shadow Treasurer, Mr Clark, from another place, or Mr Forwood, Mr Little said this money was being taken out of the TAC following an investigation by the Auditor-General into the government-run insurance schemes. He said the Auditor-General had recommended that the government appropriately undertake a review of the capital adequacy of these insurance schemes. As a result of that review of capital adequacy the government decided that the capital base

of the TAC was too adequate and that it would take out \$600 million.

Mr Little went on to provide some more interesting information which is at odds with what the budget papers report. He said the \$600 million to be taken out of the TAC would be taken before 30 June and it would be provided by the TAC being required to liquidate some of its investments. Rather than it being funding over 10 years or 4 years, depending on which version of the budget papers you believe, for road funding, this money will be stripped out of the TAC before the end of this month to provide that cash to the budget bottom line. Mr Little also said that this funding would not be hypothecated for roads funding, as the budget suggests. In fact, Mr Little did not mention roads funding. He said it would go to drawing down the government's superannuation liability. There was absolutely no mention of roads funding when Mr Little talked about the funds to be stripped from the TAC, which apparently will happen in the next couple of months.

Another interesting capital transaction in this budget relates to the cashing in of the concession notes on Transurban. I know this is an issue Mr Baxter raised with the Minister for Finance earlier this week. Mr Baxter asked whether it was the government's initiative or Transurban's initiative to undertake that deal. The fact there was no answer to that question suggests that it was more than likely Transurban's initiative to do that. I am sure Mr Baxter, as a member of the Public Accounts and Estimates Committee, and I look forward to exploring this issue in far greater depth with the Treasurer and the Minister for Finance when they appear before the committee next week.

It is interesting to note the reference in the budget papers to the cashing-in of the concession notes. Page 96 of budget paper 2 makes reference to the fact that an agreement — a letter of intent, as the budget papers refer to it — was signed on 17 May under which Transurban will purchase existing concession notes held by the state and all future concession notes for a total of \$614 million in nominal payments over the next four years. That is all the budget papers provide.

I was therefore surprised when I went to the Australian Stock Exchange web site and looked at notices that had been filed by Transurban, because it would appear that Transurban, in undertaking its corporate governance responsibilities under the listing requirements of the stock exchange, feels it needs to be far more informative to the stock market than the Victorian government feels it needs to be to the Victorian taxpayer in the information it discloses in the budget papers. A notice issued to the stock exchange on

17 May provides considerably more detail about this deal than the Treasurer saw fit to provide to Victorian taxpayers in the budget.

The statement from Transurban notes that the deal has been done to purchase the concession notes for \$609 million. I note there is a discrepancy in that figure between the budget paper, which I think says \$614 million, and the Transurban announcement, of \$609 million. So \$2.9 billion worth of future concession notes are to be purchased for \$609 million. The Transurban statement then gets even more explicit because, as companies do, the management of Transurban was keen to make clear to the market that it had done a good deal with the Bracks government. The statement notes that:

The payments to the state —

being Victoria —

— in relation to concession notes are being repurchased at a discount rate of 9.7 per cent and are proposed to be funded from new subordinated loan facilities at a cost of approximately 6.8 per cent.

So we have evidence given to the stock exchange that there is an effective 3 per cent margin on the funds that the Victorian government is borrowing from Transurban, that they themselves are borrowing it for 3 per cent less.

**Hon. W. R. Baxter** — What a good deal for them!

**Hon. G. K. RICH-PHILLIPS** — It is a fantastic deal for them, Mr Baxter, so much so that on the day this was announced the Transurban share price went up 20 cents. There has been a lot of conjecture about media reports written in relation to this issue, but it is in black and white from Transurban that it has a 3 per cent margin on the deal over the Victorian government. I will be interested, as I am sure all members of the Public Accounts and Estimates Committee will be interested, to know how this deal done with the Bracks government is in the interests of the Victorian taxpayer. Transurban has certainly made it clear that it is a beneficiary.

The statement signed by the company secretary concludes:

The deal is a clear demonstration of Transurban's focus on long-term concession management and our ability to extract maximum value from portfolio assets.

I can only concur with that. It is very clear that Transurban has got the better end of this deal with the Bracks government. Yet again this is a demonstration of how this government fails to get a grip on

commercial transactions, and this is something that I know as a member of the Public Accounts and Estimates Committee we heard in evidence when we held our inquiry into public-private partnerships, and this is just the latest demonstration of that situation.

I will be absolutely fascinated to see what defence the Treasurer has when it is clear for all, in black and white, in documents released to the stock exchange that Transurban has a 3 per cent advantage over the government in this funding arrangement put in place to purchase back the concession notes. The government has elected to go down this path of —

**Hon. T. C. Theophanous** — What about the shonky deal you did with Transurban originally? Setting them up, concession notes that they only had to give as IOUs — that is what you set up.

**Hon. W. R. Baxter** — He didn't. I did it.

**Hon. T. C. Theophanous** — Sorry, Mr Baxter did it.

**Hon. G. K. RICH-PHILLIPS** — I was going to leave Mr Theophanous's interjection alone, but given Mr Baxter has picked it up, I will record that at the time that deal was done I was 19 years old and nowhere near the Parliament, so I do not know how he can accuse me of doing the deal.

But it raises the question: why is the government going down the path of debt funding for its infrastructure program? Year after year we have heard how robust the Victorian economy is; and year after year we have heard how robust the budget is. So why do we need to go down this path of debt funding? The answer is: because the government has consistently demonstrated a lack of fiscal discipline.

I draw the attention of the house to the Public Accounts and Estimates Committee's report on the 2004-05 budget outcomes. At page 82 is the chapter on the budget overview. Page 82 includes a table which demonstrates the difference between budgeted expenditure and actual expenditure for this government since 1999-2000, which was the first year of this government. In 1999-2000 the budgeted expenditure for the state was \$19.36 billion whereas the actual expenditure was \$20.5 billion. The following year the budget was \$21.6 billion and the actual expenditure was \$22.2 billion. In 2001-02 we had budget expenditure of \$23 billion and an actual expenditure of \$25 billion. In 2002-03 budget expenditure was \$24.7 billion while actual expenditure was \$26.4 billion, and on it goes indeed to 2004-05, which was the only year in this

government's period in office where actual expenditure was less than budgeted expenditure.

As a consequence, over the six years from 1999–2000 to 2004–05, which was the last complete actual figure available to the committee, the government overspent its own budgets by a total of \$5.8 billion. These are not budgets anyone else imposed on it; these are budgets that the Treasurer introduced in the Legislative Assembly and said, hand on heart, 'This is what the government will do'. If it had been able to stick to its own budgets the state's position would be better off by \$5.8 billion and we would not need to go down the path of debt funding for this infrastructure program. So the only reason why we find ourselves in this position is because of the Treasurer's lack of fiscal discipline and because of the inability of the Treasurer and the Premier to manage the budget.

I would now like to turn briefly to the issue of the GST because the allocation of GST revenue to Victoria versus all the other states is an issue that comes up annually in the budget. It is a matter that Mr Little touched on briefly this morning in his budget breakfast presentation. On page 76 of budget paper 2 there is a chart numbered 5.2 and entitled 'Fiscal subsidy for 2006–07 based on GST raised'. The government makes the point that Victoria on a per capita basis is receiving less than its fair share of GST revenue. Mr Little noted that for the financial year 2006–07, 86 cents of every dollar of GST paid by Victorian taxpayers will be returned to this state. There is nobody in this house or in this state who would not like to see that figure get closer to 100 per cent, but I have to say that if the government is to be successful in this endeavour and at the meeting of the heads of Treasury, which will consider this, they will need a more sophisticated argument than one simply based on funds paid per capita.

