

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

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

Thursday, 12 June 2008

(Extract from book 8)

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By authority of the Victorian Government Printer

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The Lieutenant-Governor

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Legislation Committee — Mr Atkinson, Ms Broad, Mrs Coote, Mr Drum, Ms Mikakos, Ms Pennicuik and Ms Pulford.

Privileges Committee — Ms Darveniza, Mr D. Davis, Mr Drum, Mr Jennings, Ms Mikakos, Ms Pennicuik and Mr Rich-Phillips.

Select Committee on Public Land Development — Mr D. Davis, Mr Hall, Mr Kavanagh, Mr O'Donohue, Ms Pennicuik, Mr Tee and Mr Thornley.

Standing Committee on Finance and Public Administration — Mr Barber, Ms Broad, Mr Guy, Mr Hall, Mr Kavanagh, Mr Rich-Phillips and Mr Viney.

Standing Orders Committee — The President, Mr Dalla-Riva, Mr P. Davis, Mr Hall, Mr Lenders, Ms Pennicuik and Mr Viney.

Joint committees

Dispute Resolution Committee — (*Council*): Mr P. Davis, Mr Hall, Mr Jennings, Mr Lenders and Ms Pennicuik. (*Assembly*): Mr Batchelor, Mr Cameron, Mr Clark, Mr Holding, Mr McIntosh, Mr Robinson and Mr Walsh.

Drugs and Crime Prevention Committee — (*Council*): Mrs Coote, Mr Leane and Ms Mikakos. (*Assembly*): Ms Beattie, Mr Delahunty, Mrs Maddigan and Mr Morris.

Economic Development and Infrastructure Committee — (*Council*) Mr Atkinson, Mr D. M. Davis, Mr Tee and Mr Thornley. (*Assembly*) Ms Campbell, Mr Crisp and Ms Thomson (Footscray)

Education and Training Committee — (*Council*): Mr Elasmarr and Mr Hall. (*Assembly*): Mr Dixon, Dr Harkness, Mr Herbert, Mr Howard and Mr Kotsiras.

Electoral Matters Committee — (*Council*): Ms Broad, Mr P. Davis and Mr Somyurek. (*Assembly*): Ms Campbell, Mr O'Brien, Mr Scott and Mr Thompson.

Environment and Natural Resources Committee — (*Council*): Mrs Petrovich and Mr Viney. (*Assembly*): Ms Duncan, Mrs Fyffe, Mr Ingram, Ms Lobato, Mr Pandazopoulos and Mr Walsh.

Family and Community Development Committee — (*Council*): Mr Finn, Mr Scheffer and Mr Somyurek. (*Assembly*): Mr Noonan, Mr Perera, Mrs Powell and Ms Wooldridge.

House Committee — (*Council*): The President (*ex officio*), Mr Atkinson, Ms Darveniza, Mr Drum, Mr Eideh and Ms Hartland. (*Assembly*): The Speaker (*ex officio*), Ms Beattie, Mr Delahunty, Mr Howard, Mr Kotsiras, Mr Scott and Mr K. Smith.

Law Reform Committee — (*Council*): Mrs Kronberg, Mr O'Donohue and Mr Scheffer. (*Assembly*): Mr Brooks, Mr Clark, Mr Donnellan and Mr Foley.

Outer Suburban/Interface Services and Development Committee — (*Council*): Mr Elasmarr, Mr Guy and Ms Hartland. (*Assembly*): Ms Green, Mr Hodgett, Mr Nardella, Mr Seitz and Mr K. Smith.

Public Accounts and Estimates Committee — (*Council*): Mr Barber, Mr Dalla-Riva, Mr Pakula and Mr Rich-Phillips. (*Assembly*): Ms Munt, Mr Noonan, Mr Scott, Mr Stensholt, Dr Sykes and Mr Wells.

Road Safety Committee — (*Council*): Mr Koch and Mr Leane. (*Assembly*): Mr Eren, Mr Langdon, Mr Mulder, Mr Trezise and Mr Weller.

Rural and Regional Committee — (*Council*) Ms Darveniza, Mr Drum, Ms Lovell, Ms Tierney and Mr Vogels. (*Assembly*) Ms Marshall and Mr Northe.

Scrutiny of Acts and Regulations Committee — (*Council*): Mr Eideh, Mr O'Donohue, Mrs Peulich and Ms Pulford. (*Assembly*): Mr Brooks, Mr Carli, Mr Jasper, Mr Languiller and Mr R. Smith.

Heads of parliamentary departments

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

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

Parliamentary Services — Secretary: Dr S. O'Kane

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FIFTY-SIXTH PARLIAMENT — FIRST SESSION

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Mr PETER HALL

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Mr DAMIAN DRUM

Member	Region	Party	Member	Region	Party
Atkinson, Mr Bruce Norman	Eastern Metropolitan	LP	Lenders, Mr John	Southern Metropolitan	ALP
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Coote, Mrs Andrea	Southern Metropolitan	LP	Mikakos, Ms Jenny	Northern Metropolitan	ALP
Dalla-Riva, Mr Richard Alex Gordon	Eastern Metropolitan	LP	O'Donohue, Mr Edward John	Eastern Victoria	LP
Darveniza, Ms Kaye Mary	Northern Victoria	ALP	Pakula, Mr Martin Philip	Western Metropolitan	ALP
Davis, Mr David McLean	Southern Metropolitan	LP	Pennicuik, Ms Susan Margaret	Southern Metropolitan	Greens
Davis, Mr Philip Rivers	Eastern Victoria	LP	Petrovich, Mrs Donna-Lee	Northern Victoria	LP
Drum, Mr Damian Kevin	Northern Victoria	Nats	Peulich, Mrs Inga	South Eastern Metropolitan	LP
Eideh, Khalil M.	Western Metropolitan	ALP	Pulford, Ms Jaala Lee	Western Victoria	ALP
Elasmар, Mr Nazih	Northern Metropolitan	ALP	Rich-Phillips, Mr Gordon Kenneth	South Eastern Metropolitan	LP
Finn, Mr Bernard Thomas C.	Western Metropolitan	LP	Scheffer, Mr Johan Emiel	Eastern Victoria	ALP
Guy, Mr Matthew Jason	Northern Metropolitan	LP	Smith, Hon. Robert Frederick	South Eastern Metropolitan	ALP
Hall, Mr Peter Ronald	Eastern Victoria	Nats	Somyurek, Mr Adem	South Eastern Metropolitan	ALP
Hartland, Ms Colleen Mildred	Western Metropolitan	Greens	Tee, Mr Brian Lennox	Eastern Metropolitan	ALP
Jennings, Mr Gavin Wayne	South Eastern Metropolitan	ALP	Theophanous, Hon. Theo Charles	Northern Metropolitan	ALP
Kavanagh, Mr Peter Damian	Western Victoria	DLP	Thornley, Mr Evan William	Southern Metropolitan	ALP
Koch, Mr David Frank	Western Victoria	LP	Tierney, Ms Gayle Anne	Western Victoria	ALP
Kronberg, Mrs Janice Susan	Eastern Metropolitan	LP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP
Leane, Mr Shaun Leo	Eastern Metropolitan	ALP	Vogels, Mr John Adrian	Western Victoria	LP

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Thursday, 12 June 2008

The **PRESIDENT (Hon. R. F. Smith)** took the chair at 9.33 a.m. and read the prayer.

**PUBLIC ACCOUNTS AND ESTIMATES
COMMITTEE**

Budget estimates 2008–09 (part 2)

Mr PAKULA (Western Metropolitan) presented report, including appendices, together with minutes of evidence.

Laid on table.

Ordered that report be printed.

Mr PAKULA (Western Metropolitan) — I move:

That the Council take note of the report.

In so doing, President, I want to indicate to the house that this document is part 2 of the budget estimates process. It is, as Mr Rich-Phillips indicated in relation to part 1, a summary of the matters raised in the hearings. The hearings were conducted extremely well. The report also contains all the transcript, and later this year there will be another report with appropriate analysis.

The purpose of having this report tabled so soon is so that a report can be put before the Parliament in a timely way rather than the Parliament having to wait many months to find out what occurred during the budget estimates hearings.

I want to place on record my thanks for the extraordinary amount of work done by Valerie Cheong and her team, not only during the hearings but in pulling this report together so quickly. All of us on the committee know just how much work was done by Valerie and the committee. We all owe her and her team a debt of gratitude. On that basis I commend the report to the house.

Motion agreed to.

BUSINESS OF THE HOUSE

Adjournment

Mr LENDERS (Treasurer) — I move:

That the Council, at its rising, adjourn until Tuesday, 24 June 2008.

Motion agreed to.

**DRUGS AND CRIME PREVENTION
COMMITTEE**

Membership

Mr LENDERS (Treasurer) — By leave, I move:

That Mrs Coote be a member of the Drugs and Crime Prevention Committee.

Motion agreed to.

MEMBERS STATEMENTS

**Numurkah District Health Service:
redevelopment**

Ms LOVELL (Northern Victoria) — Numurkah District Health Service is still waiting for stage 2 of its redevelopment. Unfortunately the project has been excluded from funding announcements made by the current government, whose Minister for Health appears to have turned his back on the health service's funding need.

On at least three occasions in the past nine months I have invited the minister to visit Numurkah and meet with the hospital's administration to discuss its funding requirements. The minister is yet to accept my invitation and has not yet responded directly to my persistent request. While stage 1 of the hospital's redevelopment was completed years ago, the facility has been looking for some time to commence stage 2 of the redevelopment, which would include the construction of a new acute-care hospital, theatres, administration building and a new 30-bed, low-care aged facility. This would be in addition to the demolition of the old acute section, theatres and administration areas and the relocation of the community health section to the site of the existing aged-care facility.

The hospital is currently housed in a building that is 50 years old. It is an aluminium structure imported to Numurkah from Bristol in England to house nurses. It was never intended to be used as a hospital, meaning that the hospital was not a purpose-built facility. As you would expect, the current building, due to its age and because it was not purpose built, is very difficult to maintain. It is also hard for the Numurkah District Health Service to rationalise committing funds for its maintenance when a new building is what is really required.

The Numurkah community deserves a health service comparable to those Melburnians have come to expect and the state government must provide funding to enable the hospital's redevelopment to progress in an acceptable time frame.

Fishing: shark numbers

Ms PENNICUIK (Southern Metropolitan) — Shark populations are plummeting world wide. According to the Australian Marine Conservation Society, Australia is home to more than 300 species of sharks and rays and around 77 of them are threatened with extinction. The society is campaigning to stop the targeted fishing of Australian sharks. As a contribution to shark protection, some commercial fisheries have banned the landing of sharks and others have set strict bycatch limits. However, commercial shark fishing is still extensive across Australia.

There is deep concern that shark finning is the economic driver of the shark fishing industry world wide. Shark finning, by which fins are cut off live sharks which are then left to die, is banned in Australia. However, every year Australia imports thousands of kilograms of dried shark fins from countries that have not banned shark finning.

I am not sure whether members of this house ever eat shark fin soup but if they do I would urge them to stop. I urge all Victorians, and indeed all Australians, to boycott shark fin soup and other shark fin dishes as a way of stamping out this brutal practice and to ensure that shark populations are not further reduced.

Sharks are at the top of the food chain and play a vital role in marine ecosystems. The Australian Marine Conservation Society suggests, and I agree, that we should start protecting sharks in the same way as we protect whales and dolphins. Sharks are long-lived and they mature and reproduce relatively late in their life cycle. It is unbelievable that the Queensland government would be considering allowing the establishment of a commercial shark fishery in the Great Barrier Reef Marine Park.

Mr Barber (Northern Metropolitan): comments

Mr PAKULA (Western Metropolitan) — I was fascinated last Sunday to read in the *Sunday Age* the musings of Greg Barber. According to Melissa Fyfe, Mr Barber is somewhat like the dead parrot in the Monty Python sketch, pining for the fjords. Mr Barber instead appears to be pining for his days as a mayor of Yarra council. According to the article, Mr Barber

fondly remembers his days of building toilet blocks and bike paths. When it was pointed out to him that he chose to run for state Parliament, Mr Barber's response was:

Yeah, I'm starting to think about that now. Maybe I didn't make the right move.

Indeed! Mr Barber went on to explain that his reassessment was caused by the depressing experience of the Public Accounts and Estimates Committee. That is interesting because, according to my diary, the first budget estimates hearing was on 12 May and the original interview with Dave Lennon on ABC radio was at 9:06 a.m. on 18 April.

Perhaps he just misspoke, but given Mr Barber's success in neutering his internal enemies and endorsing his allies for Yarra council, maybe he is preparing for a hero's return. In the spirit of bipartisanship, affection and with apologies to Smokey Robinson, let me say to Mr Barber, 'If you feel like giving Yarra council a lifetime of devotion, I second that emotion'.

Tertiary education and training: funding

Mr ATKINSON (Eastern Metropolitan) — I rise to express some concern about the government's report on skills shortages, particularly in relation to the TAFE sector. Discussions I have had with people involved in this TAFE sector suggest there is a great deal of concern about the efficacy of this report and some of its assumptions and indeed what is claimed to be some of its exaggerations. It would seem to me that certainly whilst skills shortages in our economy are a very serious issue, there is a clear attempt by the government by way of this paper to reduce its funding commitment or at least to avoid committing to any growth in TAFE sector funding going forward, and that the government is seeking to siphon off the responsibility for TAFE funding — and therefore for skills training — to students themselves.

The introduction of a higher education contribution scheme system for TAFE students to me is an absolute furphy, and it continues a process I find to be extraordinarily difficult in the context of a system that penalises our best and brightest and leaves them with enormous bills as they enter the workforce. We need to ensure we are able to train people and skill up Australia without an impost on those students and an unreasonable impost on the training institutions. Indeed, we need the government to meet its commitments.

Public internet access program: grants

Ms BROAD (Northern Victoria) — I wish to take this opportunity to encourage community organisations that provide or intend to provide public internet access to apply for a public internet access program grant by Friday, 27 June, the closing date. Grants of up to \$7500 are available to community organisations to purchase or upgrade computers and software, pay for internet connections and cover costs associated with other relevant equipment. This program is designed to bring all the benefits of the internet to people who currently have difficulty accessing it, particularly senior Victorians, recent migrants, those outside the education system, people who are unemployed and people with a disability.

We know that many members of the political classes use the internet to great effect for political purposes; however, there are many other people in the community who do not enjoy similar access, and this program is designed to help overcome barriers to access. The program is one way that the Brumby government is working to ensure that all Victorians, no matter what their circumstances, have the opportunity to get online to access information that is meaningful and relevant to them.

Planning: residential zones

Mr GUY (Northern Metropolitan) — I was going to pay tribute to the counting abilities of George Seitz, the member for Keilor in the other place, but instead I want to talk about a residents meeting in Notting Hill where locals expressed outrage over Labor's planned new residential zones, which will mandate high-density high-rise development and remove third-party appeal rights. The proposal is draconian and typifies this government's arrogance and heavy-handed approach to planning in Victoria.

The Notting Hill residents association is concerned that the existing urban character of the suburb will be lost under the new residential zones proposal. Given that residents are close to Monash University, they fear they will be zoned a go-slow zone. But 'go slow', according to Labor, means a minimum height of three floors or more — with the destruction of existing housing, to be replaced with apartments. So much for 'go slow'.

Notting Hill residents are not alone in their distaste for the new residential zones proposal. Right across Melbourne people are becoming more and more outraged over the plans to remove third-party appeal rights; even the Labor members for Mordialloc and

Essendon in the other place have spoken out against their own minister's plans.

In my own area of the northern suburbs, many are concerned at the loss of existing leafy areas and other heritage streets. Even local councillors such as Darebin's Marlene Kairouz want to protect what we have. This councillor says on the council web page:

I believe we need to preserve our leafy areas and protect our heritage and environment.

I could not agree more with this councillor. If she were ever to become a Labor member of Parliament, she would join the members for Mordialloc and Essendon on a growing list of Labor MPs who recognise that the planning minister's new residential zones document is flawed.

Whitten Oval, Footscray: development

Mr EIDEH (Western Metropolitan) — I am an unashamed supporter of the mighty Bombers, the Essendon Football Club, but within my electorate there is another great club, the Bulldogs, also known to many locals as the Footscray Football Club, home to the late great Teddy Whitten after whom the oval is correctly named. But today this great site within the heart of my electorate is being transformed into an amazing new development, one which has transformed it into a spectacular community asset that Ted Whitten could never have imagined, and I say so with deep respect for the great man.

Sport and physical development will continue to be at the very core of the Whitten Oval, but there will be much more. There will be state-of-the-art plunge pools for the players, a modern children's centre, much-needed community meeting rooms and more. But while this government has played an important role in this development, it is the vision, dedication and commitment of the football club that I most particularly wish to acknowledge. Without them and their deep-hearted commitment to the community of the western suburbs of Melbourne, the ground may have been lost to developers, just as the Waverley ground was lost. It is my sincere hope that, in time, other grounds such as Windy Hill and those in other electorates may mirror the great development that is now and will be the Whitten Oval.

Australian Labor Party: Kororoit candidate

Mr FINN (Western Metropolitan) — I offer my sincere condolences to a number of my constituents who are members of the Labor Party in the electorate of Kororoit. It seems that overnight a candidate has once

again been foisted upon them from outside that electorate. It never ceases to amaze me the lengths to which the ALP will go to show their contempt for the people of the western suburbs. But to drag in a latte-sipping blow-in from Darebin is exceeding even the ALP's usual standards of contempt. Maybe we should all chip in and buy her a *Melway* so she can find her electorate of Kororoit, or perhaps Mr Pakula could loan her his.

My sympathies also go to the good ratepayers of Brimbank who saw this by-election as a golden opportunity to rid their council of Natalie Suleyman. The bozo bit the dust on this occasion. There is wailing and gnashing of teeth throughout Brimbank this morning, I can assure you. The ALP has much to answer for. Labor will pay for its arrogant disregard for Melbourne's west at the ballot box, and it will only have itself to blame. In the meantime we await Labor's eventual launch of its campaign for its blow-in, and presumably her slogan will be 'George rules, okay?'

Geelong: leadership program

Ms TIERNEY (Western Victoria) — I had the pleasure of representing the Minister for Community Development in the other place, Peter Batchelor, in launching the Leaders for Geelong program on 30 May 2008. A community support grant of \$180 000 was provided by the Brumby Labor government to the Committee for Geelong towards the Leaders for Geelong program, Growing Geelong's Future Leaders Today project.

The Leaders for Geelong program offers potential and emerging leaders within the Geelong region an intensive two-year program involving interaction with today's leaders and practical experience in team-based community leadership through participation in community-related projects. The project benefits local government, business and community agency employers, along with the general community of the Geelong region. Participation in the program is open to nominated regional representatives who are, in the main, drawn from the Committee for Geelong membership; however, two positions in the program are made available for community participants at a reduced cost.

The leadership program is being run across three to four years with each group of participants involved in a two-year program with a new program beginning each year. At the event I announced the participants for the third intake. The first group of 20 participants will graduate on Thursday, 10 July 2008; the second group

of 26 participants in July 2009; and the current group of 26 participants in July 2010.

I take this opportunity to wish all the participants well on their journey to developing leadership and implementing programs in their local communities and look forward to meeting many of them in their varied roles in the coming years.

Toyota Australia: hybrid car

Ms MIKAKOS (Northern Metropolitan) — I rise to congratulate Prime Minister Rudd and Premier Brumby for securing Toyota's announcement that it will build the hybrid Camry at its Toyota plant from next year. This decision will secure many thousands of jobs for Victorian workers in the strategically important automobile industry and add \$150 million annually to our economy. The Victorian automobile industry employs over 37 000 people and generates exports worth \$3 billion a year. This decision also gives Australian consumers the choice of purchasing a locally built green car and is a boost to the environment.

As someone who has been driving a Toyota Prius hybrid for about 18 months, I am pleased that this option will also be available to government fleet vehicles, and the Victorian government has already committed to purchasing 2000 hybrid Camrys over two years. It is not common for me to do advertorials during my members statements, but the decision I have made is one that I encourage other members to follow. Hybrid vehicles are very fuel-efficient, and of course they make a contribution to reducing our total greenhouse gas emissions.

Australian Labor Party: Kororoit candidate

Mr LEANE (Eastern Metropolitan) — I would like to congratulate new ALP candidate Marlene Kairouz for winning preselection for Kororoit. I am sure she will be a great candidate for the ALP, a great member of this government and a great representative for her electorate. I would like to put on record that she will have my 100 per cent support. There have been media reports about my union, which I love, being tied to an Independent's campaign, but I think the media reports might be wrong, because being an affiliated union of the ALP, the Electrical Trades Union, Victorian branch, would have to go through a state council process to do that.

Once again, I put my full support behind Marlene. I am sure she will be fantastic, and I look forward to working with her to further Victoria as a great place to live, work and raise a family.

STATEMENTS ON REPORTS AND PAPERS

Sustainability and Environment: report 2006–07

Mr P. DAVIS (Eastern Victoria) — I am pleased to have the opportunity to make a statement on the Department of Sustainability and Environment (DSE) annual report. In so doing I want to address issues relating to the forestry and timber industries in particular.

Mr Lenders — Not firewood supplies?

Mr P. DAVIS — Not firewood supplies; they are a minor part of the broad scope of the need to provide the timber and forest industries resource security. The minister who has responsibility for that deficient statutory authority, being VicForests, should take particular note of the difficulty the industry is facing, presumably as a result of the lack of ministerial oversight of that authority creating incredible uncertainty in the industry.

Mr Lenders — This is the Department of Sustainability and Environment you are talking about, not the Department of Treasury and Finance.

Mr P. DAVIS — The whole thing is linked, and I thank the Treasurer for the interjection. Indeed I have had a conversation with a member of cabinet, who shall remain unnamed because it probably would not be fair to name him in this place, who has indicated his general agreement with me that we have a disconnect between the function of DSE in producing timber — that is, managing our forest estate for hardwood timber production — and the agency which the Treasurer is responsible for in relation to the organisation of the sale of timber and the therefore confusing mess that industry is in now. In particular the harvest and haulage sector has virtually daily changes in the tender documentation it is expected to complete and the basis on which the tenders are required. There have been discussions on foot in regard to tendering matters for more than a year without any satisfaction being derived by the harvest and haulage contractors.

In addition to that, the sawmill operators have a lack of resource security, but there is a glimmer of light on the horizon because the federal government recently released the *Australia's State of the Forests* report, a five-yearly report which provides information for the stakeholders involved in forestry management and the use of our forests. Forests are used for more than timber production and there are many activities other than forestry in the sense of the production of forest products, but it is an important component of the role of

government because forestry and forest-product industries now account for \$19 billion annually and support more than 120 000 direct jobs. Most of those jobs are in regional Australia. It is an incredibly important aspect of the forest management function that the Department of Sustainability and Environment has responsibility for and that is not well recognised, perhaps, by the government.

I note that Australia has a \$2 billion trade deficit remaining and therefore we need to be working assiduously to maximise the yield from our available forests for timber production. Victoria's forestry industry generates around \$3 billion annually or around 37 per cent of our national timber industry. This report highlights the improving status of the management of our forests on a national basis. When the *Victoria's State of the Forests* report is released it will attest to that as well, just as has the recently released Environment Protection Authority's report titled *Environmental Audit — Timber Production on Public Land 2007* which was released only last week. It comments on the performance of the timber industry in relation to its obligations in managing forestry operations.

I was pleased to note that this independent audit of logging practices for compliance with the code of forest management — the code of practice for timber production — has given a significant endorsement to the timber industry for its professional activity. Indeed, it has identified that it is generally highly consistent with the code of practice and that the environmental outcomes from forestry management operations are quite satisfactory, and improving year by year. We have a further report which has recently been made available.

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

Auditor-General: *Services to Young Offenders*

Ms PULFORD (Western Victoria) — I rise to make some comments on the Victorian Auditor-General's report *Services to Young Offenders*. In 2000 this government introduced its juvenile justice reform strategy, A Balanced Approach to Juvenile Justice in Victoria. The aims of the strategy were to divert young offenders from entering the youth justice system, to better rehabilitate high-risk offenders, and to reduce the likelihood of reoffending amongst those released from custody through better pre-release transition and post-release support programs.

In Victoria young offenders aged between 10 and 20 years can, instead of going through the jail system, be placed on community correction orders or undertake

various programs and diversion services. These programs are administered by the Department of Human Services and the Department of Justice. DHS and DOJ also provide a wide range of rehabilitation programs for young offenders who are in custody and on community-based orders.

Non-government organisations are also funded through DHS to provide a range of transitional and post-release services. Our government is very proud of the work being done to assist juvenile offenders and we are very serious about the health and wellbeing of all our young people. The government recognises that a lock-them-up-and-throw-away-the-key approach to justice for young Victorians is not an appropriate solution in all instances, and is not the best outcome for our society as a whole. Many of these young people need assistance from government to get their lives back on track. This report details the extent of the Department of Human Services and the Magistrates Court of Victoria diversionary and rehabilitative services that are provided to young offenders. While the report does make some findings around areas where there is still work to be done, it also identifies the great amount that has already been achieved in this area.

Overall the report found that among the staff and agencies providing youth justice services a high level of commitment and effort is going into achieving improved outcomes for young offenders. DHS was found to have good practices with respect to needs identification, case management and the reintegration of young offenders back into the community. The report found that the Magistrates Court of Victoria's delivery of the criminal justice diversion program is being very well managed.

The report makes some recommendations about the development of outcome-based performance measurements to assist in assessing rates of reoffending. It suggests that the client relationship information system, or CRIS, which is a data management system, does not currently provide sufficient analytical data to management on the effectiveness of interventions and services in rehabilitating young offenders and reducing rates of reoffending. It suggests that better data collection could only help to continue to improve on the good work that is being done in this area. It could assist government with a whole-of-government response in this important area.

The government is committed to diverting young offenders away from entering the youth justice system, to rehabilitating high-risk young offenders and to

reducing the likelihood of reoffending among those who have been released from custody.

Public Transport Competition Act: statutory rule 42

Mr O'DONOHUE (Eastern Victoria) — I am pleased to rise and make a comment on statutory rule 42 under the Public Transport Competition Act 1995. The Liberal Party strongly believes in competition. It is the party that initiated the great reforms to increase competition in both Victoria and Australia during terms of coalition governments at state and federal levels.

I want to pick up on a comment made by Mr Barber during debate on the gas industry bill earlier this week. He said you need to regulate for efficiency. I made a comment on that statement during the debate on that bill, but I think it warrants another comment. That statement underpins one of the differences in ideology between the Liberal Party and the Greens, and I would suggest many members of the Labor Party. You cannot regulate for efficiency; efficiency comes through innovation, through competition, through an open market process that encourages players in the market to be more efficient and therefore deliver their services or systems more productively for the provider and the consumer.

With regard to public transport competition, we saw the introduction of privatisation in the public transport system during the term of the Kennett government. Despite the rhetoric those policies have been followed to some degree by this government. But the great failing and misunderstanding of the Labor Party and the government is their inability to provide the necessary infrastructure for that competition to take place in a productive fashion. Perhaps that is best demonstrated in the public transport system with regard to the rail system.

We have a rail system in Victoria that is at breaking point, that is at crisis point. Any indicator demonstrates that. The rail system has reached overcapacity. The system cannot cope with the increasing demand that it is experiencing that is partly a product of population growth and the clogged road network. The road network has failed to keep pace with population growth, which means that commuters are forced on to a public transport system that has failed to meet their needs, which may be due to the lack of adequate car parking at rail stations. The car park at the Berwick railway station is an excellent example of this: the government refuses to commit during this term of government to providing desperately needed additional

car parks at the Berwick railway station. Other examples include the car park at the Pakenham railway station, which has the same need for additional car parking services, and level crossings.

At the extremity of the Pakenham line, at Officer, Beaconsfield and Pakenham, there has been enormous population growth. This means that intersections such as those at Clyde Road in Berwick, McGregor Road in Pakenham and Cardinia Road in Pakenham are in desperate need of grade separation. If services are to become more frequent, there needs to be grade separation so that trains can go up and down the line without causing enormous traffic jams around those roads that are becoming busier because of the population increases in and around those areas.

The other area of great concern regarding the infrastructure of the public transport system is the number of fatalities that have occurred on the rail system. Victoria has the highest number of fatalities of any state, according to the *Australian Transport Statistics 2007* yearbook. That is a terrible situation and a great tragedy for those whose loved ones have been killed. It reflects a system that is at breaking point; it has not had the necessary infrastructure spending to keep it safe and to make sure those services can be delivered in a safe fashion. That is a terrible indictment of this government, which has failed to provide appropriate infrastructure to allow genuine competition in a safe fashion for the people of Victoria.

Innovation, Industry and Regional Development: report 2006–07

Ms TIERNEY (Western Victoria) — I rise to make a statement on the annual report of the Department of Innovation, Industry and Regional Development for 2006–07. During the reporting period the department was involved in a number of key initiatives. One of the ongoing initiatives was the Australian synchrotron. Another involved Invest Victoria and Tourism Victoria successfully negotiating and lobbying the Singapore-based Tiger Airways to establish an Australian operation.

The department facilitated international investment and local industry growth in information and communications technology, which is commonly known now as ICT. The department is supporting highly skilled ICT workforce skills development as well.

There was also the launch of the *Maintaining the Advantage — Skilled Victorians* statement, and along with that statement was \$241 million, over a four-year

period, dedicated to increasing productivity and workforce participation. The other major initiative undertaken by the department at that time was the establishment of the Victorian Office of the Workplace Rights Advocate. It provided free telephone and online advice about the new industrial relations system which was introduced by the former federal government. It provided Victorians with an ability to receive independent advice on industrial relations.

Regional development in Victoria continued to grow, with a \$502 million action plan for growth in provincial Victoria. During the reporting period we also had the government's 10-year tourism and events industry strategy launched in October 2006. The benefits achieved were well documented and that strategic plan encourages employment and investment in this key area, particularly in regional Victoria. Of course we also saw the Time to Thrive policy, which provided a very practical \$98 million package of innovative initiatives to reduce red tape, boost the skills base and help small businesses grow. Overall, all those initiatives meant that the department worked in partnership with a whole range of organisations and communities right across Victoria.

This happened against the backdrop of a relentless drought environment and an increase in the value of the Australian dollar, but at the same time we did manage to have increased employment and population growth and business investment right across Australia. The department should be congratulated on the role it played through that period.

Whilst we did see significant growth in our key industries, it should not be forgotten that regional Victoria had a very difficult time during the reporting period of this report. Residents and businesses endured drought and also battled devastating bushfires and flooding in the north-east and the west. The department responded to these challenges and developed and delivered \$138 million of initiatives for environmental, community and business recovery in bushfire-affected regions, and \$146 million in drought assistance packages for farmers, businesses and communities. That is not to say that it forgot that the importance of skills and skills shortages issues needed to be addressed. It also kept on working on a whole range of issues of globalisation and competition, rapid economic, social and technological change and the shift in balance of world economic growth.

All in all the department needs to be commended in the way it has approached the year. Ms Pulford and I met with a regional CEO as recently as yesterday. He confirmed that a number of regional councils absolutely

applaud this government for having a one-stop shop in regional development where they can come to talk about their problems and get their problems fixed.

Office of the Public Advocate: community visitors

Mrs COOTE (Southern Metropolitan) — I have pleasure today in speaking on the report of the Office of the Public Advocate entitled *Community Visitors Annual Report 2007 — Mental Health*. At the outset I would like to put on the record my commendation for all those in our community who volunteer as community visitors. They do an extraordinary job, giving up time voluntarily, and they do it with the very best interests of our most vulnerable citizens at heart. They are truly to be commended.

Mental health is an issue within our community that fortunately has been spoken about at length in the wider community. I have to suggest that organisations such as beyondblue, run by the former excellent Premier, Jeff Kennett, have gone a long way to raising the issue of mental health and the problems that it has for most families in our community. The statistics show that most families will be affected in some way or other by mental health, so aspects of this report were particularly worrying because of the ramifications found by community visitors but also for all of us who may know of friends, families, neighbours or constituents with mental health issues.

One of the most concerning aspects was the shortage of beds. The report states:

The shortage of acute beds remains a key finding that has been reported by the board to the minister since 2003.

That reporting started four years ago, and we have had four budgets since then. I can see the Treasurer in this chamber at the moment, and I hope he is able to take this on board and have a closer look when he is preparing next year's budget to make quite certain that the need for acute beds for mental health patients is actually addressed.

Also there are no facilities for extended care beds in the Hume and Barwon South West regions and patients are inappropriately accommodated in adult acute inpatient units waiting for secure extended beds. Some patients remain in acute units for more than eight months. Being housed inappropriately for eight months is just not acceptable.

There is also a shortage of professional allied health staff, and we are very aware of the shortage of staff. We have heard today about skills in some of the reports that

have been talked about this morning, and I would suggest that a working party be established as a matter of urgency to look into increasing the numbers of professional allied staff in the mental health sector. It is also worrying, given that these people are not at all well, that there are delays in maintenance and cleaning. The executive summary of the report says:

Significant delays in maintenance have been a disturbing trend reported by the board in some of the state's major metropolitan hospitals providing mental health services.

If people are suffering from a mental health issue, then the least that we can do as a community is to make certain that their surroundings are clean and well maintained. That is one aspect of their life about which they can have some certainty.

Another issue that the community visitors were concerned about, and which was described in the executive summary, was the shortage of low-cost rental accommodation:

The board calls on the government to address the shortage of low-cost rental accommodation in both the private and public sector to ensure that options are available for patients on discharge.

There is no point whatsoever in a patient in the hospital system being given assistance so that they are well enough to go back into the community only to find that there are no places for them to go, because at that vulnerable stage they could fall back into the same situation that put them into a need for an acute bed in the first place. It is vitally important that this follow-up stage is well funded, and that people can be secure in knowing that they will have opportunities to live in self-supported accommodation with the sort of support that they need.

I would have to say that the coalition under Mary Wooldridge, the shadow Minister for Mental Health in the other place, has come up with some marvellous initiatives for mental health, and they need to be looked at. She is reported as saying in a media release dated 3 June 2008:

The Victorian Liberal Nationals coalition today announces three measures which contribute to future reform and integration of the mental health system:

a mental illness research fund ...

central coordination of inpatient mental health beds ...

pathways to participation — an integrated education and employment program with the objective of increasing the workforce participation rate of Victorians living with a mental illness, from the current 29 per cent to 50 per cent by 2020.