An argument could be advanced within the state that people in particular postcodes that pay certain amounts of state taxes should receive those state taxes back. I do not think anybody argues that that should be the case: that the land taxpayers in Toorak or Portsea should be receiving back into their postcodes the same amount of state tax revenue that is collected. In the same way I do not think Victoria can simply argue that because on a per capita basis we collect \$X in GST, all of that money should come back to this state. If the government is to be successful in getting a bigger cut of the GST pie than is currently the case, it will need a more sophisticated argument than one based merely on a distribution of revenue on a per capita basis, which is what it has been running for the last couple of years.

I also make the point that state Labor governments have a unique opportunity under the current arrangements for GST to resolve this issue among themselves. We have every state and territory in the country under Labor administrations. We know that the state and territory administrations are the sole beneficiaries of the GST revenue, so they are all in a unique position to resolve this issue to their mutual satisfaction, yet we continue to see individual state premiers and treasurers call on the federal Treasurer to intervene and do it for them. Given that they are all of the same political persuasion, I would think that as a group the premiers, treasurers and chief ministers are in a far better position than the federal Treasurer to resolve this in a manner that is satisfactory to all the states and territories.

**Mr Viney** interjected.

**Hon. G. K. RICH-PHILLIPS** — I hear it is going around! I would now like to turn to the economic environment that prevails in Victoria. The budget papers forecast for 2005–06 real gross state product (GSP) growth of 2.5 per cent. Ian Little noted in his presentation this morning that this expected outcome falls short of 3 per cent, which was the forecast in last year's budget paper, due primarily to the failure of Victorian exports to recover following a slump from the high Australian dollar two years ago.

I note that there are a number of ongoing concerns about the macro-economic environment in Victoria. I draw the house's attention to page 355 of budget paper 3, which sets out some of the macro-economic indicators for the state. Chart B.9 on that page shows Victoria's export performance over the last five to six years. It shows that 2004–05 was the first year that Victoria's export performance had returned to positive growth. Since 2001–02 Victorian exports have been falling, and the government has, according to the budget papers, set an export target of \$30 billion by 2010. However, this will only return Victorian exports to the same level as they were at in 2000–01. So effectively the government is saying that over the nine-year period between 2000–01 and 2009–10 there will be no real export growth. That is an indictment of this government, given that elsewhere in Australia there has been strong export performance following the dip that occurred earlier in the decade.

Another worrying trend is demonstrated on page 351, which contains a section on productivity expressed as real GSP per employee. It demonstrates that from 2003–04 to the latest reported year, 2004–05, there has actually been a fall in productivity in the Victorian workplace. The reasons for that could be many and varied. It is not something I would even attribute to the

Bracks government, but it is a worrying trend if Victoria is to continue to have strong economic performance.

Another area where I do have concerns about the Bracks government's involvement is in manufacturing investment. Over the life of this government we have seen a rapid decline in the level of manufacturing investment attracted to this state. When this government came to power in 1999 Victoria attracted \$1 in \$3 of new manufacturing investment generated in Australia. That is now down to less in \$1 in \$4 — from 33 per cent down to less than 24 per cent. That is a dramatic decline in Victoria's share of manufacturing investment. A state that used to dominate Australia in manufacturing is now second to New South Wales and falling. If that trend in investment continues, it can only point to a further decline in Victoria's relevance as a manufacturing state in Australia and a further decline in Victoria's share of manufacturing employment.

As members who have heard me speak in this place before will know, I have long been concerned about the way Victorian government business offices (VGBOs) have been organised and coordinated by this government. It seems that whenever the Premier travels we get an announcement of a new VGBO, whether it is in Asia or — more recently — India. There seems to have been little coordination in the network of VGBOs, as to where they are located and what their purposes are. This is reflected in some of the performance measures for the Department of Innovation, Industry and Regional Development (DIIRD) shown in budget paper 3. I draw the house's attention to pages 147 and 148. Page 148 looks at the issue of export promotion and indicates that from the last available actual in 2004–05 to the target in 2006–07 companies that will be provided with export assistance from the government will fall from 3700 to just 3050. Importantly, the value of exports facilitated and imports replaced will fall from \$1.1 billion to just \$689 million. This is at a time when the budget for that unit within the department has actually increased from \$9 billion to \$11 billion.

In the area of investment attraction, which also falls under DIIRD, we see again from the actuals of 2004–05 and the target of 2006–07 that investment projects under development will fall from 263 to 250. The number of jobs derived from investments facilitated will fall from 5866 to 5000, and, significantly, the level of new investment facilitated will fall from \$2.1 billion to just \$1.6 billion. So there has been a decline across the board in both investment facilitation and export performance in the government agencies charged with these two particular tasks. I think

it goes to how the government has organised DIIRD and the operation of its international offices that we see this unfortunate trend developing.

I would like to look at the budget in its historical context. As usual, and as expected, the Treasurer's budget speech was full of spin. He spoke about what he claimed were \$1.4 billion in tax cuts, but from Mr Forwood's exchange with Mr Little this morning, one could argue about how accurate that figure is. One thing the Treasurer's budget speech does not acknowledge is that for every year of the forward estimates period, Victorians will pay more tax. There is no decline in total tax revenues over the next four years in the state budget.

Page 186 of budget paper 4 goes into detail as to expected revenue from state taxes from the current financial year to the 2009–10 estimate. For the current financial year, taxation revenue is estimated at \$10.77 billion, rising to \$12.11 billion in 2009–10 — that is, \$2400 for every Victorian. And over the life of this government to 2005–06, taxes have already increased by more than 28 per cent.

Earlier, in my introductory comments I spoke about the way the government talks about increased spending without any regard for outcomes — for what that spending actually achieves. By way of example, I will talk about some of the figures covered in the section on general government expenditure by purpose. I draw honourable members' attention to the table on pages 220 and 221 of budget paper 4 and highlight some of the figures with respect to the health budget, because this is an area that the government often likes to trumpet about.

People like Ms Darveniza get up and talk about what the government has done for health, for nurses and so forth, but I point out to the government that the health system is not actually about nurses, doctors or bureaucrats — it is supposed to be about patients. That is why some of these figures are quite concerning. In 1999–2000 health expenditure was \$5.003 billion while for 2005–06 it is estimated that expenditure on health will be just over \$8.04 billion. That amounts to a \$3 billion increase, or a 60 per cent increase over the six years of the Bracks government. Over that same period the population growth has been approximately 5 or 6 per cent, which is substantially less than the budget increase.

With a 60 per cent increase in budget — or roughly 50 per cent if you take out the impact of the population increase — Victorians would expect to get more out of the health system, so it is interesting to look at the

health outcomes section of appendix B to budget paper 3, called 'Growing Victoria Together progress report'. I have to say Victorians have not got a lot for the 60 per cent increase in health spending.

On page 363 is a table that looks at waiting times for emergency, elective and dental treatment. The table shows that between 1999–2000 and 2004–05 there has been absolutely no improvement in the rate of treatment within ideal times for semi-urgent emergency patients; there has been a very slight improvement of 1 or 2 per cent for urgent emergency patients; and there has been a decline for the treatment of semi-urgent elective patients.