Auditor-General: *Patient Safety in Public Hospitals*

Mr ELASMAR (Northern Metropolitan) — I rise to speak about the 2008 Auditor-General's *Patient Safety in Public Hospitals* report. When people are admitted or taken to hospital, for whatever reason, usually the patient and certainly the families of that patient feel profound relief that they are in the best place possible for whatever ails them. Families know that their loved one will be receiving professional and expert medical care, and in the vast majority of cases that is true. However, human nature being what it is, accidents or incidents are bound to happen. The issue is how we handle them and how we minimise them in the future.

The last annual report recommended that a monitoring system be established to firstly quantify and then develop a comprehensive risk management system in consultation with health-care providers. I fully endorsed that, because if accidents are preventable we have a duty of care to ensure that we do everything in our power to mitigate and lower the current incident levels. I understand from the report that the estimated number of incidents amounts to approximately 10 per cent of the overall number of patient intakes. This is still too high. We must not be complacent.

Health authorities are striving as far as humanly possible to provide a safe and secure hospital environment for patients and employees alike. No-one should be subjected to drunken brawlers or drug-crazed individuals in the casualty or emergency departments, which happens on a regular basis in our Victorian hospitals.

We do not underestimate the seriousness of patient safety or the urgent need to establish a proper risk management strategy and an effective patient safety system that will allow us to collect data and properly monitor a definitive clinical incident register. Armed with the proper information we will then be able, in consultation with the professional health services providers, to devise a comprehensive plan that will see patients entering hospital safe in the knowledge that they are in a safe place, a place of recuperation which will hopefully see them return healed to their families and loved ones. I commend the report to the house.

Auditor-General: *Performance Reporting in Local Government*

Mrs PETROVICH (Northern Victoria) — I rise today to speak on the Auditor-General's report, *Performance Reporting in Local Government*. Transparency and accountability are important

components at any level of government, but particularly in relation to accountabilities and reporting at probably the closest level to the community, which is local government. Councillors in most cases dedicate many more hours of work than the community would be aware of, and I am the last one in the world to be council-bashing. I served as a councillor for many years on the Macedon Ranges Shire Council, and I understand the dedication and the time required to perform the role of councillor properly.

Unfortunately there seems to be a lag between the work done by the body politic of the council and the reporting performed by the organisation of the council. In the Auditor-General's report he starts off by saying:

Local government collects over \$5.7 billion in revenue annually and manages assets valued at more than \$47 billion.

This is a huge amount of responsibility to communities. In business terms it is not only a substantial role but also a substantial business if you look at the number of employers and the amount of bottom-line accountability involved. The report continues:

Accountability for the management of these assets and for the delivery of services is fundamental to good governance. The accountability chain includes providing relevant and appropriate performance information to ratepayers and residents.

Clearly there is a lag between what is expected and what has occurred. The Auditor-General made a number of recommendations, which were that:

All councils critically review the performance information in their annual reports to ensure it is:

relevant and appropriate;

presented in a comprehensive form.

Regulations be issued establishing minimum standards for the form and content of performance statements.

All councils document and approve performance reporting policies and standards.

Councillors and council staff involved in performance reporting are given appropriate training on performance measurement and management.

This is a large part of the problem. We have a significant problem in that the format in which reports are presented to the community is not easily understood or accessible. When you look at the role of councillors and the level of work they have to do, there is probably not adequate training for them currently.

Some of the key findings are:

Most councils' non-financial performance data is of limited relevance to ratepayers and residents, the principal users of that data ...

Most councils are not providing enough appropriate information to users about the performance measures they have adopted. This means that users are not able to meaningfully assess councils' performance ...

The performance measures —

and KPIs (key performance indicators) —

reported can be reliably measured. However, this must be considered in the context that many performance measures are neither relevant nor appropriate.

This is not a good state of affairs. It is very easy. Councillors often bear the brunt of what is in effect poor legislation and the result of cost shifting by state and federal governments. They have a very difficult job to perform. This is not made any easier by the fact that the legislation that requires councils to establish targets is not adequate. There is no requirement for these targets to be capable of measurement or for them to be limited to single quantifiable amounts or duration.

I note that none of the 10 councils surveyed in this report has been divulged, which may be good or bad, but it is not particularly transparent. It is clear that levels of ambiguity now allow this inadequate reporting to be achieved. There are a number of recommendations, and there are significant areas that could be improved on.

Communities have a right to know how their rates are being spent. They have the right to know what is being expended on wages, vehicles and accountabilities. With rates rising at a rate of 6 per cent per annum it is important that ratepayers are getting performance and value for money. KPIs need to be met and projects, costings and performance evaluations of the organisation should be presented in a simple, concise format that allows all ratepayers access to that information.

If we are to be truly open and accountable we must not treat the constituents at any level of government with contempt by not listening to them and by making decisions in isolation with little or no consultation or proper reporting.

Lower Murray Water: report 2006–07

Ms BROAD (Northern Victoria) — Today I wish to speak on the 2006–07 report of Lower Murray Water (LMW), also known as the Lower Murray Urban and Rural Water Authority. I wish to thank the chair,

Michael Tilley, and all the members of the board, together with chief executive officer and now managing director, Ron Leamon, and all the staff for their work at Lower Murray Water

LMW's area of operation extends from Kerang to the South Australian border, taking in the municipalities of Mildura, Swan Hill and Gannawarra. LMW provides the region with urban water and wastewater services, treatment and effluent disposal services, river quality water to stock, garden and irrigation customers, and the collection and disposal of subsurface irrigation drainage water. It is an area of operations that includes 14 townships with around 60 000 customers as well as more than 3600 customers in irrigation districts, so it is a sizeable area.

LMW recognises that how water resources are managed impacts on the social and economic wellbeing of the region as well as on the environment. I am pleased to say that the Brumby Labor government also recognises the importance of managing Victoria's water resources responsibly. That is the reason Labor has a clear water plan and is getting on with the job of building vital water projects right across the state to provide a secure water future for the people of Victoria, no matter where they live.

The LMW 2006–07 annual report lists many achievements for the authority and the communities of the region, and I shall refer to a few of those in the time that I have. They include capital works projects such as the Mildura West water treatment plant, extensive earthworks in the Red Cliffs irrigation district, the initiation of the Robinvale irrigation system replacement project, the progressive introduction of urban water restrictions, culminating in stage 4, and the development of the new state water register.

In addition to those, there has been a new dedicated 4-kilometre trade waste main constructed from Neqtar Wines to existing sewers in Irymple, a water supply pipeline to the Thurla industrial park and freight gate centre near Mildura, which is 5.9 kilometres in length, and the replacement of ageing mains in Langtree Avenue in Mildura itself. As well as that, there were mains replacements in Swan Hill and in the Kerang area. In addition there is the replacement of some 470 mechanical meters with new solar-powered electronic water meters. Some 270 new metres have been installed in the time covered by this report.

The final achievement I refer to, which is by no means the least achievement, is the preparation of a draft rural customer charter which was developed during the first half of 2007 to set service standards and obligations that

Lower Murray Water aims to meet for all its customers — a very important development. I acknowledge the work of all those involved in delivering those achievements and many others besides.

In conclusion I refer to the provision of some \$560 000 by the Brumby Labor government to Lower Murray Water to construct a new sewerage scheme at Nichols Point near Mildura to help protect the Murray River and Kings Billabong. This funding was provided through Labor's \$42 million Country Towns Water Supply and Sewerage program, an initiative that is part of the government's Our Water Our Future plan.

On behalf of the Minister for Water in the other place, I had great pleasure in announcing this funding at Kings Billabong with representatives from Lower Murray Water and the community. I congratulate Lower Murray Water and community representatives for proposing this new sewerage scheme at Nichols Point, which will improve public health and help to protect the Murray River and Kings Billabong. The new sewerage scheme will be complemented by a new management plan for Kings Billabong Wildlife Reserve that has recently been completed by Parks Victoria and the Mallee Catchment Management Authority, and I wish to acknowledge their efforts as well as the local community's contribution to that plan.

Auditor General: *Implementation of the Criminal Justice Enhancement Program (CJEP)*

Mrs KRONBERG (Eastern Metropolitan) — I would like to report on the Auditor-General's *Implementation of the Criminal Justice Enhancement Program (CJEP)* report. The program is a complex, major information technology project auspiced by the Department of Justice. This integrated information and communication technology platform is designed to support the participation of law enforcement agencies engaged in the administration of criminal justice in Victoria. This includes agencies such as the Victoria Police, the Office of Public Prosecutions, Victoria Legal Aid, the County Court and Corrections Victoria. The aim of the integrated platform is to streamline systems and processes with improvements coming by way of minimising transaction costs and providing improved access, quality and timeliness of information not only to the agencies but also to legal practitioners, the courts and the public.

The project commenced in October 1998 with a \$14.5 million budget and was meant to be completed by November 2000. Unfortunately, with the change of government in 1999, we can see that the project completely lost its way. We might even say that it was

derailed. It is also in a very sad state in terms of timeliness and cost overruns. Obviously, with the change of government, considerable momentum was lost in the commitment to this project.

The original scope of CJEP encompassed five projects with a further three added later. The project sponsor is the Secretary of the Department of Justice, with the day-to-day accountability for project management resting with the department, with a steering committee having oversight for its implementation.

The Auditor-General has found that CJEP has not been implemented on time or — guess what? — on budget. What a surprise! A major element of what is known as E*Brief, the electronic brief-disclosure project, will not be operating now until 2009. Think about this: an information technology project started in October 1998 which will not be delivered until 2009. Based on my experience in the information technology industry, we could probably talk about almost two generations of technology passing in the life cycle of this project. This means four other projects already delivered cannot be utilised because of this delay. For a project with such an elongated project life cycle it is probably largely obsolete before full completion and implementation. The project managers would have problems securing staff with the relevant skills over such an extended period of technological development. The Auditor-General's team point to this. At May 2008 cost overruns amounted to \$39.9 million, and there are estimates by Victoria Police that a further \$4 million will be required to complete the outstanding E*Brief project.

As the program continued to exceed the time frame for completion, extended from 2000 to 2002, a further \$15.4 million was found to accommodate the scope changes. In addition, the project was further augmented by the department's own budget — I am sure this is to cover up a whole lot of embarrassment. In May 2003 progress was reported. The scope and hence the funding was widened with a fresh completion date of March 2004. This new target date was not achieved.

The Auditor-General reveals that the delays and inevitable cost overruns are mainly due to an underestimation of the complexity, magnitude and level of cross-agency involvement required; an inadequately developed business case; inadequate specification of system requirements; and delays and issues related to contractor performance. To me it seems like the people by whom this project has been auspiced were asleep at the wheel and had no project management responsibilities.

The ACTING PRESIDENT (Ms Pennicuik) — Order! The member's time has expired.

Kangan Batman Institute of TAFE: report 2007

Mr EIDEH (Western Metropolitan) — The Minister for Skills and Workforce Participation in the other house recently released a discussion paper entitled 'Securing our future economic prosperity'. This paper is about training, upgrading skills and developing the workforce for future needs. Kangan Batman TAFE is one of the educational institutions within my electorate that is already moving in this direction. Indeed, I am impressed with the quality of education that Kangan Batman TAFE offers over a vast range of areas and with just how hard its staff and management are working to train and better prepare people for the future workforce needs of our state. Along the way Kangan Batman TAFE has won major recognition, such as the 2007 award for Victorian training provider of the year in the vocational education and training sector. This is awarded to only the very best. This amazing TAFE college is already working on delivering what Victoria needs in a number of key industry areas and has established high standards in teaching and training to guarantee that its graduates are accepted in their industries without hesitation.

Some of the TAFE's campuses fall within my electorate and others are in various other electorates, such is the diversity of this top-class TAFE facility. Staff at these campuses are training people for the automotive industry, the strong and highly regarded Australian fashion industry, the expanding aviation industry, business, information technology, furniture, health, sport and fitness and much more, including the training industry itself. The full range of what Kangan Batman TAFE offers is very extensive and caters for almost every industry sector — every area where we need skilled workers for the future growth and prosperity of Victoria.

Certainly this TAFE is well managed and administered, as its report clearly shows and as the Auditor-General agreed in his own assessment of Kangan Batman TAFE. This is an achievement in itself, given how many other bodies have run into economic difficulties over recent years. So I congratulate the executive team, the board of directors and indeed the staff who have collectively worked together as a great team to deliver an outstanding training institution for the people of Victoria.

That is not all. As with the amazing Victoria University, this TAFE has a strong and growing community program and is seeking to grow it even

further in addition to seeking to train and upskill indigenous and mature-aged Australians. It is a mark of honour and respect for others that transcends all religions or faiths and all elements of decency to note that the TAFE has run a number of projects to help children and adults in poor nations in some of whose communities education is barely known. Recipients of those projects include the Philippines and East Timor, and we should all acknowledge the good hearts and commitment to helping others shown by Kangan Batman staff and management.

Kangan Batman TAFE has certainly grown and changed greatly since 1925 when it first opened its doors under another name — and, of course, as a much smaller training facility. Today it is a TAFE centre of excellence that is increasingly bringing itself to the attention of industry across Australia and across our international neighbours. Victoria needs many thousands of trained, skilled people to ensure that we are able to provide the future economic prosperity to which we are entitled. While we cannot compete with India and China in terms of labour size and the cost of production, we excel in quality training and in the high level of skills and expertise that are so much a part of Victoria.

Vocational education and training has received well over \$1 billion from the Bracks and Brumby Labor governments, and the value of such an investment is evident in quality institutions such as Kangan Batman TAFE.

Auditor-General: *Piping the System — Incorporating the Wimmera–Mallee Pipeline and the Goldfields Superpipe*

Mr KAVANAGH (Western Victoria) — The goldfields super-pipe was constructed to avert the prospect of Bendigo and Ballarat running out of drinking water. It seems to me that there were superior alternatives available, which included the construction of dams or at least a weir in the Otways with a view to using some of the 93 per cent of the most reliable water supply in Victoria that now flows into the sea. These options and others were rejected — largely, it seems to me, because of a misplaced ideological opposition by the government to new dams.

Although it has been alleged in public that the Democratic Labor Party was trying to stop the construction of the super-pipe, this was never the case. The truth is that I put a lot of effort into getting the best deal possible for affected farmers. These efforts met with some success and the pipe was laid deeper than was originally intended. This is important to allow

farmers to use heavy equipment over the pipe with confidence. Finally a much better insurance deal than was originally intended was offered to the farmers. I think it is fair to say that, as a result of vigilance and frequent complaints and requests for action to ministers, more care was expended to meet farmers' concerns than would otherwise have been the case.

The Auditor-General's report *Piping the System* concluded that the goldfields super-pipe has been well managed. While this may be the case in general, there were a considerable number of instances of mismanagement in the installation of the pipeline by contractors. In at least one case, to gain access to a farm contractors simply cut the electric fences, allowing cattle to escape and wander the district. This caused great distress and worry to the farmer concerned and necessitated the loss of days of work time in rounding up his cattle. In spite of repeated, explicit demands by farmers that construction equipment not be taken between properties without it being thoroughly washed down, this was not always done. Some farms were needlessly exposed to the spread of weeds and other contaminants onto their properties. In a similar way, soil profiles were not always restored as they should have been. Farmers demanded the restoration of soil profiles and in a majority of cases this was done. In some cases, however, it was not done and some farmland has thus been degraded through the replacement of topsoil with subsoil.

There was at least one oil spill on farmland. Installation of the pipe also caused damage to pre-existing old pipes, causing flooding of crops on at least one farm and in another case cutting the supply of water essential to crops. This happened when temperatures were over 40 degrees and the crops were at real risk of being ruined. In both cases, repairs to pipes were not begun until more than 10 hours after the damage was first reported.

There are reasons to suspect that the amount of compensation being offered to each farmer depends more on the amount of noise that he makes rather than on the real cost to the landowner. Whilst the temptation is understandable, it is obviously bad policy.

Australia comprises many things — its spirit and its people. Undoubtedly Australia is also the land on which we stand. We have the responsibility to preserve and protect our country, and this must surely include the land that is beneath our feet. The world is experiencing a sharp rise in food prices due to a shortfall in crop production. I do not believe this will prove to be a long-term crisis, but it emphasises the need to conserve farmland. The land adversely affected in the laying of

the goldfields super-pipe included some of the best farmland in Victoria.

I express the hope that in implementing future projects, including the north-south pipe, the government will ensure that contractors act with more respect for the land and for landowners than was shown in some instances by those who installed the goldfields super-pipe.

APPROPRIATION (PARLIAMENT 2008/2009) BILL

Statement of compatibility

For Mr LENDERS (Treasurer), Mr Jennings tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities, I make this statement of compatibility with respect to the Appropriation (Parliament 2008/2009) Bill 2008.

In my opinion, the Appropriation (Parliament 2008/2009) Bill 2008, as introduced to the Legislative Council, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The purpose of the Appropriation (Parliament 2008/2009) Bill 2008 is to provide appropriation authority for payments from the consolidated fund to the Parliament in respect of the 2008–09 financial year.

Human rights issues

1. *Human rights protected by the charter that are relevant to the bill*

The bill does not raise any human rights issues.

2. *Consideration of reasonable limitations — section 7(2)*

As the bill does not raise any human rights issues, it does not limit any human rights, and therefore it is not necessary to consider section 7(2) of the charter.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities because it does not raise a human rights issue.

JOHN LENDERS, MP
Treasurer

Second reading

Ordered that second-reading speech be incorporated on motion of Mr JENNINGS (Minister for Environment and Climate Change).

Mr JENNINGS (Minister for Environment and Climate Change) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

The bill provides appropriation authority for payments from the consolidated fund to the Parliament for the 2008–09 financial year, including ongoing liabilities incurred by the Parliament, such as employee entitlements, that may be realised in the future.

Honourable members will be aware that other funds are appropriated for parliamentary purposes by way of special appropriations contained in other legislation. In addition, unapplied appropriations under the Appropriation (Parliament 2007/2008) Act 2007 have been estimated and included in the budget papers. Prior to 30 June, actual unapplied appropriation will be finalised and the 2008–09 appropriations adjusted by the approved carryover amounts pursuant to the provisions of section 32 of the Financial Management Act 1994.

In line with the wishes of the Presiding Officers, appropriations in the bill are made to the departments of the Parliament.

The total appropriation authority sought in this bill is \$93.2 million (clause 3 of the bill) for Parliament, for the 2008–09 financial year.

This year, as part of the government's commitment to strengthen state parliamentary accountability, the appropriation includes \$1.8 million over four years and \$3.8 million TEL, for the live audio and video webcasting of all sessions of the Legislative Assembly and the Legislative Council, including question time. This is an important initiative in e-democracy, improving the public's access to and understanding of the Parliament's operations and the legislative process.

I commend the bill to the house.

Debate adjourned on motion of Mr RICH-PHILLIPS (South Eastern Metropolitan).

Debate adjourned until Thursday, 19 June.

**STATE TAXATION ACTS AMENDMENT
BILL**

Second reading

Debate resumed from 29 May; motion of Mr JENNINGS (Minister for Environment and Climate Change).

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I am pleased to rise this morning on the State Taxation Acts Amendment Bill. This bill is the enabling legislation for the initiatives that were

announced by the Treasurer in the budget on 6 May. It makes amendments to the Duties Act 2000 with respect to stamp duty, the Payroll Tax Act 2007 with respect to payroll tax, and the Land Tax Act 2005, not surprisingly with respect to land tax.

The Treasurer made a number of announcements in his budget speech with respect to tax cuts of approximately \$300 million in this year's budget. Of course, as pointed out in the motion to consider the budget papers, the Treasurer is also the beneficiary in this year's budget of windfall tax revenue of more than \$1.4 billion when you compare the budget produced for 2008–09 with the estimates that were contained in the budget last year. So notwithstanding the tax cuts, so-called, of \$300 million, which are being implemented through this bill, the Treasurer is still a major beneficiary of windfall taxation revenue above and beyond that estimated for 2008–09 when the previous year's budget was introduced in May 2007.

What this bill does with respect to the Duties Act 2000 is to implement the various changes that were announced with respect to the stamp duty provisions. One of the key changes there is to increase by approximately 10 per cent the thresholds for the various rates of stamp duty with respect to general duty — duty that is levied on a principal place of residence and where the pensioner exemption of concession applies, and that is backdated to 6 May, being the budget date.

It also removes the requirement for first home buyers to make an election between receiving the first home owner bonus, which is the top-up provided by the state government on top of the first home owner grant, which was provided for under the commonwealth-state intergovernmental agreement that led to the GST, and the choice of the principal place of residence concession. At the moment a first home buyer has the option of one or the other. Whether they take the principal place of residence provision or take the first home owner bonus as a consequence of this bill, they will no longer need to make the election between those two options and will be eligible to receive both entitlements.

The bill also increases the exemption level for pensioners with respect to stamp duty. From the passage of this bill a pensioner purchasing a property costing up to \$330 000 will not be liable for stamp duty, and that then tapers out at a level of \$440 000.

The bill also makes some clarifications with respect to the levying of stamp duty on off-the-plan purchases or where construction of an off-the-plan property has commenced in terms of determining what percentage of

a property has been constructed for the purposes of levying stamp duty in an off-the-plan scenario. From the passage of the legislation the Commissioner of State Revenue will be able to apply predetermined percentages to determine how much stamp duty is payable where a transaction takes place after the commencement of the construction of a property.

The bill also clarifies the duty exemption with respect to certain transfers under a unit trust, where the beneficiaries of the trust remain the same. It introduces new exemptions for property purchases by special disability trusts and makes some changes with respect to transactions that involve a stapled entity — that is, a unit trust or an operating company — and that follows through from commonwealth legislation in 2007 to allow certain corporate reorganisations.

The issue of stamp duty is an important one. Yesterday in question time we heard the Treasurer, in response to a question about stamp duty levied on homes at Caroline Springs in the Kororoit electorate, duck the question because the question was simply: is it the case that the median house price in Caroline Springs, \$307 000, attracts stamp duty of over \$11 745, and is it also the case that that is the highest level of stamp duty levied on a property at that price anywhere in Australia? And the answer is clearly yes. That was not an answer the Treasurer wanted to give. The Treasurer did not want to concede that his stamp duty regime is the most expensive in Australia, and those homebuyers in the seat of Kororoit in the suburb of Caroline Springs, buying a home at the median price of \$307 000 are paying more stamp duty than other homebuyers in Australia buying a house at that level.

Despite the stamp duty changes that are introduced by virtue of this bill, collections of stamp duty under the 2008–09 budget compared with the estimates for this year, as introduced last year, are up by \$879 million. Stamp duty collections are estimated at \$3.7 billion, a 30 per cent increase on the estimate of \$2.8 billion that was forecast in the 2007–08 budget.

The 10 per cent increase in the thresholds that have been introduced by the Treasurer, which the second-reading speech notes are the first adjustments to the thresholds in a decade, also need to be looked at in context, because the Australian Bureau of Statistics house price data for Melbourne show that over the last five years alone there has been a 53 per cent increase in house prices across Melbourne. To adjust the threshold by only 10 per cent in 10 years clearly shows that those changes to the thresholds are not keeping up with the growth in property prices in Melbourne, and as a

consequence Victorians continue to pay the highest stamp duty of any state in the nation.

I come back to the issue of the Caroline Springs property which the Treasurer wanted to deflect yesterday. The Treasurer went on a rant that if the person buying the property in Caroline Springs at \$307 000 was a first home buyer, they would receive the first home owners grant and also be eligible for the first home owners bonus, which would virtually eliminate the stamp duty they would be liable to pay. I say to the Treasurer in response that every first home buyer in every state in Australia is eligible for the first home owners grant, so that \$7000 under the commonwealth intergovernmental agreement is irrelevant to the issue of how much stamp duty is levied by the state of Victoria, because in every state a person buying their first home is eligible to receive that sum of money. In the case of New South Wales and Queensland a first home buyer purchasing a property for \$307 000 would pay no stamp duty.

Mr Drum — How much?

Mr RICH-PHILLIPS — No stamp duty.

Mr Drum — Exempt?

Mr RICH-PHILLIPS — Exempt; and then they would receive the \$7000 first home owners grant. They would be substantially better off in New South Wales and Queensland, which have an exemption for first home buyers purchasing properties at \$307 000, and they receive the first home owners grant. The picture the Treasurer tried to paint, that somehow Victorian first home buyers in Caroline Springs paying \$307 000 are better off than other states, was misleading at best — —

Mr Drum — Don't say it; don't say the 'L' word.

Mr RICH-PHILLIPS — It was misleading at best. I think the Treasurer in his answer yesterday suggested that I was selectively using figures, and I could only say that if anybody knows about selectively using figures, it is the Treasurer. We saw that yesterday in his answer to that question without notice, because an examination of the tax scales across the various states clearly shows that the \$11 745 stamp duty payable on that home in Caroline Springs is the highest of any state. It compares with \$9328 in New South Wales, assuming it is not a first home buyer; \$9238 in Queensland, again assuming it is not a first home buyer; \$9850 in Tasmania; \$11 705 in South Australia; and \$11 075 in Western Australia. Even away from the regime of first home buyers and the concessions, grants and bonuses that are available, Victoria is still the most expensive state in

Australia in which to purchase a \$307 000 home, such as would typically be found in Caroline Springs, which is in the Assembly electorate of Kororoit.

The second issue addressed by the bill is amendments to the Land Tax Act 2005, which provide an increase in the general threshold for land tax exemption to \$250 000. They also reduce the top rate of land tax from 2.5 per cent to 2.25 per cent, which applies where the value of a property exceeds \$3 million. There is no doubt that this increase in the threshold and reduction in the top rate of land tax is welcome, but again it is an example of the Treasurer returning to taxpayers only a small proportion of the windfall gain in land tax revenue that he is budgeting to receive in the current financial year.

I can again refer back to the estimates put forward for 2008–09 in the May 2007 budget, where land tax receipts were estimated for 2008–09 at \$796 million. After the initiatives the Treasurer has brought forward in this bill, the land tax receipts for the budget for 2008–09 are now \$1049 million. So we have seen a \$250 million increase in the estimated land tax receipts despite the Treasurer's land tax initiatives that are coming forward in the bill. We have seen a 31 per cent increase in the estimated land tax receipts for 2008–09 on the updated figures, even after the very modest — —

Mr Drum — Thirty per cent?

Mr RICH-PHILLIPS — A 31.7 per cent increase in the estimated revenue from land tax even after comparing the old estimates with the new estimates and even after the initiatives that the Treasurer has brought forward with this bill.

The other area that I would like to touch on is the changes to the Payroll Tax Act, which also pick up the announcements made by the Treasurer in his budget speech on 6 May. The key initiative in the budget with respect to payroll tax is a reduction in the payroll tax rate, a further reduction from that already announced previously, from 5.05 per cent to 4.95 per cent. In case honourable members are not aware or not tuned in to the magnitude of that change, the Treasurer has announced a reduction in the payroll tax rate of one-tenth of 1 per cent. The Victorian community has reason to pause and note — I am sure the Treasurer would hope with some gratitude — that the Treasurer is delivering a reduction in the payroll tax rate of one-tenth of 1 per cent via this change.

Mr Drum — Do you think we should fall down on bended knee and pay homage?

Mr RICH-PHILLIPS — Perhaps the Treasurer is hoping that Victorian payroll taxpayers fall on bended knee in homage to his one-tenth of 1 per cent reduction in the payroll tax rate as a consequence of this — —

Mr Drum — Are they going to get less next year?

Mr RICH-PHILLIPS — Acting President, Mr Drum asks the question: does that mean the state will collect less tax next year? Unfortunately it does not. It is the third example of a tax cut announced by the Treasurer in this budget where the aggregate revenue from the taxation measure will nonetheless increase compared to what was estimated in the May 2007 estimates for the current financial year compared to the latest estimates for the current financial year.

In the case of payroll tax, in May 2007 the 2008–09 revenue was estimated at \$3.76 billion, and in the latest update in last month's budget that revenue estimate has increased to \$3.96 billion. Despite the massive one-tenth of 1 per cent cutting of the rate, the Treasury is expecting an extra \$196 million in payroll tax revenue compared to its estimate a year ago, or an increase of just over 5 per cent.

It is important to note that the threshold at which payroll tax applies remains at a payroll of \$550 000. This threshold is one that has barely changed over the life of this government. Going back to the government's first budget in 2000–01, the payroll tax threshold was \$515 000. In the subsequent eight years it has increased by only \$35 000 to \$550 000.

The impact of that, with rising nominal wages, is that we have seen the size of businesses that are liable to pay payroll tax diminish. In fact in 2001 when threshold payroll tax was \$515 000, a business needed to employ 15.1 full-time employees earning average weekly earnings — that is, not allowing for on-costs, but in terms of wage income — before a business reached the payroll tax threshold. Now, with the increases in nominal wages, only 12.1 people can be employed full time at average weekly earnings before a business hits the threshold at which payroll tax is liable to be paid.

We have seen a substantial increase in the number of small businesses liable to pay payroll tax and anyone who has been involved in or dealt with small business knows that the number of businesses in that range — employing between 10 and 15 people, and it would be picked up having payrolls where the threshold of payroll tax has effectively fallen from 15 employees to 12 employees — is substantial. Notwithstanding the cut in the rate announced in this budget of one-tenth of

1 per cent, we are still seeing substantial growth in payroll tax revenue through the budget because as a consequence of the threshold not being adjusted in any substantial way over the life of this government the proportion of businesses employing people that are required to pay payroll tax is increasing.

Those are the main provisions of this bill. One of the boasts of the Treasurer about state performance on taxation generally has been about the reduction in the level of state taxation as a proportion of gross state product to less than that levied in Queensland. The budget papers helpfully contain a chart showing the relative taxation performance of the various states expressed as a proportion of gross state product. On budget day the Treasurer very proudly said that as a consequence of the changes he was making, Victoria for the first time will have a lower level of state taxation as a proportion of gross state product than Queensland. At that stage Victoria's taxation revenue as a share of gross state product (GSP) for 2008–09 was forecast at 4.6 per cent. Sure enough, the chart showed that in the Queensland scenario Queenslanders would be paying more than 4.6 per cent of GSP in state taxation revenue.

It was very convenient for the Treasurer to make that statement in his budget of 6 May because the Victorian budget was one of the first — if not the first — state budgets to be brought down in the financial year, and the Treasurer was able to compare his new budget initiatives with the old budgets of the other states.

Mr Drum — He is selective, isn't he?

Mr RICH-PHILLIPS — Unfortunately, Mr Drum, the Treasurer's comparison with Queensland no longer holds, because last week the Queensland government brought down its 2008–09 state budget.

Mr Drum — He was telling the truth for a week, or two weeks.

Mr RICH-PHILLIPS — He was telling the truth for a couple of weeks, except that the initiatives the Treasurer was relying on when he made his statement about Victorian taxes being lower than Queensland's actually had not been implemented. Those initiatives the Treasury spoke of and that this bill is dealing with today have not been implemented yet. When the Queensland government implements its new tax initiatives we may see the status quo maintained, with the Victorian government's state tax revenues actually never falling below those of Queensland as a proportion of gross state product.

As a consequence of the tax initiatives in the budget announced last week by the Queensland Treasurer,

Andrew Fraser, the proportion of state taxes collected in Queensland for the 2008–09 year will fall to 4.3 per cent. The relativities of the Victorian taxes being higher than Queensland's have been restored as a consequence of the Queensland budget for 2008–09. The Treasurer will have to go back to scratch in looking for a state where he can find a higher level of state taxation relative to the Victorian level being implemented following the passage of this legislation.

The Liberal Party does not oppose this bill that introduces these three new initiatives. They certainly bring welcome relief to long-suffering Victorian taxpayers, but they fall well short of any meaningful tax reform. Victoria has not seen any meaningful tax reform for the last eight years following the initiatives of the intergovernmental agreement and, as the ever-increasing state taxation revenue demonstrates, Victorians are crying out for meaningful tax reform that has yet to be delivered by this Treasurer and this government.

Mr DRUM (Northern Victoria) — I am pleased to be able to rise and contribute to the debate on the State Taxation Acts Amendment Bill. I want to thank Gordon Rich-Phillips for his contribution and the way he was able to put the government's recent budget announcements clearly into perspective so that the people of Victoria can see these supposed tax cuts for what they are. This bill provides for the announcements made in the budget to be introduced into Victoria's state taxation regime. While the government has made a significant fuss about some of the supposed tax cuts which were announced in the recent budget, it is worth looking behind the announcements, because it can be seen that the Victorian government will continue taking more and more tax in each of the areas it is supposedly cutting tax.

It takes a bit to get your head around the sheer irony of a tax cut meaning the government takes more. The greatest example of this has been shown to be payroll tax. The rate has been brought down ever so slightly from 5.05 per cent to 5 per cent and then from 5 per cent to 4.95 per cent, and you would tend to think that that is a genuine cut. But when you look at wages that have increased in line with the consumer price index and wage increases that have been increased above the consumer price index, as was pointed out by Mr Rich-Phillips, you find we now have a situation where it takes three fewer employees than it did seven years ago for businesses to reach a stage where they have to start contributing to payroll tax. That is the inescapable and practical truth behind what the government has implemented and what has happened on its watch.

In 2001 a business needed to have more than 15 employees before it got caught up in paying payroll tax, which is in effect a tax on employment or a tax on jobs. You had to have a business which was large enough to have more than 15 employees being paid the average wage to get caught up in this tax. Despite the increase in wages on its watch, the government has refused to act on raising the threshold. It remains at \$550 000.

If you compare this to the situation around Australia, you find Queensland is currently sitting at \$1 million. It is nearly double, so you can have nearly twice as many employees in a business in Queensland as in Victoria without getting caught up in payroll tax. You can have twice as many in Tasmania, and three-quarters as many in Western Australia, where the rate is \$750 000, and on it goes. South Australia is the only state that is under Victoria. Victoria continues to promote a situation where more and more businesses — many of them classified as small businesses as they operate with less than 20 employees — are going to be caught up in paying this tax. By refusing to raise that \$550 000 threshold, as wages increase the government will continue to catch more and more small businesses. The increase in payroll tax is estimated at some \$360 million. Mr Rich-Phillips had a slightly different figure, but it is in effect the same amount of tax on businesses.