The following page shows that the waiting periods for general or restorative dental care and non-priority dental care have increased substantially, despite the 60 per cent increase in the health budget. On the following page, page 365, there are some statistics on Victorians' satisfaction with the health system, and they show a decline. It is very interesting that we have such a focus on increased expenditure — in this case of the order of 60 per cent, or 50 per cent after allowing for population growth — yet no commensurate increase in services delivered or in the quality of services delivered. Why, after six years and after a 50 per cent increase in the health budget after allowing for population increase, is there no improvement in health outcomes in this state? It is fine for members of the government to come in here and trumpet about how much money has been spent, but why do we not see any benefit for that?

I would now like to be a little parochial and talk about some of the issues in my electorate that have not been addressed in this budget. As many members know, the outer south-eastern suburbs of Melbourne is an area of Victoria that is undergoing enormous change and extraordinary growth, and as a consequence of that growth there is an insatiable demand for infrastructure. Whether it is road infrastructure, public transport infrastructure or school infrastructure, the demand is such that there is an ongoing need for the government to deliver on that infrastructure. Regrettably there are a number of projects that this government has talked about, but, yet again, on which it has failed to deliver.

I place on record that one of the key projects is a grade separation and traffic lights at Enterprise Avenue and Clyde Road. Time and time again the Berwick community has called for the government to address the intersection of the railway line and Clyde Road, and time and time again it has been ignored. At Beaconsfield, in the seat of Narre Warren South, residents living along the Princes Freeway near Soldiers

Road have been calling for the last three years for the remedial installation of sound barriers along the Princes Highway. The member for Narre Warren South has been absolutely absent and has now been disendorsed by his party, but as a candidate during the 2002 election campaign he gave certain undertakings that the Minister for Transport in the other place would deliver in Beaconsfield. More than four years later, still nothing has been done and no funding has been provided in this budget.

Moving out of the new region but still in Eumemmerring Province, at the intersection of Tivendale Road and Princes Highway at Officer there is a desperate need for an upgrade. It is something that has been raised by members of Parliament with the minister in this place time and time again. My former parliamentary colleague, now the administrator of Christmas Island, Neil Lucas, raised the matter many times with the Minister for Transport, but still nothing has been done, and no funding has been provided.

This is going to be a key issue for that seat in the 2006 election, and the people of Officer will not thank the government if it makes a last-minute announcement in a bid to save the current member for Gembrook in the dying days of the election campaign. If the government is serious about providing this infrastructure, the people of Officer expect an announcement from this government now — not a couple of weeks before the election. They have waited long enough, and they deserve to have provided what they have been led to believe they will get.

Another issue in the region that I will seek to represent from this year is a railway station at Cranbourne East, as promised by the Bracks government in 1999, but again no funding was provided; six years later there is still no funding. A Cranbourne bypass is becoming a critical piece of infrastructure. Cranbourne is now a major suburban hub. It is not the outer suburban centre it used to be; its streets now form a major thoroughfare.

There has been enormous growth in Cranbourne and Cranbourne South. It is surrounded by high density housing development. That has put enormous pressure on the South Gippsland Highway, which continues to be the only arterial link to South Gippsland. There is a mix of heavy vehicular traffic and an enormous amount of residential traffic. There is a clear need for work to develop a Cranbourne bypass, but it is a call from the Cranbourne community that the Bracks government has been ignoring.

There continues to be a shortage of funding provided to the outer south-eastern suburbs. I do not know whether

it is that the incumbent members there do not take the message from their electorates back to the ministers or it is simply the case that the ministers do not listen. These are projects that the people of south-eastern Melbourne will be looking to have funded by this government prior to the next election. This budget is yet another mediocre performance from the Bracks government. As the Cain and Kirner governments did, this government burdens Victorians with further debt and fails to deliver a long-term plan for this state.

**Hon. W. R. BAXTER** (North Eastern) — I commend Mr Rich-Phillips for his contribution to debate on the budget this afternoon. He covered a lot of ground, some of which I will also allude to — and he did it with some difficulty, with a problem in his throat — but he drew attention to a number of deficiencies in the budget. I want to do the same, because, like Mr Rich-Phillips, I think this budget is a very misleading document indeed.

Firstly, I want to complain about the fact that the budget was delayed, because the implication of that delay from early May to 30 May is that it has put a lot of pressure on a lot of people who have to deal with the budget, none more so than the Public Accounts and Estimates Committee, which honourable members know goes through an estimates process; it has each of the ministers in seriatim for discussions on their portfolios. The delayed budget has increased the pressure to meet the time lines required by the committee's meeting next week and the following week whilst the house is sitting. I think that is a disgrace. It denigrates and downgrades the Parliament if members are expected to be at the committee rather than in this chamber.

I am particularly concerned about that. I had taken an initial decision that I was not going to attend the committee whilst the house was sitting, as a matter of principle, but I had to moderate that view on the basis that I owe it to my party and I owe it to my committee colleagues to be there as often as I can. But I have been in conversation with the Leader of the Government today as to how that might best be accommodated in the terms of the responsibilities that I might have on behalf of my party to contribute to and be the lead speaker on some of the bills coming up in the next fortnight. I should not have to do that.

It is an absolutely outrageous situation that the Parliament is being treated in this way by this government because it suited it to bring in the budget somewhat later. I do not believe for one moment that the alleged excuse of the Commonwealth Games had anything to do with it. That has no credibility at all.

The Public Accounts and Estimates Committee process is held up by government members as being a great advance and far better than the former government. That is simply not so. I think this business of having all the ministers in one after the other, which on paper might appear to be a good idea, actually lets them off the hook because it means we have a very limited time to interview the ministers. Basically each minister gets the same amount of time, regardless of the significance or importance of their portfolio — that is not exactly so, but nearly so. We find ourselves spending quite some time with Ms Delahunty, who has very few responsibilities in this government, yet we have totally insufficient time with someone like the Attorney-General, for example, who is also the part-time Minister for Planning and Minister for Industrial Relations and various other things. I think it is not a very good system at all.

I think, moreover, that the system operated by the former government under the chairmanship of Mr Forwood, when the committee itself determined which ministers it was going to have appearing before it and had those ministers in for a proper interrogation and discussion of the budgetary implications for particular departments, was a far better way of doing it. I am sick and tired of hearing Mr Forwood being criticised by the government front bench in this house on the basis that somehow or other the committee under his chairmanship did not do its job properly and that the committee operating under this Parliament is absolutely marvellous. Neither of those things are true entirely. I certainly have not been happy with the current process, and I am less than happy with the way it is going to work this time around. I find myself having to be in Melbourne five days a week for the next five weeks, I think, while we get through all this. I do not think that is fair to me, I do not think it is fair to my electors and I do not think it is fair to the Parliament.

As Mr Rich-Phillips has also pointed out, these budget documents are very difficult things to come to grips with. They have a lot of graphs in them, as budget documents usually do. Graphs can be helpful, but the graphs in this budget — and I suppose the last few Labor budgets have been similar — are not consistent. They do not start from the same date. Some of them go back to 1999, some go back to 1994 and some go back to 2000. Why is that so? I think it is to make this government look good and to put the former government in the worst possible light through the manipulation of what people are being told. There must be someone over there in Treasury who is charged with the responsibility by the Treasurer and by the spin doctors of the Labor government — —

**Hon. B. N. Atkinson** — Someone! There would be a whole team!

**Hon. W. R. BAXTER** — It probably is a whole team. They must generate a whole range of these graphs and tables and then go through them and select those that achieve their purpose — the purpose I have just outlined. I note that Mr Hilton smiles. I feel somewhat encouraged by that. I might have hit the nail on the head.

There are 827 pages of verbiage in this document — tables, graphs and targets — but it is impossible to quickly find what you are looking for. I nearly choked on my Weeties this morning over at the Windsor Hotel when I heard that the deputy secretary of the Treasury said that it was the aim of the Treasury officials to make the budget documents as easily understood and as informative as possible. That might have been their aim — I do not doubt it — but I would have to say they have failed in that aim. Whether they failed in that aim because it was impossible to achieve or because of the instructions that were provided by the executive as to how the documents were to be compiled, I am not sure. However, you certainly could not say that.

I refer to an example. In Wodonga we have been waiting for some time for funding to enable the Wodonga South Primary School to be relocated, and I thought provision for that would be in this budget. I searched as diligently as I could through the budget documents, but I could not find any reference to it whatsoever. I then went to the government's web site and looked at the media releases. I found one labelled 'If Services and support continues for provincial Victoria'. It says, amongst other things:

The school communities of Colac, Kyabram and Wodonga will also receive funding to undertake design works for regeneration projects.

Is regeneration the same as relocation? Can I take it that that is a reference to Wodonga South, or does it mean refurbishment of some other school in Wodonga? I do not know. This is how difficult it is to find things out from this budget. That is a pretty minor example, but it is symptomatic of the whole set of documents.

**Hon. B. N. Atkinson** — Mr Madden says we should rely on their press releases — that these are the gospel!

**Hon. W. R. BAXTER** — So he does — I do recall that, Mr Atkinson.

Yesterday the budget generated a plaintive cry to my office from the chief executive officer of a municipality in my electorate after I had made an announcement

about something else I discovered in the budget, which I will come to in a moment. He wrote:

While you are snooping around on other initiatives buried in the budget you might like to see if you can ascertain the level of increase in HACC —

home and community care —

funding to local government for existing programs such as home care. Our costs are going up in excess of 5.5 per cent but the state government's operating subsidy goes up at around 2.6 per cent and our charge to recipients by 5 per cent. So council ends up putting in and more and more = cost shifting. The MAV can't tell us what the increase in the grant will be this year as it's 'buried in the budget'.

If the Municipal Association of Victoria, the peak body, cannot find it, how is the ordinary citizen supposed to find it? I suppose if the MAV cannot find it, it is probably not there. This government is probably not going to assist municipalities with their HACC funding, and there is probably going to be even more cost shifting onto councils throughout the state.

There is no single list of capital works initiatives. We get all these various press releases and comments in the budget documents themselves about how the government is going to build a school here, a hospital or an aged care facility there or put in a pipeline, but there is no consolidated list. You cannot just look down and see what this amount — this record amount, so the Treasury keeps telling us — of \$4.2 billion to be spent on infrastructure projects is actually allocated to in totality. You cannot find that anywhere.

I say that is what people are mainly interested in. They are not too interested in all these performance targets that are in the budget — page after page of these esoteric performance targets and so on. The average citizen out there could not care less about that, but he does want to know if the new hospital is going to be built. Again, you cannot find that out. Of course there is this deceptive mechanism all the time of talking about funding being over four years. We are told not how much is going to be spent this year or what we are going to get next year but what it will be over the next four years. That leads to repeat announcements, because we will get it all again next year — some of the stuff we will get this year, we got last year. It is all over four years, and it is just designed to confuse the average citizen.

What about WorkCover? Mr Forwood mentioned it this morning. Mr Lenders claims the saving from the reductions in WorkCover premiums is \$680 million, but it is over four years. The truth of the matter is that it is only \$170 million. Let us have a look at the opposite situation. Let us say for a moment that WorkCover

premiums had gone up by 10 per cent. Would Mr Lenders be telling us that the extra cost was \$680 million? If Mr Lenders was going to tell us anything at all, if he was ever going to admit that it had increased, he would be making it as small as possible. It would be \$170 million. Mr Lenders cannot have it both ways, but that is what this government tries to do. That is what it is on about all the time.

Let us look at land tax. The government is saying there are \$167 million of savings in land tax, but again it is over four years. It is chicken feed compared with the land tax take of this government. If you look at the figures year on year over the four years the total take goes up each year, so how can it possibly make such a big song and dance about a measly \$167 million of potential revenue that it is actually conceding on this occasion.

I will look at the budget speech itself, which really is the classic document. It is an absolutely boasting document. I do not know how the Treasurer can keep a straight face when he gets up to read a document like this. It is also a presumptuous document. The Treasurer said:

As we head further into the 21st century, these are the investments that every Australian government — state or federal — should be making.

How presumptuous it is to be telling other governments how they should run their show, but this bloke does not blush apparently. The Treasurer went on in the same old way with the blame game, blaming the Kennett government. Well, hello! Labor has been in government for seven years. Is it not about time the Treasurer gave that up? People are sick and tired of it.

**Hon. B. N. Atkinson** — What about the Kirner government?

**Hon. W. R. BAXTER** — As Mr Atkinson rightly said by interjection, perhaps the Treasurer should refer to the Kirner government if he wants to refer to former governments. He should have put it in context — —

**Hon. Andrew Brideson** — We have had 17 years of Labor governments in the last 24 years.

**Hon. W. R. BAXTER** — That is probably a statistic we could use, Mr Brideson. Labor really has been in office for quite a while over the last 24 years.

On the first page of the budget we also got the hoary old chestnut rolled out that the previous government closed 350 state schools. I ask the government whether it has reopened any of them. It has not reopened one of those schools!

**Hon. B. N. Atkinson** — It has reopened Dargo.

**Hon. W. R. BAXTER** — It has reopened the Dargo school because the population has increased. I will take Mr Atkinson's interjection as a correction — it has reopened Dargo.

**Hon. B. N. Atkinson** — Only because it was a good publicity stunt.

**Hon. W. R. BAXTER** — At the time! Let us look at what schools the government has closed since it has been in government. I do not have an up-to-date list; my list only goes up to 9 April 2003. Since it has been in power the government has closed the following schools: Ewing House School, Harrow, Mount Moriac, Mudgegonga, Tatura East, Wareek, Yan Yean, Benambra, Gerangamete, Lexton, Watchem, James Harrison Secondary College in Geelong, Buffalo, Gelantipy, Heatherton, Mandurang South, Irrewillipe East, Sunshine West, Brim, Wando Vale, Youanmite, Kent Road, Hamilton, and Pine Forest Primary School. As I said, that was the situation when I did the last count three years ago. Goodness knows how many it has closed since. I am not complaining about the fact that those schools have been closed. The point I am making is that this happens all the time. It happened during the life of the Kennett government, and it is happening during the life of the Bracks government. It is a feature of demographic change.

**Hon. D. K. Drum** interjected.

**Hon. W. R. BAXTER** — But for it to be rolled out on the first page of the budget speech to somehow make the Kennett government look dreadful and somehow say the Bracks government does not do the same thing, as Mr Drum says, just exposes the lack of credibility in this budget speech.

I also note that the Treasurer at page 2 of the speech acknowledged — and it must have really hurt to say this:

It is true that we inherited a strong financial position.