We also have an issue with land tax, which is going up under this government. Next year's estimates show that there will be a 31 per cent increase in land tax revenue collected by this government. We are expecting land tax to increase by over \$300 million just on next year's estimates compared to this year's figures. There is a huge increase in that area.

Stamp duty will also increase. We know that stamp duty has been increasing dramatically under this government. Housing in Victoria, specifically in Melbourne, has gone through the roof. This is no surprise to anybody. We have a government that is trumpeting initiatives such as the first home buyers scheme. Mr Rich-Phillips was able to point out that while in Victoria we are beneficiaries of the federal government housing bonus, Victoria has its own scheme. But for first home buyers — the people we really should be trying to help — Victoria is the only state that charges first home buyers stamp duty. South Australia will now start coming into this, but at the moment it is zero for houses up to \$150 000 and then it goes up to a small amount for the next bracket. None of the other states charge any stamp duty at all for first home buyers.

The idea is that we are well off because we get this assistance on the way through, but the reality in all of this is that even if you are living in regional Victoria and you get the additional \$3000 — if you are a first home buyer you get the federal government bonus and the state government bonus — you will still probably end up with a net loss in relation to taxes on your first home. We are the only state in Australia that does that to our first home buyers. First home buyers in all of the other states will be well in the black because they will receive the federal government assistance and they will not be slugged by state government stamp duties. They will receive a genuine kick-start and genuine help when it comes to purchasing their first home.

When the Treasurer is criticised for his stance in these areas, he tries as hard as he possibly can to find another state that has a higher taxation regime in a particular area. When he finally runs out of all of those options and has no defences left, he comes up with the old chestnut from this government and asks, 'What do you want us to do? Do you want us to cut services?'. There has to be a better way for the government to defend its taxation regime and its spending policies than to talk in millions of dollars one minute, talk in percentages the next minute and talk about cuts to potential income the next minute. The way the government describes its income streams through state taxation and its revenue streams into the future is a bit tricky, a bit selective and a bit below the belt.

With those few comments I advise the house that The Nationals will be not opposing this legislation. We welcome the changes, slight as they may be. We wish the government would get serious about tax reform and put in place some of the initiatives we know are desperately needed to give industry and small businesses a bit of a shot in the arm, as opposed to continuing to catch more and more businesses up in the payroll tax regime. We wish the government would get serious about trying to assist young couples in this state who are trying to purchase their first homes. Whether it be in the regions or the cities, the fact is that this is the only state that will give you money with one hand and then take it back with the other hand through stamp duty on first home purchases.

Mr BARBER (Northern Metropolitan) — This bill contains a number of measures to reduce the rate of stamp duty and payroll tax. That is fine as far as it goes. Clearly if you are taxing something like employment or property values, which are growing fast, then you are going to be collecting more revenue. That is the point of taxing something that is growing as opposed to taxing something that is stagnant. That is the reason the

Howard federal government introduced a GST — it wanted access to a so-called growth tax.

The Greens are supportive of the bill to the extent it reduces the rate of payroll tax. Payroll is not the sort of thing that we wish to tax. But when Mr Rich-Phillips calls for meaningful tax reform, we could suggest cutting the number of poker machines in Victoria. Each one of those poker machines is a collector for the State Revenue Office, and reducing the number of poker machines would cut taxes on the most vulnerable people in Victoria.

Ostensibly the big policy initiative of this bill concerns the changes to stamp duty and the first home buyers bonus — in other words, it is meant to be about housing. Housing is probably the most neglected issue in this entire Parliament. It is almost never dealt with. We have had little in the way of improving legislation since I have been here. When you take out the barracking for the land bankers that the Liberal Party constantly engages in, you find that nobody else seems to be coming into this chamber with solutions to our current housing crisis. Gordon Rich-Phillips is smiling because he knows what I am talking about. I am talking about those developers who have bought up land either side of the current urban growth boundary and are just waiting to cash in on their superannuation. I can understand why the Liberal Party has set itself up as a lobby group for those particular groups of land-holders, but that hardly represents a response to the serious housing crisis in Victoria. Neither does this bill.

The bill makes small adjustments to the rates, scales and eligibilities to stamp duty and the first home buyers bonus. But we know, because the Productivity Commission told us, that within the population of first home buyers — that is, people who are eligible for these sorts of bonuses through the federal and state schemes — those whose incomes fit within the top two quintiles actually represent 54.8 per cent of that population. The eligibility for this particular grant or saving overwhelmingly goes to those people in those top two quintiles. It is a simple equation. You have to be reasonably well off even to be able to buy a house these days. These sorts of non-means-tested measures inevitably benefit people who are relatively well off. They do not benefit those people who are completely locked out of home ownership, nor do they help people who are in such dire straits that they cannot even compete in the private rental market, which includes the homeless, people in insecure housing and people on public housing waiting lists.

If we wanted to make a serious attack on the housing crisis in Victoria, then some of the sorts of things we

would be seeing in legislation would include the establishment of rooming house standards. The problem with rooming houses, which has been happening for a while, is that they are being closed down. Fitzroy used to be the biggest area for rooming houses. Nobody knows how many have closed down because nobody knows how many there were originally. But we are getting regular information about the traditional rooming houses, which have been there for a long time, slowly being gentrified out of existence.

Rooming houses are being replaced with a new suburban phenomenon, where a more or less unscrupulous and quite often unsavoury operator rents a regular stand-alone house, and then with very limited refitting he fits in as many people as he possibly can. Every room gets turned into a bedroom; sometimes strangers share bedrooms. There are no locks on the doors. The original bathroom and kitchen facilities, which were designed for a family, now serve whole groups of people. There is no supervision on site. Any behavioural issues between tenants are not dealt with. There is a great need for standards to be established around these sorts of black-market operations.

The government, I understand, is bringing forth some legislation to allow greater enforceability of such laws as there are. But that will fall a long way short of the seven-point plan of the Tenants Union of Victoria which is to align the definition of 'rooming house' in all relevant legislation; to clarify and improve registration conditions, which would include annual local government inspections for health and safety; to introduce a registration scheme for rooming house managers which would involve a fit-and-proper-person test; to simplify the statement of rights and duties so that people who are going into a rooming house understand what is involved, and often those people are the most vulnerable people in society; to undertake periodic sweeps to investigate compliance with and breaches of laws such as the demanding of extra money above and beyond the bond, the so-called 'key money' which is often used to take money from someone up front; and to increase outreach activity to find and assist people. Housing agencies know where these people are because they are referring them to these operators. Housing agencies are in an incredibly difficult position when they are trying to find houses for people, because they know that all that is available is these cowboy outfits. Outreach is possible, but there needs to be funding for it.

Also in the tenant union's seven-point plan is the introduction of mandatory minimum standards for the use of government financial assistance. Rooming houses have sprung up not just as a result of the

housing shortage but also the ability to tap into government financial assistance. We are not seeing anything like that seven-point plan. The government has not moved with alacrity to address that end of the problem.

Overall there need to be housing standards, particularly for rental housing. You need a roadworthy certificate for your car, but the only houseworthy certificate you need is the occupancy permit, which you get at the time when the house is built. As the years go by there is no ongoing requirement when you rent out a house to keep it up to standard. I am not talking about spa pools; I am talking about running water, a heater, a stove that works, doors that lock and windows that have glass in them.

Recently an associate of mine was looking at buying a house in Broadmeadows. Because he fronted up in a suit, nobody imagined for a minute that he was serious about living in Broadmeadows. The real estate agent who was running the open-for-inspection assumed my associate was an investor. He informed this person during the inspection, 'Look, at the moment it is being rented out for X, but if you got the stove working you could probably rent it out for a bit more'. So an actual functioning stove that allows you to cook is apparently an extra special selling feature when it comes to renting out a house!

Then there is the issue of rental bidding, which the state government really needs to crack down on. In any other area of consumer law it is, of course, unethical and usually illegal to offer something at a certain price and then, when the person is ready to buy, change the deal on them. It is called bait and switch, and it needs to be cracked down on.

What we are seeing with rental bidding — and I am just describing this from personal experience of individuals, particularly youngsters, whom I know — is that a property is advertised and prospective tenants get all the way down the track to where they think they have been called into the office to sign the lease. All the reference checks have been done; they are ready to move from another house and somebody else is ready to move into that house — there is a whole domino effect of people who are all waiting to move because everybody is under pressure to move. Then they are told, 'We are now taking bids for how much the rent is. We want to rent this house to you. You have been pre-approved as potential tenants. We think you are all right; now you are bidding blind against unknown other persons for how much you are prepared to pay'.

That is just fine for people who have sufficient financial resources and do not have any problems getting pre-approved, but if you are doing that while also having some difficulty finding a place because perhaps you do not have a rental history, or if you are under pressure to move — and that could be under any sorts of circumstances that people could well imagine — and you are being forced to bid up, there is a problem. If a product is advertised for sale or for rent at a certain price, that should be the price. If people are going to run formal auctions on renting, we should regulate that. It is totally out of control at the moment.

When I talk about those measures I have just described, members should remember that I am talking about properties that are certainly available to be funded through negative gearing. The tax office is telling us that there are hundreds of thousands of people out there running loss-making businesses generally — perpetually. They are running rental housing as a loss-making business. If in fact they are running a business they should meet certain basic standards. There is no reason why that should not be demanded in standards of rental accommodation, even things like ensuring that there is insulation in the roof so you are not paying money for heating that is going straight up through the roof. That is the sort of thing that can be funded out of, effectively, the federal tax stream; and finally we may have found a way for the federal government to get involved in the provision of housing, even if it happens to be through the backdoor method of negative gearing.

On the issue of public and social housing the government is trumpeting a \$500-million spend in that area over coming years, in capital terms. However, when we dig into what that program involves we find it is largely catch-up refurbishment or replacement of the existing housing stock. It is catch-up money from the Kennett and even Cain-Kirner years of neglect of public housing; and at the end of the exercise we will not be much better off in terms of actual numbers of housing units.

Finally, in addressing this housing crisis the government has to get serious about public transport. If members would like to examine the most affordable suburbs in Melbourne — that is, the cheapest housing — what they will consistently find is two things: total lack of public transport, and also low capital growth.

When we talk about Wyndham Vale and Caroline Springs and the affordable suburbs, the other thing that is quite noticeable over this period of skyrocketing property values is that those areas have not had the

same level of capital growth, and it is becoming purely a function of distance from other services and the complete lack of public transport.

People are quite capable of understanding the trade-off to their household budget of spending less on transport but more on housing in the inner city or close to where their work is, or spending more on transport but less on housing by living in the outer suburbs. Sure, that is a set of preferences that individuals can trade off; but it is government's job to ensure that everybody has excellent services and that individuals are getting a real choice rather than just the lesser of two evils for their particular circumstance.

There is an aspect of this bill that I am having trouble understanding, and that is the \$3000 bonus for purchasing your first home in regional Victoria. I am struggling to see what other government policy objective this relates to. What we are seeing now is that regional Victoria is booming.

Hon. T. C. Theophanous — Glad to hear that you're conceding that!

Mr BARBER — It is not a matter of concession, it is a matter of measuring statistics — both employment and population growth in regional Victoria are high. So why at that point does the government decide to provide a further subsidy to an individual just simply for the act of living in regional Victoria rather than metropolitan Victoria? It smacks a bit of the Howardesque middle-class welfare, where we find out what people are already doing and then reward them for it.

Is it a kind of weird social engineering? Does it spring out of the attitude that cities are evil and country areas are where the salt of the earth live? The Greens do not have a particular bias either way — our vote and support base are pretty much as high in non-metro areas as in metro areas — but I just do not know about paying someone to go live there, effectively. It is almost working against choice.

Hon. T. C. Theophanous — So you want bigger cities?

Mr BARBER — What I want is a plan for proper land use, both in the city and in rural and regional areas; an infrastructure plan that goes with it, and service planning, so that everybody gets effectively the same basket of services, wherever they live, and the same basic needs are being met. I struggle to understand the rationale for offering cash back like some sort of dodgy mobile phone dealer who says, 'We do not have

anything better to offer so we will give you your own taxes back', in this case.

Maybe it is just that the government is in trouble in rural and regional Victoria because of its failure to deliver on issues such as transport and health care, and now they are sticking a pipe into their river and taking the water away; they just thought it would make them look as if they loved the country or something. The Greens love everybody! We just want basic needs to be properly attended to by the government. And no matter how much cash the government puts in your hand, you still cannot use it to go and buy your own train station or your own railway line or your own GP or whatever.

The country is great — it is a great area to live. I have just bought a bush block in Murchison, in the city of Greater Shepparton, and I look forward to spending a bit of time out there. I do not have a lot of spare time — —

Hon. T. C. Theophanous — I hope you don't chop down any trees!

Mr BARBER — No, in fact I chose it specifically because it is within walking distance of the train line up to Shepparton, which runs regularly — not as often as it should, but it runs regularly — so I will be able to get up there by train on the weekend, plant trees, create my own little carbon offset and protect some valuable wetlands along the way.

Mr Pakula — Maybe you could run for the local council, for the City of Greater Shepparton!

Mr BARBER — In fact we are looking at getting a Green elected to Greater Shepparton this year, in the person of Ian Christoe.

Mr Pakula — I'm sure it will be in your faction!

Mr BARBER — There is only one faction in the Greens, don't you know?

Mr Pakula — Yes, I know, because you killed the other one!

Mr BARBER — Ian Christoe. Acting President, they are leading me there, but let me just give a plug for Ian Christoe. He is a long-time resident of the city of Greater Shepparton. He is an irrigation farmer himself and a true Green, and I think that is the sort of person we need elected to the Greater Shepparton City Council.

Anyway, as I say, we are having trouble understanding what is the social objective of the \$3000 top-up for

regional first home buyers as opposed to common-or-garden, somewhere-in-the-metropolis homebuyers. Certainly there is no reference to it in the material that they provided to us.

Hon. T. C. Theophanous — You might be able to use it to build a house on your bush block!

Mr BARBER — Mr Theophanous suggests that I use the bonus for my bush block but I have to say that I missed out on the first home owner grant. My partner already had a house and so we were not eligible.

As far as the rest of the measures of the bill go — the concessions for various charitable groups and the clarification of payroll tax exemptions for charitable and not-for-profits — those are certainly things the Greens will support. We will support the bill but we point out that this is by no means a response to the housing crisis, the housing crisis being the least-mentioned and in some ways most pressing issue that members here need to be turning their minds to.

Mr SCHEFFER (Eastern Victoria) — I rise to speak in support of the State Taxation Acts Amendment Bill. The bill amends the Duties Act 2000, the First Home Owner Grant Act 2000, the Land Tax Act 2005 and the Payroll Tax Act 2007. The amendments will enable a number of commitments contained in this year's state budget to be put into effect. The commitments include an increase to the thresholds for the general rate of stamp duty, the provision of the land tax exemption for homes transferred into special disability trusts and an increase in the concession for transactions involving the principal place of residence, permitting first home buyers to receive both the stamp duty concession for the purchase of a principal place of residence and the first home bonus. The government is also committed to providing additional benefits through adjustments to the first home owner grant.

The Treasurer announced \$1.43 billion in tax cuts and reduced business costs, including \$422 million in cuts to stamp duty, \$490 million for a land tax cut and \$170 million in payroll tax cuts as well as the new assistance to first home buyers amounting to a 17 per cent saving or around \$2460 on a median-priced first home.

Part 2 of the bill amends the Duties Act to increase all thresholds in the general duty rate scale by approximately 10 per cent. This increase will apply to the primary place of residence and to the pensioner concession scales. Right now first home buyers have to choose whether to apply for the existing stamp duty

concession or the first home owner bonus. These amendments will mean that first home buyers can apply for both, provided the overall cost of the property is less than \$500 000. So, for the first time, Victorians buying their first home will be eligible for the lower stamp duty on the principal place of residence on top of the first home bonus.

Changes to the tax brackets for stamp duty will provide financial assistance across Victoria to families, businesses and investors buying property by cutting \$422 million worth of stamp duties over the next four years. The tax thresholds for both the home and for commercial and investment properties will be lifted by 10 per cent. This reduction in the tax burden will make homeownership more affordable.

The threshold for the stamp duty exemption for pensioners and concession card holders will also be increased by 10 per cent to make homeownership more affordable for Victorians who do not have a lot of money. This will be a big help to senior Victorians, for example, who may want to sell their family home and downsize to a smaller place. Pensioners could, for example, buy a home for up to \$330 000 and pay no stamp duty, and those buying a property worth between \$330 000 and \$440 000 would receive a commensurate discount.

Amendments contained in part 3 of the bill relate to the First Home Owner Grant Act and reflect the decision announced in the budget to introduce an additional payment of \$3000 for first home buyers purchasing a newly-built home in regional Victoria where the price of a house is not more than \$500 000. This payment is in addition to those grants for first home buyers already specified by the act. It is anticipated that the additional grant for new homes in regional Victoria will benefit approximately 1300 homebuyers next year.

The budget also introduces an additional \$3 million first home buyers bonus for regional Victoria. This will be available to first home buyers who buy a house in regional Victoria that is new. It means that those eligible first home buyers in regional Victoria may receive up to \$15 000 in government assistance. That is a strong incentive to keep young families in regional Victoria, and it is also an encouragement to others who may be living in Melbourne to relocate to provincial towns and centres. The initiative is supported through the amendments contained in this bill, and it is a further strategy in the implementation of the government's aim to both grow regional Victoria and also to make housing more affordable.

The amendments contained in part 4 of the bill relate to the Land Tax Act and to changes that were announced in the budget. The bill amends the threshold for the 2009 tax year onwards, and all thresholds for land held by trusts will be increased by 10 per cent, from a tax-free threshold of \$20 000 to \$25 000. Other than the top rate, which will be reduced from 2.5 per cent to 2.25 per cent from 2009 onwards, as I have indicated, the rates will not be changed.

The amendments contained in part 4 of the bill also introduce a land tax exemption for property that is used for long-term accommodation for young people with disabilities. These special disability trusts are a federal government initiative that was established in 2006 and was aimed to help families and guardians to provide for the current and future care of their children with severe disabilities. The purpose of the trust is to assist immediate family members and carers who have the financial means to do so to make private financial provision for current and future care and accommodation needs for a family member who has a severe disability. This program helps to fund that kind of alternative accommodation for those people, other than what is already available through the aged care programs. This includes a provision consistent with existing similar exemptions that special land tax will apply if the land subsequently ceases to be used for these exempt purposes.

Part 5 of the bill amends the Payroll Tax Act 2007 to reflect the budget announcement of a reduction in the rate of payroll tax from the already scheduled rate of 5 per cent down to 4.95 per cent from 1 July this year. The amendments include an exemption for non-profit organisations that confirm they have a primarily charitable, benevolent, philanthropic or patriotic purpose.

The fall in payroll tax to less than 5 per cent represents the lowest level in 34 years. The overall tax cut amounts to \$170 million and will progressively affect around 28 000 businesses across the state. It is worth remembering that since coming to office the government has steadily reduced this tax from the 1999 level of 5.75 per cent to the present figure of 4.95 per cent, and that this reduction has delivered some \$1.3 billion to Victorian business.

Finally, part 6 of the bill contains a provision that automatically repeals this amending act on the first anniversary of the day on which all the provisions contained in the act are in operation, consistent with the new processes that ensure that all amending acts contain provisions for their automatic expiry once they have done their job.

The measures contained in this bill will, I believe, make a significant material difference to Victorians. They will pay less stamp duty and less land tax, and those buying homes for the first time will receive further financial support. As well, families and guardians who care for people with disabilities will have further support through the special disability trust to set aside resources for their children with disabilities, and finally employers will also benefit from the reduction in payroll tax. This is good legislation, and I commend the bill to the house.

Ms MIKAKOS (Northern Metropolitan) — It is with great pleasure that I rise to speak in support of the State Taxation Acts Amendment Bill 2008 and indicate that this is a very good bill that delivers on a number of tax cuts that were announced by the Treasurer in the recent state budget. In the Labor Party and this government we take pride in supporting Victorian businesses because we know that is what delivers stronger jobs growth for the Victorian economy. We have put in place a strong track record of supporting businesses and Victorian workers by creating a competitive business environment since coming to office.

Since 1999 the Victorian Labor government has cut over \$5.5 billion in taxes, which has seen the abolition of eight state taxes as well as significant cuts to payroll tax, land tax and WorkCover premiums. What the 2008–09 state budget is delivering is \$1 billion in tax cuts over four years, the biggest tax cut package in a decade. This includes new tax cuts of \$422 million in stamp duty cuts, \$490 million in land tax cuts and \$170 million in payroll tax cuts.

My colleague Mr Scheffer has already gone through the various changes in considerable detail, and I do not propose to do likewise. The stamp duty cuts will make a significant contribution to adding to housing affordability in this state. The highest number of first home buyers in Australia are in fact in Victoria. It is important that this bill and the state budget will deliver a significant boost to homebuyers by enabling first home buyers to receive both the first home bonus and the principal place of residence stamp duty on land tax transfers concession. This reform offers progressively rising savings on the duty payable on first home purchases valued between \$115 000 and \$550 000. This concession will be provided in addition to the Victorian government funded \$7000 first home owners grant and the \$3000 or \$5000 first home bonus for established or newly constructed first home purchases respectively.

I note that there is also the introduction of an additional first home bonus for regional Victorians worth

\$3 million. An additional \$3000 will be available to first home buyers who buy newly constructed homes in regional Victoria until 30 June 2009. I know Mr Barber was dismissive in his comments about the significance of this reform, but we want to be able to give Victorians the option of buying a home in regional Victoria. The government has taken a multifaceted approach of supporting not only business growth but also residential purchases of homes in regional Victoria, allowing all parts of the state to benefit from its current prosperity.

While I had a lot of sympathy for many of the issues Mr Barber raised in his contribution — I agree that exploitation of people going into the rental market is a significant issue that needs to be addressed, as were some of the other issues he raised — if the Greens want to be serious about housing affordability they ought to play a constructive role in the planning debate. Mr Barber had nothing to say about planning in the whole time he talked about the issue of housing affordability. We know the Greens have been opposed to Melbourne 2030 and our policies of containing the urban sprawl and the rising issue of global carbon emissions. If the Greens want to be serious about the issue of not only housing affordability but also sustainability, they should get behind the Labor government's Melbourne 2030 policies and support its approach on these issues.

With those words, I support this bill. It will not only make a significant contribution to business competitiveness in this state but also create more jobs in Victoria. It is about making Victoria a great place to live, work and raise a family.

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Water: food bowl modernisation project

Mr D. DAVIS (Southern Metropolitan) — My question is for the Treasurer. I refer to the letter from the Attorney-General tabled yesterday in the house which advised that the final business case for the food bowl project could not be identified and could not be provided to the house for tabling. Why is the Treasurer's government spending \$600 million on a project that has no final business case?

Mr LENDERS (Treasurer) — I thank David Davis for his question. I welcome questions at any time and any place from Mr Davis and note that this house is actually sitting 50 days a year and every month of the

year other than January so that as a government we can actually be under scrutiny.

Mr Guy — Not doing much, though!

Mr LENDERS — Mr Guy said, 'Not doing much', but I would have thought starting a day with 90-second statements, at least 12 members having the capacity to debate reports and statements for an hour, having an option to question ministers, having an adjournment debate at the end of the day, debating legislation and having seven items of opposition business on Wednesday is a pretty good reason for Parliament to be open to scrutiny — —

Mr Guy interjected.

The PRESIDENT — Order! Mr Guy's constant, regular interjections every day at question time are now grating. I am warning him that further interjections from him will result in his being removed from the chamber for the applicable time.

Mr LENDERS — David Davis asked me a question about the business case document that he sought in applying for documents from the government — documents, which I might say, the Attorney-General on behalf of the government lodged yesterday in this house. Firstly on those documents, the executive government responded and lodged all the documents bar two that Mr Davis sought. It is interesting to note about the document Mr Davis refers to that if he had actually read the Auditor-General's report correctly and identified the document in the Auditor-General's report that the Auditor-General was actually referring to, the government would have obviously considered what he wanted. But sloppy drafting in not even being able to transcribe a document that the Auditor-General referred to in a motion moved in this chamber does raise a few questions.

Mr Davis asked a substantive question about the issue of the business case that he refers to. It is always worth reading the Auditor-General's report before commenting on these matters. I find it interesting because I always actually enjoy reading Auditor-General's reports because he is an independent officer of the party — an independent officer of the Parliament — —

Honourable members interjecting.

Mr LENDERS — An independent officer of the Parliament, who reports on matters as an Auditor-General should do. The opposition gets very excited about my calling the Auditor-General an officer of the party — because that is what they tried to make

him! When he would not do it, they gutted him and tried to sack him. It was not until the voters of Victoria drew them to task in the Mitcham by-election that they even reconsidered that.

What the Auditor-General in his report said and quite clearly said was that the government acted hastily — the Auditor-General did say that in his report — because there was a big issue that the government needed to deal with.

Mr D. Davis — After years of neglect.

Mr LENDERS — I take up Mr Davis's interjection, because he is correct — there was total neglect during the years of the Kennett government. It actually did not even have a water minister; that is how much it cared about water. It was the Bracks Labor government that brought in a Minister for Water to deal with this long before opposition members had even heard the words 'climate change', long before they worked out they were climate change sceptics and even before they worked out they were supportive of climate change as an issue.

The Auditor-General reported on that matter. Most of the documents in the Auditor-General's report Mr Davis has sought through a resolution of this house and has now received. The Auditor-General referred to things that the government could do better, as he always does, and this government takes heed of that. He also refers to things that the government actually did well, which Mr Davis always seems to forget.

The government acted because water is an issue. Climate change is an issue that has emerged on our radar and on the whole world's radar in a far more dramatic sense than it did before. Before anyone was talking of climate change, before Al Gore had his movie, before the opposition decided to put the words 'climate change' in a policy, this Labor government in 2002 established a Minister for Water with a specific task to get a plan before any other jurisdiction in Australia, while the government we inherited in this state was one that did not even have a minister for water! At least the Hamer and Thompson governments had a Minister of Water Supply in Glyn Jenkins. The Kennett-McNamara government could not even be bothered; it was not an issue.

I look forward to Mr Davis's supplementary question. I can assure him and the house that we always welcome Auditor-General's reports and take heed from them.

Supplementary question

Mr D. DAVIS (Southern Metropolitan) — I can only conclude that there is not that final case. Apparently the Treasurer's government deliberately did not undertake or complete any final business case on the food bowl project. Is he telling taxpayers his department made no attempt to produce any detailed economic and financial impact analysis of a project that is the key to his water strategy?

Mr LENDERS (Treasurer) — The answer to Mr Davis is a simple no, we are not telling taxpayers that. I suggest to Mr Davis that if he wishes to enlighten himself he should actually read the Auditor-General's report. He will find a comprehensive analysis of what the government did. He will find an acknowledgement that the government acted hastily. He will find that, and I suggest he actually read the report before he opens his mouth again.

Planning: Altona inland port

Mr EIDEH (Western Metropolitan) — My question is to the Minister for Planning, the Honourable Justin Madden. Given the Brumby Labor government's commitment to jobs in Melbourne's west, can the minister inform the house what the government is doing to protect the Altona inland port?

Hon. J. M. MADDEN (Minister for Planning) — I welcome the member's question and his interest in matters around the west and particularly matters around logistics. I know he has a background in logistics and a particular interest in logistics in the west as well, so I welcome the question.

There is no doubt that prosperity in this state is measured by jobs, and jobs are paramount in ensuring that we continue to grow and build that prosperity. That prosperity is built very much around maintaining ports and the logistics around those ports, particularly inland ports. As the member mentioned, the Altona inland port and intermodal terminal project is of vital significance to jobs in the west and to the greater good of not only Melbourne but also the regions. We have to make sure that freight works well and the logistics work well to ensure that we can continue the economic prosperity and job growth we are seeing right across the state.

Recently we have seen that the City of Hobsons Bay refused two planning permit applications for the use and development of the subject site for a modal place in Altona — for an inland port and intermodal terminal. That really put at risk the prospect of continued prosperity and jobs in this state. We needed to bear in

mind that this site was particularly important, because it is a long-term mechanism to ensure we remove congestion from roads, particularly around freight congestion, which we know is a critical issue in the west. We will see increased freight coming into this state, and in order to maintain economic competitiveness and take the pressure off the west in terms of road transport, we need to make sure we continue to reflect the need for the intermodal terminal in Altona.

As opposed to previous ministers, who may have called in a decision like this willy-nilly without justifying their position, I made a submission to VCAT (Victorian Civil and Administrative Tribunal) on this matter — as a matter of great state significance — to ensure that the tribunal — —

Mr Drum interjected.

Hon. J. M. MADDEN — Yes, Mr Drum, I can explain that to you outside, if you want to know the technical implications of why you might call it in or why you might make a submission to VCAT so that that independent tribunal can assess it fairly and make its judgement based on the submission made to it on this matter. It was in relation to the merits of the project and the full significance of this project, particularly for prosperity and jobs in the west.

It is worth bearing in mind that it is estimated that by 2020 the city's road freight task will have increased in the order of about 50 per cent. That is a significant increase, so we need to bear it in mind. This facility will allow us to deal with those pressures and take those pressures off the roads. It is also likely we will see a significant increase in the number of containers handled in the port of Melbourne by 2030. Again we have to bear that in mind, so this is very significant.

The Melbourne 2030 audit expert group also shares our views and acknowledges the challenges of this into the future, and bears in mind the need and the work that has been done — the strategy we have presented — in relation to long-term thinking around state, local and commonwealth governments being involved in freight infrastructure and logistics. We need to identify the land use and transport implications of planning road, rail, sea and air freight corridors, linkages and routes and improve their connectivity, thereby improving freight movement without placing that burden on local communities. This is the key not only to those local communities but also to the greater city, regional, interstate and national links as well.

I was pleased to see that the tribunal made a decision on the spot, supporting the proposal for an Altona inland freight intermodal terminal. That reflects the strategic work we have done and the representations we have made. We will hopefully see a mode shift that will see more of this freight connected to rail and moved by rail, taking the congestion away from many of those local communities in the west that may feel pressure, bearing in mind projected demand going into the future.

It is important that this strategic relationship between the growth, operation and amenity of the city and economic prosperity and jobs, particularly in the west, is built on and strategically developed, bearing all of those things in mind, to make sure that we continue job growth and prosperity in Melbourne, particularly in the west, and to make sure that Melbourne and its west continue to be great places to live, work and raise a family.

Local government: planning powers

Mr GUY (Northern Metropolitan) — My question is to the Minister for Planning. Given the government's new development activity centre policy (DAC) will include a new activity centre zone, I ask: can the minister inform the house whether this new zone will require DACs (development assessment committees) to adhere to local planning policies, prepared and paid for by local communities or whether DACs will be given a free hand to change and amend local planning policies without any consultation?

Hon. J. M. MADDEN (Minister for Planning) — I welcome this question, because it has been a long time coming. We announced this some time ago, and I welcome the fact that Mr Guy has finally started to tune in to the implications of this. I would have thought in the days following my announcement that I would have got a barrage of questions from Mr Guy about the technical implications of these matters. It has only taken more than a fortnight — three weeks, in fact, or close to that — to get a question in relation to these matters. I am glad Mr Guy asked the question, and I welcome it and am very happy to answer it. I can understand why he might have been frustrated, because he was not given the chance to ask this question sooner.

I have already had conversations with a number of these councils, Geelong in particular and Boroondara, around some of these technical matters. I am pleased to be able to inform the house that they are very conscious of working with state government and the need to work with state government, and we are very conscious of working with those councils to make sure that the controls in those activity centres reflect the needs and

aspirations of local communities but also bear in mind the need for, in particular, housing yield in those locations as well as jobs.

We are not reinventing the wheel, nor are we asking local government to reinvent the wheel in terms of the policy. As I said on those occasions when I have met with local government and in my conversations with the Municipal Association of Victoria and the Victorian Local Governance Association, the role of policy development will still rest with local government. Local government will determine the policy and the clarity and strength of that policy, and hence the need for it to be clear and concise so that it can be effected and implemented through the respective zones within that principal activity zone.

What we currently have is an array of different zones. The difficulty there is a lack of clarity for the community, a lack of clarity for people who might have a proposition about a project in those principal activity centres, and hence the development assessment committee will make decisions in relation to these matters, but the responsibility for the policies and the bringing together of the zones and the controls will still rest with councils. I look forward to working with them in partnership. As I have mentioned on a number of occasions publicly through the media and in this place, this is a partnership approach. It stands in contrast to what we have seen under other planning ministers in other governments who may have wanted, on a regular basis, to call projects in and make unilateral decisions.

This is about a partnership. This is about making sure that local and community needs are combined with the greater needs of the state and are borne in mind when the development assessment committees make their decisions. Hence the representation on the development assessment committees will be two from the local government where the application is made, two from state government, and an independent chair.

We believe that partnership approach will give greater emphasis to the needs of both state and local government, but in particular it will also mean that local governments will have to be clear on their policies and clear on the controls they seek in those zones. We look forward to working with them in the future to build on the body of work. I look forward to working collaboratively with local government to deliver not only the needs of local communities but the greater needs of the state as well, bearing in mind that this will have a direct impact on housing affordability in the long run, job provision and managing growth going into the future, to make Victoria the best place to live, work and raise a family.

Supplementary question

Mr GUY (Northern Metropolitan) — I thank the minister for his answer. I am not sure what it was about. I ask the minister, as a supplementary, if he could provide a guarantee that the government will not remove third-party appeal rights in these new activity centre zones as it is currently proposing with new residential zones.

Hon. J. M. MADDEN (Minister for Planning) — I am surprised that Mr Guy has taken so long to ask this question. I would have thought that, if this was such a significant issue, it should have been asked a long time beforehand.

We would not expect to diminish any of those third-party appeal rights that currently exist in those locations. As I have said, we will work with local government to give clarity to the zones. What happens currently is that there is a whole array of different triggers, different appeal rights and different zones. What we want is clarity to give the community confidence that whatever happens in those areas is supported by the immediate local community, and also by councils. We look forward to working with them to give greater clarity and greater strength to local controls, but also working in partnership with local government in the decision making so that we can deliver more housing choices and get jobs into these activity centres to build on the economic prosperity of this state and make sure that we continue to make Victoria the best place to live, work and raise a family.