I suppose I have to give the Treasurer some credit for saying that, because it is the absolute truth. The Treasurer did inherit Aladdin's cave, and if some of us had known a bit earlier what was in Aladdin's cave we would have emptied it out a bit, but we were not given the opportunity.

The Treasurer then went on in his typical misleading way of crafting the budget speech to talk about debt. He said:

In 1999, Victoria's net debt was 3.1 per cent of gross state product. Today, net debt is just 0.9 per cent of GSP and will rise to 2.5 per cent by 2009–10.

Let us examine that sentence. Yes, in 1999 that was the state's net debt ratio to GSP, but the Treasurer might have put it in a historic context. He might have said what it was when that government came to office in 1992 and what a great job that government had done in getting the debt level down to as low as 3.1 per cent of GSP.

He also might have acknowledged that, as with any household budget, if you owe a lot of money, there is a limit to what you can do. After all this crowing about the fact that this government is spending a record amount on infrastructure — \$4.2 billion this year — as against what the previous government did, let us make the comparison: if there is no money in the piggy bank when you are running the household budget, you cannot build the pergola or put in the swimming pool, and it is the same with the government. It has the Aladdin's cave. It has had burgeoning tax income and of course it can expend more on infrastructure but whether it is doing it sufficiently, as was referred to by Mr Rich-Phillips, or whether it is getting value for the money it is spending is another question.

The other point to be got out of this sentence, in which the Treasurer acknowledges that debt is going to rise from 0.9 per cent to 2.5 per cent of GSP, is that it is a hell of an increase. Debt will go up by a factor of three in only one Parliament. That is pretty alarming. That shows this state is rapidly getting back on the slippery slope of debt. We are heading down the track of the Cain and Kirner governments. If we are going to allow debt to increase at that rate — regardless of whether or not debt is a good idea — it should set the alarm bells ringing. It ought to be monitored very closely indeed.

One has to ask why we need to go into this sort of debt when Victoria has, as I said, a government whose Treasurer acknowledged in his budget speech that it had inherited a very good financial position; it had a very good start. We have had extraordinary receipts over the last seven years from stamp duty because of the property boom, and land tax continues to reap millions of dollars because this government has not adjusted the scales to any great extent. It is hooked on gambling taxes from which it gets over \$1 billion a year, and of course it has got the greatest windfall of all, despite the whingeing and moaning it goes on with — that is, the GST. It gets a \$900 million cheque in the post box every month. It has plenty of money so why do we need to go into debt?

I remember earlier in the life of this government that some of its backbench were so spooked by the Cain and Kirner years that they swore black and blue they would never allow a Labor government to get into debt at all. Labor members remembered so well those Guilty Party ads that were run by the Liberal Party in 1992 and they, including one minister, as I recall, were not going to allow it to happen again.

Where are they now? Why are they not so concerned, seven years later, when the balance has tipped and, as we saw on the graphs shown at the budget briefing across the road this morning, debt is beginning to climb quite steeply again. Where are they now? It is through mismanagement, as Mr Rich-Phillips said, that we are not getting value for money. With the increases the government has enjoyed, why is infrastructure not in good condition? Why is the government having to spend this amount of money? Why does it have to borrow to spend?

I will make this point in passing: oddly enough in all the talk about how good the government is at providing infrastructure that famous project, the fast rail, does not get a mention in the budget speech. Can members imagine that? The project the government went to the election with in 1999 saying it was going to do it for \$80 million now has a cost of up to \$800 million and is behind time, but it does not get a mention in the budget. There are no excuses — no references at all. It has just disappeared. Government members do not want to know about it. If it did cost what they said it would cost originally, would we need to go into debt now? No, we would have all the cash they have wasted.

What about EastLink, the Mitcham–Frankston freeway? If they had not broken an election promise and made it a toll road, where would the debt level be now? If they are happy to increase debt to the degree illustrated by this budget, imagine if we were building the Mitcham–Frankston freeway!

**Hon. D. K. Drum** — If they hadn't lied.

**Hon. W. R. BAXTER** — If they hadn't lied — goodness knows where the debt would be beginning to climb to. Then we have got the concession notes on CityLink. Mr Rich-Phillips dealt with those too, and I dare say they will be a feature when the Treasurer appears before the Public Accounts and Estimates Committee. With this \$600-odd million they are getting from Transurban, Transurban is getting a mighty good deal, having it discounted at 9.8 per cent and going out to finance it at 6.5 per cent. By Jove, I wish I could do that with my finances! I will be interested to know whether Transurban initiated this proposal or whether it

came from the government. Did the government fall for Transurban's blandishments? It seems as if it might have.

I know from experience that Transurban is a mighty tough cookie, and it drives a hard bargain. But I have to say it never drove a bargain with me that was as disadvantageous to the state as this one. I might have my druthers on some of the things I agreed to with Transurban, but I do not feel any guilt at all now — not at all! — when I see what this government has allowed Transurban to wring out of it.

I want to know how that \$600 million is being accounted for. Is it part of the debt in this percentage the Treasurer is quoting, where we are going up to 2.5 per cent of GSP as debt over the next four years, or is this \$600 million quarantined somewhere else and not considered to be part of that debt? It should be part of the debt, but knowing this government, I think they have probably conjured up a set of words that somehow allows it to be excluded from the debt calculation. Maybe we will find that out too at the Public Accounts and Estimates Committee.

Then we get to how the government is plundering the Transport Accident Commission (TAC). Mr Rich-Phillips dealt with the Transport Accident Commission and expressed his concern. I think it is worse than Mr Rich-Phillips alluded to. I think the government is double dipping because the \$587 million it is putting into road funding is one lot and it is considering that just to be TAC expenditure. It believes it is in the TAC's interest to spend the money on roads because it should lessen claims on the TAC and therefore it is a commercial decision. I think that is one thing. The \$600 million that the government is ripping out to tip into the great sinkhole is another \$600 million. Mr Rich-Phillips was too generous to the government; he was too kind. My interpretation is that TAC funds will be lightened by about \$1187 million. One lot of \$600 million will be spent on the Safer Roads program, the other \$600 million will go directly into the consolidated fund. I point out again: imagine if the government did not have that what the debt level would be.

What would happen if it were not selling Snowy Hydro? What about the \$600 million the government is getting from Snowy Hydro? Would the government have to go out and borrow \$600 million to fix the schools it is going to spend this on, or were those schools going to be allowed to fall down and deteriorate further? Surely not. So there was another \$600 million that would have been added to the debt burden, except for the decision to sell Snowy Hydro.

If you add all of these things together you get a pretty alarming scenario. Those of us who lived through the Cain and Kirner years are getting pretty nervous, I can tell you, because we are heading in that direction; there are no two ways about it. It was acknowledged this morning at the budget breakfast that there is a slowdown in the economy; and I think that is probably right. Once the economy slows, debt accumulation accelerates, and it can get out of hand almost overnight. I think that is a prospect we are facing now, particularly if the slowdown in the economy is greater than that being forecast by Mr Little this morning — and it could be.

Let us have a look at taxes. The Treasurer, Mr Brumby, says in his speech that Victoria has the second-lowest number of taxes around the nation. So we should! I wonder if he just acknowledged that many of the taxes that have been abolished were abolished as part of the GST agreement. I also wonder whether he was counting in his list of taxes the congestion tax, the \$8000 development tax on each block of land in the outer suburbs. Is he counting the infrastructure recovery charge that is in a bill that is currently before the house? Presumably that is not being counted because it is not yet implemented.

**Hon. D. K. Drum** — The charge on TAFE courses.

**Hon. W. R. BAXTER** — There are a whole range of things, Mr Drum, that the Treasurer could well be leaving out. I wonder, for example, if he is leaving out the fire services levy (FSL) on insurance policies. I suspect he is because on 16 March he wrote to my colleague Mr Delahunty, the member for Lowan in the other place, and said:

I refer to your speech made in Parliament on 8 February 2006 regarding Victoria's fire services levy. I would like to respond on the government's behalf.

He then goes on to make a number of claims. He must have been really stung by Mr Delahunty's speech because I do not recall very often occasions where ministers of their own volition reply to members' speeches in either house.

**Hon. D. K. Drum** — You cannot get them to respond when you beg them to respond!

**Hon. W. R. BAXTER** — That is right, Mr Drum, you cannot; but this one was an unsolicited reply, and the operative words that appeared in Mr Brumby's letter were:

The FSL on insurance policies is not a tax.

I think the Treasurer ought to go out and ask the average householder, farmer or businessman whether they think the FSL is a tax or not, and I think he would soon find out that people believe it to be a tax. But I also wonder how it is classified by Treasury, because if we have a look at page 171 of budget paper 4 under the heading 'Operating receipts', 'Taxation' and 'Insurance' we see that \$755 300 000 is going to be collected in insurance taxes. I assume that includes the fire services levy, because the figure is so high it could not but include the FSL.

The Treasurer cannot have it both ways. He cannot write to Mr Delahunty and say that the FSL is not a tax and then turn around and include it in this budget as a tax. Of course it is a tax; everyone knows it is a tax, and why he wrote to Mr Delahunty and tried to suggest otherwise I cannot fathom for one moment.

The Treasurer goes on and makes great play of the fact that in Victoria we are on about the average level for taxes throughout the state of Australia — and he is proud of that. I say that that is nothing to be proud of at all. We are a small state geographically, and we are a very productive state. We do not have to provide services to remote communities hundreds of kilometres from our capital city. We do not have long lead times to get our produce to markets. We do not have isolated, remote communities, except in small parts of the state, and even they are not remote compared with Queensland and Western Australia. The cost of delivering services in Victoria per capita or per service has got to be a lot less than those huge states. Our level of taxes should be well below the average, and we should not be satisfied with just being on the average, but it seems that the Treasurer, Mr Brumby, is.

I want to say one thing whilst I am talking about taxes. There has been a small victory for the opposition and The Nationals in the budget, because while talking about land tax the Treasurer at page 5 of the budget speech said:

And — for the first time — we will allow people to appeal their land valuations at the time they receive their land tax assessments.

What a win that is for the opposition and The Nationals, because it was less than a month ago — on 2 May in fact — that the opposition was moving such an amendment, and I on behalf of The Nationals also had an amendment which would have permitted that.

What do we get from this government? All sorts of specious excuses as to why it could not accept the amendment, why it could not work and why it was not necessary. A month later it introduces it. I am pleased

about that, but really and truly, what I am frustrated about is that it cannot bring itself to ever give any credit to anyone on the other side of the house. What it should have done that day was accept the amendments moved from this side of the house and not try to make it look in the budget speech that it was all of a sudden introducing some brand new initiative. Of course it is only doing it in response to public pressure, which indicates to the people at large that opposition members of Parliament can convince governments of the error of their ways. I am glad we did so on this occasion.

What are my disappointments in this budget? Of course they are myriad, but I shall look at one or two of them. For example, a press release of 30 May by the Minister for Agriculture in the other place says that there will be a \$44.6 million boost for Victoria's primary industries. I say that is a disgrace. The budget totals nearly \$32 billion, but what does the state get for primary industry — \$44.6 million.

What do you get when you examine it more closely? You find out that a lot of it has precious little to do with primary industry in the state — \$2.5 million, for example, is to manage game hunting. That has not much to do with primary industry. There is \$3.2 million to do with recreational fishing and tourism, which has not a lot to do with primary industry either. In typical fashion it has been announced twice, because it is included in the *Moving Forward* document and included in the \$44.6 million.

Here we have another example of deception. We find it all over the place. The Minister for Agriculture, who has no empathy whatsoever with farmers, clearly has no clout in cabinet because he does not get a fair deal for primary industry at all. You only have to look at what he did in capital investment, for example, in the primary industry portfolio. If one turns to page 36 of budget paper 2, under '2006–07 budget new asset funding by department', what do we find for the Department of Primary Industries? A lousy \$600 000 is the total investment in capital expenditure.

Compare that, for example, with the Department of Premier and Cabinet, which is spending \$1 million. The Parliament is spending \$3.7 million but poor old Department of Primary Industries gets a bit over \$500 000. What a disgrace! Is this minister and the government trying to say to us and the community of Victoria, and the farmers in particular, that the institutes at Rutherglen, Tatura, Gippsland, Longerenong and so on are so state-of-the-art that nothing needs to be done to bring them up to speed so as to increase productivity? It is alarming to think that those assets, which have been so instrumental to the wealth

generation in the state for 100 years, are treated with such disdain in a capital budget by this government of hundreds of millions of dollars, that we cannot even crack \$1 million in primary industry. It really is an outrage.

We know what is happening in farming — debt levels are rising and productivity is levelling off. I suggest that honourable members might look at some good graphs that were in yesterday's edition of the *Weekly Times*. It is quite alarming to see what is happening. The only thing that has been keeping farmers afloat in this state for the last 20 or 30 years, with their production costs rising at the rate they have, is the productivity increases which have kept their heads above water. Once productivity starts to level off, it is bad news for the farmers, and they will be in a cost price squeeze that they will not survive.

There is no doubt that we are in a 10 year drought. We are now at 1 June and we have not had an autumn break yet. In this budget there is not one mention of drought, yet clearly it is one of the greatest risks facing this state, and, regrettably, this season looks as if it might turn out to be a huge cost and a huge risk to us. I do not want to cry wolf too early, but the portents are not good. I have had calls already from farmers, one the other day from a farmer at Bonegilla who is feeding his cattle every day and looks like he will now have to do it right through winter at hugely expensive feed costs. He is absolutely concerned.

He makes a plea, and I share his plea, that this government needs to be ready to ensure that if we do not get rain soon, that exceptional circumstances provisions, which are mainly funded by the federal government but implemented and instituted by the state government, be put into place without any delay.

There is no indication in the budget that this government has any understanding of the impending disaster which may well be approaching us, because farmers have no fat to fall back on. We have had such a series of dry years now over the last 10 years that any fat that was there is long gone and many will go under if rain does not come within the next three to four weeks at the latest. I simply say that I am exceedingly disappointed that the government has not mentioned drought in the budget.

I am also disappointed that there is no funding for a number of country hospitals, which we were expecting and which is well overdue. Nathalia, for example, has a hospital building that was formerly a private home built more than 100 years ago with some additions in 1955. It will not meet accreditation in two or three years, yet

there is nothing in the budget to address that. There is no mention in the budget of channel deepening, so vital to the prosperity of this state — a project that has been on hold for quite some time. There is some money for roads and bridges in the budget but nowhere near enough.