Alfred Deakin lectures: program

Mr LEANE (Eastern Metropolitan) — My question is to the Minister for Innovation. Could the minister inform the house how the Brumby Labor government is supporting the exchange of new ideas and knowledge through this year's Alfred Deakin lecture series?

Mr JENNINGS (Minister for Innovation) — I thank Mr Leane for his question. I know that as a former sparky he is interested in bright ideas, both metaphorically and in relation to his constituency in terms of working people being exposed to big ideas and to big debates that will drive our social and economic development going forward.

Indeed, in accordance with that, the Brumby government is very supportive of the Alfred Deakin lectures — a lecture series that we commenced in 2001 to mark the centenary of Federation and the important leadership role that Alfred Deakin had played in establishing this nation as no. 1, in driving many public

policy initiatives, being very mindful of bringing the best science and the best regulation to bear. In fact he was one of the brightest minds in the liberal tradition in this nation, and I am very happy to appropriate that in the name of the Deakin lectures because our government recognises the virtue of that leadership, that insight and that commitment to public policy considerations. We want to make sure that is something our citizens are well versed in and that they have the opportunity to engage in some of the biggest debates that our global community is confronting. That is the hallmark of the Deakin lecture series.

This year's Deakin lecture series, which has been curated by Robyn Archer, who has an outstanding track record of curating major festivals here and around the world, has brought together some of the best minds to consider some of the biggest issues that our global community is confronting. Fifty-seven lecturers will be involved in presenting a 19-lecture series that will go beyond being available in metropolitan Melbourne, which will host most of those lectures. It will also travel around regional Victoria to make sure that our regional communities participate in a meaningful way in the debates. Already we have had people in Ballarat, Geelong, Wodonga and Churchill in Gippsland participating in the regional presentation of this lecture series.

I had the good fortune to be in the company of some of this nation's brightest thinkers last week to launch the program entitled 'From DNA to deep space', which covers anything in between in terms of scientific discoveries that should be subjected to regulatory controls and ethical considerations through to exploring global challenges such as climate change and international opportunities for collaborative events. In the spirit of my colleague who is interested in collaboration, that is also the hallmark of the discussions taking place in the Alfred Deakin lectures.

The lecture I had the good fortune to participate in was led by John Armstrong, philosopher in residence at the Melbourne Business School. He teased out the scoping of the issues that will be embarked upon in this program. He was joined by Amanda Sinclair, also from the Melbourne Business School; Chris Turner, a well-established commentator on global issues who has published a seminal work entitled *Geography of Hope* dealing with issues such as food security and the rising up of communities to deal with climate change; and Jack Fuller, head of the sustainability leadership group.

Many of the presenters I have referred to are home-grown speakers and well recognised internationally as leading thinkers in their fields. We

have drawn together a number of people from around the globe. Just as a sample of that — and I do not want to do a disservice to other people who will be participating in the program — we have Austin Williams, the director of Future Cities in the United Kingdom; Professor Roger Brownsword from the Centre for Technology, Ethics and Law in Society at King's College in London; and Dr Ajay Royyuru, the lead scientist for the IBM geographic project in New York. I wanted to get all the syllables in to make sure I did justice to the important work of the renowned speakers we have brought to Melbourne to participate in these community debates.

These debates are being broadcast through — Mr Scheffer will be surprised to know — Radio National, and through the auspices of the ABC, to make sure that leading thinking is transmitted to our citizens. I am very pleased to say that thousands of Victorians are participating in these community debates and this lecture series under the Deakin leadership. It is something that our government is committed to doing to build on the great capacities and talents of our citizens and to engage them in some of the biggest issues that our planet is confronting.

Avalon Airport: international terminal

Mr KOCH (Western Victoria) — I direct my question without notice to the Minister for Industry and Trade. What financial incentive or support did his government provide in the planned upgrade of Avalon Airport to international standard, a crucial step for Victoria's west and south-west?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — I thank the member for his question in relation to Avalon Airport. As he is aware, as Minister for Industry and Trade, one of the industries that I am responsible for is the aviation industry. The development of our aviation industry is absolutely crucial from the point of view of continuing our engagement with the rest of the world in trade, tourism and a range of other areas. Obviously I speak to a variety of players in that regard, including Melbourne Airport and Avalon Airport, but all the major international airlines as well, in seeking to attract them to Victoria.

The issue of a second international airport for Victoria is something the government has supported. We have made it clear we think Victoria could have a second international airport. Avalon Airport is one which has been seeking approval for an application to upgrade itself to an international airport, and that is a matter of public record, as I am sure members are aware. That

application is not a matter for the Victorian government; it is a matter for the federal government to consider in relation to a whole range of issues for an upgrade from a domestic airport to an international one, which include customs issues and a whole range of security-related issues and so forth that are involved in an upgrade to that level.

The operators of the Avalon Airport have been keen to seek to upgrade their capability to that of an international airport. As a result of that, as you would expect, they have had discussions with me as minister responsible for this area. Obviously we enter into commercial discussions with many of these large companies. They want to expend a significant amount of money in creating a new international terminal there and upgrading a range of their facilities there.

Mr D. Davis — Thirty million?

Hon. T. C. THEOPHANOUS — I am not going to go into the figures on that. Our interest in Avalon is twofold, however. We have an interest in the airport, and if the airport is upgraded to an international airport, then obviously that attracts another capability. If that occurs we would also like to see perhaps the use of Avalon increasingly for international freight out of that area.

But beyond that, there is also an important event which this government has fought for for many years. It is a big biennial event in our major events calendar — that is, the Australian International Airshow, which is held at Avalon. It is a bit of a balancing act, having that international airshow and maintaining a commercial operation at Avalon at the same time. Those discussions that have been had with my office include discussions with the airshow operators, with Avalon Airport, with the federal government, with the Geelong council and with a range of players, but I can tell the house that no firm decision of any sort in relation to a forward program has as yet been made.

Supplementary question

Mr KOCH (Western Victoria) — I thank the minister for his answer. I am very concerned that he suggests he will be supportive if and when it gets up. I can assure him that it will need further support than that. As a result of Avalon now not expanding, distressingly dashing the hopes of that region, what financial analysis has the minister's government done on the loss to the region of a major airliner, AirAsia X?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — The member asks the question on the basis of, I would suggest, a very limited

understanding or knowledge of what is happening in the industry. The question of international airlines coming into Victoria is not a matter of whether or not there is a second airport. The decision by AirAsia X as to whether it is going to fly to Australia is not a decision which is dependent on having a second airport. Its decision to come or not to come to Australia and Melbourne is a decision based on its assessment of whether there is demand in the market for that service. I believe that AirAsia X is looking positively at coming to Melbourne. The option of coming to Avalon was only ever one of two options it was looking at, and I think it is continuing to look at that option.

With the greatest respect, there is a need to separate that issue of attracting airlines to Melbourne from this question of an international airport. We continue to support a second international airport at Avalon, and there have been significant discussions in relation to that. I do not want to go into those discussions because, as I said right at the beginning, if the member had been listening, the decision about whether an international airport can be built at Avalon is not a decision for the Victorian government. It is first and foremost a decision for the federal government. We have made our position on this issue very clear to the federal government: we would like to see a second airport. We are also engaging in discussions, as I indicated earlier without giving the details of them, with the operators of Avalon as to how we can assist, assuming they can get that okay from the federal government.

Believe me, this government is one which is active in getting industry here and creating jobs in this state. That is what we do, and we do it very well. That is why we are able to announce things like Satyam, with 2000 jobs, in Geelong — because we actually go out and get the business and bring it into the state. Since the member has given me the opportunity — I was thinking maybe he would ask me about the 'Shock jobs slump', which is news just to hand about Australia, where there has been a slump — —

Mr Koch — On a point of order, President, the minister has now elected to move right away from the basis of the question, and I ask you to bring him back to the point.

The PRESIDENT — Order! The minister has just started this particular part of his answer to the member's supplementary question, so I am not in a position to determine whether or not he is straying. Mr Koch asked the question and the supplementary, and the minister is being quite generous, in fact, with his time in terms of the supplementary. I prefer to wait to see how it develops before making another decision.

Hon. T. C. THEOPHANOUS — I think the basis of the member's question is about jobs in the region of Geelong, and I am simply pointing out that government action is what creates jobs. I was interested to read today, therefore, that there is an overall jobs slump in Australia, which is of course very worrying. It says here that 'The country's labour force decreased by 19 700' in May. In fact not only did the labour force decrease by that amount but the unemployment rate also went up from 4.2 to 4.3 per cent. I only mention that because when we look at what happened in Victoria, whilst there has been a decrease in jobs around Australia, what happened in Victoria is that there has been an increase in the number of jobs.

While there has been a 19 700 decrease in jobs across Australia, in Victoria jobs have gone up by 2643 — —

Mr D. Davis — On a point of order, President, whilst I appreciate the generosity of the minister in his answer, we are now getting into a comparison of state and national figures that have little to do with the south-west of the state. The minister is drawing a long bow, and I ask that you bring him back to order.

Hon. T. C. THEOPHANOUS — On the point of order, President, obviously when I have been asked a question about attracting an international player to Victoria, in AirAsia X, the question of whether it comes to Victoria compared to other states is an important question for the economy and so a comparison across states is also important, and I believe that the objection is out of order.

The PRESIDENT — Order! In fact that had nothing to do with the supplementary question asked of the minister. As I recall the supplementary question, it was about the economic impact of not going ahead with Avalon. I suggest to the minister that the economic performance of Australia or Victoria in terms of employment or unemployment is not relevant to the economic impact on Avalon. I ask the minister to come back to being relevant to the supplementary question.

Hon. T. C. THEOPHANOUS — President, of course I will abide by your ruling and look forward to adding to the statistics I have just read out in other questions that might be asked of me later. I think I have comprehensively answered the member's question.

South Face Road, Mount Baw Baw: opening

Ms DARVENIZA (Northern Victoria) — My question is for the Minister for Environment and Climate Change, Gavin Jennings. I ask the minister to inform the house how the Brumby Labor government is

investing in infrastructure to improve safety and access to alpine regions.

Mr JENNINGS (Minister for Environment and Climate Change) — I am glad that Ms Darveniza has asked me a question which provides me with the opportunity to talk about a fantastic new piece of infrastructure — known as a road — that I had the good fortune to open last week. The road across the south face of Mount Baw Baw will link communities across the Gippsland region and provide tourists with the opportunity to traverse across the region from Noojee at the one end to Rawson at the other, with the Mount Baw Baw resort being the stop-off point along the way. The road will create greater access for those who want to come to the region.

This is a very popular location. Members of the chamber and members of the community understand that it is an important part of Victoria for tourism. Notwithstanding the pressures of climate change and the prevalence of snow, we have seen an increase in patronage at Mount Baw Baw with people pursuing year-round recreational opportunities. Mount Baw Baw has had quite some success in the last three years in increasing its summer season visitations. Changing the profile and increasing the number of people who visit the resort during the summer has been a significant achievement.

This is a challenge for alpine resorts generally and has been a significant driver of economic opportunities through our state. It is estimated that alpine resorts contribute somewhere in the order of \$500 million annually to gross state product. Alpine resorts are significant contributors to regional employment, which our government is keen to support. The opening of the South Face Road will increase the number of people who travel to the Gippsland region and will provide a continuous tourist loop between Noojee, Mount Baw Baw, Rawson and Walhalla, which previously was not available. This road has been a long time coming. I am pleased to say that of the 25 kilometres we pushed through, the last 800 metres of this road — —

An honourable member interjected.

Mr JENNINGS — Yes, it was almost a quantum leap, but work on the last 800 metres only commenced as recently as February of this year. I am pleased to say that this work has been completed under my watch. I had the good fortune to inherit the work that was done in this area as a result of the contributions from the timber industry, the royalties that were used to invest in this road and the significant Department of Sustainability and Environment commitments in the

last few years to make sure that the work was completed. There were also government commitments in terms of flood and drought recovery programs which have been provided to the region and the collaborative efforts between the Baw Baw and Latrobe shires and the catchment management authority.

The delivery of this road has been the result of a great engagement of all the relevant agencies and community organisations. I was pleased to join the great community spirit of engagement that was evident at the opening of the road. It will make a significant difference to — —

Mr Barber — Tell us about the frog. How is he doing?

Mr JENNINGS — The frog, Mr Barber, is travelling safely in the precinct. In fact I am pleased to say — thank you for your interjection — that one of the important features of this road has been the environmental assessments that have gone along with its construction. There have been 32 000 cubic metres of material extracted, so it was a significant undertaking engineering-wise, but very important in terms of the monitoring of the wellbeing of the frog in the area was that the habitat of our precious fauna was not adversely impacted by the road. The water quality has been subject to continual monitoring to make sure that we do not adversely impact upon the quality of the streams and waterways within this important catchment.

Congratulations to all who have been involved. It was great to be part of a community event last week. It will be great to see thousands of Victorians travelling safely and confidently through this region in the years to come.

Melbourne Convention Centre: energy rating

Mr DALLA-RIVA (Eastern Metropolitan) — My question without notice is to the Minister for Major Projects. The minister recently made big media claims about the Melbourne Convention Centre's 6-star green rating for environmental design. Can the minister provide an assurance to the house that the Melbourne Convention Centre will have a 6-star green rating for its operation once completed and not just for its design?

Hon. T. C. THEOPHANOUS (Minister for Major Projects) — It is interesting how the opposition desperately wants to try to make a negative out of every positive thing that happens in Victoria. We have decided to build, and we are building, Australia's largest convention centre. It will be the largest convention centre in Australia, and perhaps the largest

of this type in the Southern Hemisphere. It is an enormous undertaking by this government. In undertaking this construction we could have taken an easier road and built it without putting an emphasis on making it as green as we possibly could, but we did not do that. We said that we wanted this convention centre to set a benchmark in terms of green buildings.

The convention centre's construction will be as green as it can possibly be. It will be a 6-star rated construction. But that is not good enough for opposition members, who want to somehow denigrate that achievement by coming in and talking about the operation of the centre. I might add that this is not just a phenomenal success from the point of view of construction in this area. The construction of this centre has already resulted in a significant number of new conventions being booked for when the centre opens. One of the selling points is that the convention centre is so environmentally appropriate.

As I understand it, the question is not about the construction of the centre, which the member agrees is a 6-star building. What he is talking about now is the operations of the centre. Firstly, the ongoing operations of the centre do not come under my responsibility. I build these centres and then I hand them over — —

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — I build — hopefully on time and on budget and as green as possible — and then I give it over to the client minister, who is responsible for the ongoing operation of the centre. I am sure the ongoing operation of this centre will be as green as possible.

Supplementary question

Mr DALLA-RIVA (Eastern Metropolitan) — It appears it is no longer 6 stars — it is as green as possible. Given that it appears it will no longer be a 6-star operation building, has the minister determined what the increase in energy consumption of this building will be on whatever star rating he is proposing to give it?

Hon. T. C. THEOPHANOUS (Minister for Major Projects) — This will be a 6-star building. It will be constructed as a 6-star building and it will be able to operate on that basis. We look forward to the tens of millions of dollars of additional tourism and economic activity that this centre will generate.

Information and communications technology: energy-saving initiatives

Ms TIERNEY (Western Victoria) — My question is to the Minister for Information and Communication Technology. Can the minister inform the house about any green initiatives that will create investment in the local information and communications technology industry?

Hon. T. C. THEOPHANOUS (Minister for Information and Communication Technology) — I thank the member for her question. It may not be evident, but the use of ICT (information and communications technology) is one of the biggest greenhouse gas issues that we have. An enormous amount of carbon is produced as a result of the use of ICT, especially computers.

Mr Barber interjected.

Hon. T. C. THEOPHANOUS — Worldwide it is about 2 per cent, which is a very significant amount.

Mr Barber — Two per cent in Victoria?

Hon. T. C. THEOPHANOUS — It is 2 per cent worldwide — listen to what I say. This is an enormous amount of carbon compared to other areas. The government is very keen to try to reduce the amount. Even the members of the Greens use computers, so they are contributing at least in that area to increasing the carbon footprint.

The Brumby government is trying to ensure that going forward we can reduce the carbon imprint of this particular industry. I was very pleased to be involved with an organisation called Climate Savers Australia. It is an initiative involving a group of consumers and ICT organisations working together to increase energy efficiency in computers and in new technology. I have to say that this comes down to two sets of issues for this industry. One set of issues relates to the hardware and the technology that is being used.

Unfortunately much of the hardware in computers at the moment has a significant amount of waste in relation to energy use — probably about 50 per cent. That is dissipated in the form of heat through the transformers and so forth. Producing new green computers is therefore an important part of reducing the amount of energy consumed by those computers. The production of greener computers costs about \$30 more per computer. This is something which will hopefully decrease over time. Hopefully more and more people will start choosing to buy computers which use less

energy, because they will be a big part of the energy consumption going forward.

The second element is behavioural — it is about whether you turn off your computer and some misinformation. For example, a lot of people think that leaving your computer on screen saver is a way of using less energy, but in fact you are using energy while it is on screen saver. It is much better for the computer to be put into a sleep function so that it actually goes to sleep rather than being used the other way. There is an educational element and a behavioural element alongside changing the technology.