**Mr Viney** interjected.

**Hon. W. R. BAXTER** — Yes, you are, Mr Viney, and that is very welcome. It is probably well overdue.

**Mr Viney** — A new 24-hour ambulance station at Sebastopol.

**The ACTING PRESIDENT**

**(Hon. J. G. Hilton)** — Order! Mr Viney will have his turn.

**Hon. W. R. BAXTER** — Mr Viney can identify a number of projects that the government is doing. The situation is that a lot needs to be done and a lot of expectations for this budget have simply not been met. They need to be met because the accreditation clock is ticking; and if action is not taken very soon, hospitals will close down because they will not be able to keep their doors open under the law of the land that now applies.

**Mr Viney** — You closed hospitals.

**Hon. W. R. BAXTER** — Yes, Mr Viney, and have you opened any of them? No, not one of them. I want to close by asking the government: where is the vision in this budget? I will tell you where it is — it is 25 November 2006 and it is on the edge of Melbourne. The main point in the budget so far as the government is concerned turns out to be an election bribe with an initiative to pay \$300 to the parents of prep schoolers and year 7 students, but in this year half of it will be paid at the beginning of the third term — that is, immediately before the election. I think that is middle-class welfare. It is giving \$300 to those mothers who come along in their Toorak tractors to pick their kids up from school.

Where does that fit with Labor philosophy? What about helping those who are in greatest need? We would not have objected if it were targeted to those who were in desperate need, but why should it be targeted to those who are doing pretty well?

It is nothing but an election bribe. I do not think it is anywhere near enough to swing voters. I do not think voters are going to be convinced that \$300, or in this case \$150 in October, will change their vote. Many of them are going to see it for what it is, a bribe. Frankly,

most people do not like to feel they are being bribed. I think it could have quite an unexpected reaction from the government's point of view, and it is time that the government had another look at it. Nobody could have objected if it had been better targeted. For example, it might have gone to preschools, which are the poor relation. I might have gone towards encouraging students to stay longer at school to improve the retention rate.

**Mr Viney** interjected.

**Hon. W. R. BAXTER** — You are not doing too well, because the retention rate is not as good as it should be. We have too many kids leaving school before they have finished year 12. They are either adding to the jobless pool or they are largely underemployed, and underemployment breeds boredom and graffiti vandalism. We had a government with everything going for it. It got a tremendous inheritance of booming tax revenue, a stamp duty bonanza and a land tax windfall, yet we have hospital waiting lists that are longer, farmers losing confidence, taxes that remain onerous and citizens worried about debt. And what do we get? We get a short-sighted election budget instead of a visionary way forward. The government should remember the old adage that you can fool some of the people some of the time but you cannot fool all the people all of the time. The government ought to remember that, because I think it is in for a wake-up call in November.

**Debate adjourned on motion of Mr VINEY (Chelsea).**

**Debate adjourned until next day.**

## PRIMARY INDUSTRIES ACTS (MISCELLANEOUS AMENDMENTS) BILL

*Introduction and first reading*

**Received from Assembly.**

**Read first time for Hon. T. C. THEOPHANOUS (Minister for Energy Industries) on motion of Mr Lenders.**

### PAPER

**Laid on table by Clerk:**

EastLink Project Act 2004 — Orders in Council 11 April 2006, pursuant to section 7(6) of the Act and a statement of variation, pursuant to section 21(3) of the act.

**Business interrupted pursuant to sessional orders.**

### ADJOURNMENT

**The PRESIDENT** — Order! The question is:

That the house do now adjourn.

**Moorabbin factory fire: government assistance**

**Hon. RICHARD DALLA-RIVA** (East Yarra) — I raise a matter for the Minister for Manufacturing and Export in the other place. It concerns a large industrial fire that occurred in the last week of April in Keys Road, Moorabbin. Honourable members may recall that Selectopedic Bedding and a number of other factories were involved in that fire. My understanding is that about 200-plus staff were subsequently out of work because of the fire. On my information the then Acting Minister for Manufacturing and Export, Mr Lenders, visited the site and indicated that the government would do everything it could to assist the business owners to reopen their doors. Mr Lenders was quoted as saying:

These factories are important local employers, and we will be doing everything we can to help rebuild them . . .

I am directing this matter to the Minister for Manufacturing and Export because obviously Mr Lenders is now no longer in that acting position.

It is important to put on the record that in excess of 200 jobs are at stake, and it is now a month since the event took place. I understand that two officers from the Department of Innovation, Industry and Regional Development, Trevor Ray and Roger Adams, and a local council representative, Susan Ferguson, were also there offering assistance. I refer to the television recordings that were made of that industrial fire. The comments made by the Acting Minister for Manufacturing and Export were recorded, which may give us some guidance as to what was suggested.

In light of the fact that that we are now a month down the track, and given I am led to believe that the 200 staff are still in a precarious position and in great need of assistance, I request that the Minister for Manufacturing and Export take urgent action to advise Selectopedic Bedding and the other factory operators of the status of the commitments made following the fire.

**Gaming: problem gambling**

**Hon. KAYE DARVENIZA** (Melbourne West) — I wish to raise a matter for the attention of the Minister for Gaming in the other place. The matter I wish to raise concerns gaming and particularly the issue of

problem gambling in the indigenous community in Victoria.

I know that the Bracks government and the minister have been instrumental in looking into the way that gaming is dealt with in Victoria — the number of gaming machines, where they are situated and where they are positioned, access to automatic teller machines, gaming venues, the issue of clocks and natural lighting. The government has been very keen to pursue all those sorts of issues because we know they have an impact on the way that people gamble and that they can influence people, and problem gamblers in particular, to stop gambling.

I know that as a government we have dedicated large amounts of money to campaigns and services to address the problem of problem gambling, to bring it to the fore, to make people aware of the fact that it is a condition and one which is widespread in the community. We have run a range of advertisements to let people know what sort of services are available to assist them with problem gambling.

Our indigenous community, like any other here in Victoria, faces, among other things, the issue of problem gambling. Specifically I would like to know from the minister what initiatives he and the government are putting in place to ensure that problem gambling is addressed in our indigenous community and that the indigenous community is aware that problem gambling is an issue and that anybody from anywhere, regardless of socioeconomic standing or what sort of job they have or what suburb they live in, can have a problem with gambling. I would like to know what actions the minister is taking to address the specific problem of problem gambling within the indigenous community in Victoria.

### **Buses: Burwood electorate**

**Hon. D. McL. DAVIS** (East Yarra) — My matter for the adjournment tonight is for the attention of the Minister for Transport in the other place. It concerns critical local bus services in the Burwood electorate which impact on the municipalities of Whitehorse and Boroondara and further south as well. The 700 bus service was a longstanding bus service which went along Through Road and Thomas Street. It picked up passengers, particularly older people, in that Through Road area. The Bracks government has recently cut back those services — —

**Hon. B. N. Atkinson** — Outrageous!

**Hon. D. McL. DAVIS** — It is outrageous, Mr Atkinson. It is cruel and heartless. Older people in the area are now stranded and unable to get to the Burwood shops.

**Hon. C. D. Hirsh** interjected.

**Hon. D. McL. DAVIS** — I think Ms Hirsh should know better than to make comments like that. The reality is the government has taken a very cruel and harsh step. The member for Burwood in another place, Bob Stensholt, has supported these bus service cuts and closures. The truth is the new 767 service — the replacement bus service — cuts out a lot of the stops the previous service made. There are now no services at all on Sunday, the services stop earlier on Saturday night than they used to, they stop earlier on weeknights and the frequency of Saturday services has been slashed. This is a cruel cut which is really impacting. Bob Stensholt rode out in response to the Liberal's candidate for Burwood, Graham Bailey. He said:

I am pleased to advise that starting Friday, 17 February, Ventura Buses have extended route 767 on weekdays to Burwood Highway.

There was some slight return of a few services but the fact is there is still no service on Sunday, still no service on Saturday night in the way there used to be and the route is still truncated. I joined a number of people at a rally on a Sunday recently. Thirty-five people marched along the old bus route to Bob Stensholt's office, but I do not hold out any hope that he will listen. He is handing out flyers in his office saying 'With compliments, Bob Stensholt' with the bus timetable. There are no Sunday times, no late Saturday times. It is an outrage.

I call on the Minister for Transport to restore these critical local bus services, including weekend and weeknight services, to their former frequency and reliability.

**The PRESIDENT** — Order! I remind members that when they are delivering their adjournment matters it should not be a set speech. The usual way to define a set speech is if any of the comments made could be argued to the contrary. I am sure members on the other side could have come up with an alternative view of the comments the Honourable David Davis made. I remind members of that guidance and the ruling I have made on the adjournment.

**Hon. D. McL. DAVIS** — On your point, President, I thank you for your guidance but the members on the other side of the chamber were being provocative and I felt the need to respond.

**The PRESIDENT** — Order! Mr Davis will sit down.

*Honourable members interjecting.*

**The PRESIDENT** — Order! I call the Honourable Bruce Atkinson, and remind him to bear in mind my ruling.

### **Mullauna College: kindergarten**

**Hon. B. N. ATKINSON** (Koonung) — I would like to thank the audience from the Labor Party this evening — I do not know why they are all here. My matter is for the Minister for Education Services in another place, Jacinta Allan. I raise with her a problem which has been brought to me by Mullauna College in regard to a proposal to locate a kindergarten in four classrooms at the school. I understand this proposal has been before the Department of Education and Training's legal section for some 18 months awaiting resolution. The school is obviously quite frustrated, as indeed are the operators of the kindergarten, which is a kindergarten of good repute, and the families who have used this kindergarten's services and wish to have it take care of their children in the future.

Mullauna College has buildings in excess of its needs at this point in time. It was previously a home to the Monnington school for the deaf for a period, with the permission of the department. Monnington was located at Mullauna College only temporarily but in that time it upgraded the facilities being sought for this Tinkabell preschool and, as I understand it, applied for appropriate licences or accreditations to run a kindergarten service in the school. To all intents and purposes the facilities are adequate and suitable for the running of a kindergarten. Debra Martinov, who runs the Tinkabell preschool and day care centre, is keen to locate in the school. There are precedents — at Albert Park Secondary College and Corio Bay Senior College.

The Mullauna school council has approved the location of this kindergarten within its premises on three occasions. It believes it is an appropriate use, if you like, of buildings that are surplus to the school's requirements at the moment. It had a favourable experience as a home to the Monnington school for the deaf and knows it is quite possible to facilitate kindergarten services at the school. I ask the minister to expedite a review of these matters before the legal section, and to establish a basis upon which the school can proceed to enter into an agreement with Tinkabell to locate the facility at the school.

### **Industrial relations: WorkChoices**

**Hon. H. E. BUCKINGHAM** (Koonung) — I address my important adjournment matter to the Minister for Industrial Relations in another place, Rob Hulls. I am deeply concerned and afraid about the rights of workers in both my electorate and Victoria at large.

Last week the head of the Office of the Employment Advocate, Peter McIllwain, when appearing before the Senate estimates committee, revealed that 6263 Australian workplace agreements (AWAs) had been lodged with the Office of the Employment Advocate since the WorkChoices laws were introduced. A sample of 250 AWAs has been studied: all of the sample AWAs had excluded at least one protected condition; 16 per cent had dropped all award conditions; 64 per cent had removed leave loadings; 63 per cent had excluded penalty rates; and 52 per cent had discarded shiftwork loadings.

These figures were reported in the *Age* last week, along with an article about Spotlight, a national chain with more than 100 stores, giving a base pay increase of 2 cents an hour to new workers who forfeit weekend loadings and overtime. It says the contracts comply with workplace laws. I understand that means up to \$90 a week less in pay packets for new workers.

The action I am seeking is for the minister to ask the new Victorian workplace rights advocate, Tony Lawrence, to review the content of these Australian workplace agreements to ensure that they do not remove important community standards, and where community standards are removed to advise the worker of that loss and where possible publicly expose that loss so that Howard's industrial relations nightmare is exposed for all to see.

**Hon. B. N. Atkinson** — On a point of order, President, you made a ruling in this very adjournment debate about set speeches. I do not seek for this matter to be ruled out, because I understand it was a genuine attempt by the member to bring a matter before the minister. However, I put it to you, President, that it was very much a set speech in defiance of the ruling you made. Not only was a request made to the minister but further argument was posed after that request. It was very much a set speech, and I hope members heed your ruling.

**The PRESIDENT** — Order! I remind members that adjournment matters should not be set speeches. I refer to my previous ruling that sets out four requirements. They are that a speech should indicate to whom the

matter has been directed, give a brief resume of the facts, set out the request, query or complaint and suggest the action sought. I remind members of that ruling.

### **Benambra-Corryong Road: upgrade**

**Hon. W. R. BAXTER** (North Eastern) — I address a matter to the Minister for Transport in another place. I make a plea for some upgrading of the Benambra-Corryong Road. The road is a very important link between the Upper Murray and Gippsland. It is largely in an unsealed condition and carries an increasing amount of traffic. I know it is a bit of a chicken-and-egg situation. Some people say there is not enough traffic to justify sealing the road, and that if it were sealed, the amount of traffic would increase many fold. I acknowledge that that it is a difficult issue of priorities, but I think in terms of its tourist potential and the potential for cattle producers to move stock from the Upper Murray and the Riverina to and from Gippsland, whether in times of drought or good times, it would provide a significant increase in competitive edge and productivity.

The road has been subject to numerous inspections by ministers over the years, including by me when I was roads minister. I met a deputation on the road in 1994, I think, and was certainly getting to a situation where there would have been a start on sealing that road. Unfortunately the government changed in 1999 and the work that might have got under way has not proceeded. I do not particularly blame the current minister for that, but I think the road — along with the Omeo Highway, which also has some unsealed stretches — is well overdue for attention. It is in one of the more difficult parts of the state in terms of terrain, although the road itself does not pose any particular difficulties for road making or pavement sealing. I think it is high time it got on the list for a significant upgrade because of all the benefits that would confer not only on local residents on both sides of the mountains but on tourist traffic as well.

### **Responses**

**Hon. J. M. MADDEN** (Minister for Sport and Recreation) — Mr Dalla-Riva raised the matter of an industrial fire at a Moorabbin factory. I will refer that to the Minister for Manufacturing and Export in the other place.

Ms Darveniza raised the matter of problem gambling in the indigenous community. I will refer that to the Minister for Gaming in the other place.

Mr David Davis raised the matter of the Burwood bus services. I will refer that to the Minister for Transport in the other place.

Mr Atkinson raised the issue of a specific kindergarten and its development at a particular school. I will refer that to the Minister for Education Services in the other place.

Mrs Buckingham raised the matter of workplace agreements. I will refer that to the Minister for Industrial Relations in the other place.

Mr Baxter raised the matter of the Benambra-Corryong Road. I will refer that to the Minister for Transport in the other place.

**The PRESIDENT** — Order! The house stands adjourned.

**House adjourned 4.50 p.m.**