I want to mention that Climate Savers Australia is not the only organisation working towards this. The government has provided over \$2 million to the Byteback program, where we are buying back unwanted and used computers in a safe and environmentally responsible way. I want to also indicate two other examples of local businesses that have been involved in this green initiative. Tradeslot is presenting the CarbonNavigator platform that combines carbon footprinting issues and the world of sustainability with finance and investment planning. It is a way of reducing the carbon footprint through technology. Another innovative Victorian company called Envision IT has been on show speaking about the green TravelSmart car pooling initiatives and Envigreen, its consulting and specialist software development service. These are very important initiatives using technology going forward to reduce the carbon footprint and maintain our responsibilities to the environment.

Kew Residential Services: site development

Mr KAVANAGH (Western Victoria) — My question is for the Minister for Planning, and relates to stage 2 of the Kew Residential Services site development. On 27 May the minister responded to a question on this matter during the adjournment. He indicated that he was almost certain that he had not given approval for stage 2 of this development. Does the minister stand by that reply of 27 May, or is it true that he approved a variation to the development plan for stage 2 on 6 February and informally approved a stage 2 subdivision and vegetation removal permit — no. 20070638 — on 11 April?

Hon. J. M. MADDEN (Minister for Planning) — I welcome the member's question. I get applications for a whole lot of proposals and projects at any one time and I do not pretend to remember all those matters that are before me or that are in the department at any particular time. Also, there are a number of matters that are done

under delegation. Depending on the scale, the size of a project or even the development plan in relation to a particular project, there may be permits issued from within the department under delegation that I may not have signed because they are within a range.

I take the question on notice. I am happy to double-check in relation to those matters to see, as I mentioned earlier, whether they have my signature on them or whether they have been done under delegation. I am happy to give the member a response in relation to any of those matters he referred to in his question.

Supplementary question

Mr KAVANAGH (Western Victoria) — If indeed the minister did sign this permit, can he tell the house that it complies with the act and schedule 2 of the regulations which mandate registration or is the planning permit issued to Walker Corporation invalid?

Hon. J. M. MADDEN (Minister for Planning) — I welcome the question and its technical merits too, because of course these sorts of matters have technical implications for the way in which approvals are either signed off, the way in which they are implemented or the way in which they correspond with regulation, legislation or, as I mentioned before, development plans.

From time to time, projects receive a development plan permit. Then permits are sometimes issued incrementally within that development plan permit or within the permit structure in relation to various elements of those. Often they might be done under delegation or they might be, in a sense, as of right within that development plan. So I am happy to take that question on notice and respond to the member in relation to his specifics. If he has any further specifics that he might wish me to give detail to, I am happy to receive those from the member.

Financial services industry: growth

Mr TEE (Eastern Metropolitan) — My question is to the Minister for Industry and Trade. Can the minister inform the house of any recent developments that highlight the ongoing growth of the financial services sector in Victoria?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — I thank the member for his question. The financial services sector is, of course, a growth industry. It is one which has grown significantly over a number of years. It can be shown that this is as a result of a deliberate set of policies which were adopted post-1999 to bring Melbourne and Victoria back to

being a financial centre when pre-1999 that goal had been abandoned by the previous government to one of leaving financial services essentially up to Sydney. We never adopted that point of view, and as a result we now find that 7 of the top 10 industry pension funds, which is 60 per cent of all Australian industry fund assets, are managed out of Victoria and the Future Fund is in Victoria, as is the Victorian Funds Management Corporation, which is a \$40 billion fund. All those funds are now managed out of Victoria.

I might also say that one of the most important decisions that was ever made in this country was the decision by the Keating government to bring in compulsory superannuation because, in bringing in compulsory superannuation, what has developed is a pool of savings, and that pool of savings which is now under management in Australia has reached the dizzy heights of \$1.2 trillion. On funds under management, Australia now has the fourth largest amount of money under management anywhere in the world. That is a direct result of a decision that was made by the Keating government back then. Let me — —

Mr D. Davis — What about the Future Fund?

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — The Future Fund, which is a \$60 billion fund, I am happy to say is located in Victoria and is also adding to the Victorian economy. We welcome that here as well.

Let me say that I was also very pleased yesterday to announce the opening of a key new store in Melbourne, the BankWest store, which opened in the Bourke Street mall. Victoria's financial services industry will receive an additional boost as a result of the opening of that store which is one of 50 new stores that BankWest is opening in the state. It will result in an expansion of retail operations which will offer full banking services seven days a week, so it is a new, different kind of banking product and a different way of dealing with customers. We welcome the increased competition in this sector and we welcome the increased jobs as well.

Supplementary question

Mr TEE (Eastern Metropolitan) — Thank you, Minister, for that answer dealing with the ongoing growth. My supplementary question is: how does this growth contribute to the latest statistics showing growth in employment in Victoria relative to other states?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — I thank the member for his supplementary question, which is a very important

supplementary question. The finance industry in Victoria now employs 101 000 people — —

Mr Lenders interjected.

Hon. T. C. THEOPHANOUS — It is 101 000. The announcement by BankWest will contribute a further 700 jobs, so there will be 101 700 in the finance industry.

I am also pleased to be able to say that Victoria is once again outperforming the rest of the states when it comes to jobs. The latest statistics again indicate that fact. So whilst we have shock headlines like ‘Shock jobs slump’ coming out for the whole of Australia, with Australian jobs decreasing by 19 700, I hasten to add that the latest statistics also show — and I know the opposition hates this — that 2643 additional jobs were created in Victoria, reducing Victoria’s unemployment rate by 0.3 per cent. So Victoria’s unemployment rate has gone down while the rest of the country’s unemployment rate has gone up, and that is a testament to the management of this economy under the Brumby Labor government.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Treasurer) — There are answers to two questions on notice: 2136 and 2842.

Ms HARTLAND (Western Metropolitan) — I have an overdue question — question 1068 — to the Minister for Community Services in the other place, Ms Neville. We faxed her office on 28 April.

Mr JENNINGS (Minister for Environment and Climate Change) — There is a degree of confusion here, President. I am not Lisa Neville, but I do represent her in this chamber. I am not quite clear whether Ms Hartland has contacted my office in relation to this matter or just the minister directly.

Ms Hartland — The minister directly.

Mr JENNINGS — So in terms of my accountability in relation to this, this is a heads-up for me to pursue my ministerial colleague in accordance with Ms Hartland’s wishes, and I shall do so.

Sitting suspended 1.02 p.m. until 2.12 p.m.

STATE TAXATION ACTS AMENDMENT BILL

Second reading

Debate resumed.

Mr LENDERS (Treasurer) — I would like to thank the speakers on the State Taxation Amendment Bill and in reply to make a couple of brief comments on it, particularly in relation to some of the comments from Mr Drum on the legislation.

Mr Drum and Mr Rich-Phillips talked about a home in Caroline Springs, with Mr Rich-Phillips saying that the homeowners would be worse off than in any other state. I just want to put on the record that no state totally exempts first home buyers from stamp duty. Three states have a means-testing measure, but no state totally exempts. If we are talking of the average-price house in Caroline Springs and we are talking about a house-and-land package, then I concede Mr Rich-Phillips’s point that those rates are correct. But if we are talking about an off-the-plan package of that amount — —

Honourable members interjecting.

Mr LENDERS — We are putting it on record here. The reason I am going on record is that some of this information if taken out of context is incorrect.

Mr Atkinson interjected.

Mr LENDERS — Mr Atkinson should travel to Caroline Springs and go near the new school. I am sure he will be travelling a lot until 28 June. He will be in Caroline Springs and then never visit it again. What I say to Mr Atkinson is that he should look at some of the off-the-plans in Caroline Springs. For that house-land package of \$130 000 for a home, for the land equivalent in Caroline Springs in terms of stamp duty a homebuyer would be better off than in New South Wales, Queensland or Western Australia. I am just putting it on the record.

The other thing I will put on the record in conclusion is that Mr Drum in particular made the comment about the \$7000 assistance from the federal government. Just for the record and to assist Mr Drum before he speaks on this again, yes, there was a \$7000 component — a first home buyer’s grant — set by the commonwealth government when the goods and services tax legislation came in. It was part of an offset for the GST. He is correct, that was the case. But that has been taken over by the states where the states pay the \$7000. The criteria are still set by the commonwealth, but I point

out, for Mr Drum's benefit, that \$7000 is paid by the Victorian Treasury out of the Victorian appropriation from the consolidated fund.

Just for the record, a first home buyer in regional Victoria buying a new house will receive \$15 000 in assistance, which no-one else in the country gets, and it is paid for in total by the Victorian Treasury. A first-time homebuyer in Caroline Springs with a new home will receive the \$12 000 assistance which is totally paid for by the Victorian Treasury. And for a principal place of residence person, wherever they are, the \$7000 assistance outside those categories is totally paid for by the taxpayers of Victoria. President, I just want to put those on the record.

I thank all speakers for their support for this bill. It is good legislation. It actually carries out the budget commitments to reduce land tax, reduce payroll tax, reduce stamp duty and to enable the payment of a \$3000 contribution towards the cost to a first home buyer of a new home in regional Victoria.

Motion agreed to.

Read second time.

Third reading

Motion agreed to

Read third time.

GAMBLING REGULATION AMENDMENT (LICENSING) BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. J. M. MADDEN (Minister for Planning) on motion of Mr Lenders.

Statement of compatibility

For Hon. J. M. MADDEN (Minister for Planning), Mr Lenders tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities, I make this statement of compatibility with respect to the Gambling Regulation Amendment (Licensing) Bill 2008.

In my opinion, the Gambling Regulation Amendment (Licensing) Bill 2008 ('the bill'), as introduced to the Legislative Council, is compatible with the human rights

protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The objectives of the bill are to amend the Gambling Regulation Act 2003 ('act') to:

- (a) create a wagering and betting licence authorising the conduct of wagering on horseracing, harness racing and greyhound racing and the conduct of approved betting competitions;
- (b) create a keno licence authorising the conduct of keno games;
- (c) permit the extension of a gaming operator's licence; and
- (d) provide for the appointment of additional deputy chairpersons and commissioners to the Victorian Commission for Gambling Regulation ('the commission').

Human rights issues

1. *Human rights protected by the charter that are relevant to the bill*

Section 13: privacy and reputation

A person has the right —

- (a) *not to have his or her privacy, family, home or correspondence unlawfully or arbitrarily interfered with; and*
- (b) *not to have his or her reputation unlawfully attacked.*

The bill amends the act to establish a new regulatory regime for the grant of a wagering and betting licence and a keno licence by the minister. Upon request by the Secretary, Department of Justice ('the secretary'), the commission will investigate and inquire into registrations of interest in a licence and applications for a licence and will report the results of its investigations to the secretary.

A number of the proposed provisions will allow the minister, the secretary or the commission to require an applicant for a licence to provide relevant information regarding the licence application and details of their 'associates'.

Further, the investigatory powers of the commission under the bill include asking for photographs, fingerprints and palm prints et cetera from an interested person (as defined in the bill) and the commission will also refer these records and information, registration of interest and licence application to the Chief Commissioner of Police for inquiry.

The proposed sections to be inserted into the act, which engage the right to privacy, are as follows:

1. Proposed section 4.3A.3 provides for the minister, by notice, to call for registrations of interest in the grant of a wagering and betting licence, which will require information to be provided by a registrant (who is not a natural person). The information that may be required is not specified in the bill and hence the question may arise as to whether it

- includes personal information of natural persons (for example the details of the directors of the registrant). Proposed section 6A.3.3 makes similar provision in relation to a keno licence.
2. Proposed section 4.3A.5 provides for the minister, by notice, to call for applications for the grant of a wagering and betting licence, which will require information to be provided by an applicant (who is not a natural person). The information that may be required is not specified in the bill and hence the question may arise as to whether it includes personal information of natural persons. Proposed section 6A.3.5 makes similar provision in relation to a keno licence.
 3. Proposed section 4.3A.17 provides for the minister to be able to request any information or documents from the licensee in connection with its request for approval of a transfer of the licence. Proposed section 6A.3.17 makes similar provision in relation to a keno licence. The bill provides that a licensee must be a corporation.
 4. Proposed section 4.3A.25 provides for the licensee to notify the commission of a person becoming an 'associate'. The definition of 'associate' in the act includes a natural person. Proposed section 6A.3.25 makes similar provisions in relation to a keno licence.
 5. Proposed section 4.3A.36 provides for the secretary to be able to request any information or documents from an applicant in connection with an application or registration of interest. Proposed section 6A.3.36 makes similar provision in relation to a keno licence.
 6. Proposed section 4.3A.37 provides for an interested person (if the secretary has asked for information from the interested person under proposed section 4.3A.36) to update any changes that occur in the information provided in or in connection with an application or a registration of interest. Proposed sections 4.3A.38 and 4.3A.39 provide for the provision of updates to licence applications or transfer applications. Proposed sections 6A.3.36, 6A.3.37, 6A.3.38 and 6A.3.39 are similar provisions in relation to a keno licence.
 7. Proposed section 10.4.7B provides for the commission, on the request of the secretary, to carry out all investigations and inquiries that the secretary considers necessary to enable the secretary to report to the minister on an application or registration of interest or to enable the minister to consider the application or the registration of interest.
 8. Proposed section 10.4.7C provides for the commission to require an interested person to consent to have his or her photograph, fingerprints and palm prints taken by the commission if it is satisfied that it is necessary for the purposes of an investigation or inquiry under proposed section 10.4.7B.
 9. Proposed section 10.4.7D provides for the commission to refer to the Chief Commissioner of Police a copy of an application or registration of interest and any photograph, fingerprints and palm prints obtained under section 10.4.7C. The secretary may also request the commission to refer any other information regarding an application or registration of interest to the Chief Commissioner of Police and the commission will be required to comply with this request.
 10. Proposed section 10.4.7E provides for the commission to be able to request any further information or records from an interested person for the purposes of the investigation and any authorities and consents the commission requires to enable it to obtain information (including financial and confidential information) concerning the interested person from other persons. Proposed section 10.4.7F requires an interested person, if a request has been made pursuant to proposed section 10.4.7E, to update that information.
- While all the above provisions may engage the section 13 right, they do not limit the right to privacy because the interferences with privacy are proportionate and not unlawful or arbitrary.
- The interferences with privacy are not unlawful as they are provided for in the bill and occur in precise and circumscribed circumstances. The interferences with privacy are not arbitrary because of the safeguards provided in the amendments and other relevant legislation. In addition, the minister, the secretary and the commission are all subject to the provisions of the Information Privacy Act 2000 in relation to their collection and handling of personal information.
- The act also currently provides important safeguards against the disclosure of personal information. Sections 10.1.30 to 10.1.32 of the act are 'secrecy' provisions which regulate the confidentiality of personal information and make it an offence for a person to disclose the information without the authorisation of the minister or the person to whom it relates or as specifically permitted by the act.
- In all the cases where information is required from an interested person, while the legislation will not be prescriptive on what type of information can be requested, a request will be confined to information which is relevant to the application or which relates to the applicant or the licensee's/applicant's associates. If any of that information is personal information relating to a natural person, then the section 13 right may be engaged.
- However, the abovementioned requirement can be justified as it is integral to the maintenance of the high probity standards required of gambling service providers that the minister, the secretary and the commission have the necessary information to be able to conduct probity checks on potential licensees and/or their associates and to enable the proper consideration of a licence application. These provisions will reinforce the objective of ensuring licence applications are granted to applicants who conduct their businesses honestly and free from criminal interference and exploitation. In any event, the proposal will not limit the right as the requirement is lawful and is not arbitrary.

Similar provisions currently exist throughout the act, affording the minister and the commission the power to require additional information with respect to licence applicants and their associates. These provisions are prescribed in legislation and are consistent with the objectives of ensuring licence applications are granted to applicants who conduct their gambling businesses honestly and free from criminal influence and exploitation. Accordingly, the right to privacy is not limited in these circumstances.

Proposed sections 10.4.7C and 10.4.7D may constitute interference with the bodily privacy of a person but the legislation specifies the circumstances under which interferences with this privacy may be permitted. Further, the decision to interfere with the privacy will be made on a case-by-case basis in accordance with the merits of each case.

Section 15: freedom of expression

Every person has the right to freedom of expression.

This right to freedom of expression includes the right against forced expression. A number of proposed sections provide for the provision of information.

Proposed section 4.3A.3 of the act provides that the minister may refuse to consider a registration of interest further if the registrant fails to satisfy a requirement made under, or specified in, the section, one of the requirements being the information to be provided by the registrant. Proposed section 6A.3.3 makes similar provision in relation to a keno licence.

Proposed section 4.3A.5 provides that the minister may refuse to consider the application for a licence further if the applicant fails to comply with a requirement made under the section, one of the requirements being that the application contains the information as required by the minister. Proposed section 6A.3.5 makes similar provision in relation to a keno licence.

Proposed section 4.3A.22 provides that the minister may refuse to consider a request for an amendment of a licence if the applicant fails to comply with a requirement made under the section, one of the requirements being that the licensee provides any further information as required by the minister. Proposed section 6A.3.22 makes similar provision in relation to a keno licence.

Proposed section 10.4.7E provides that the commission may require an interested person to provide the commission with any information that is relevant to an application or registration of interest, any records relevant to the investigation and permission to examine, take extracts from and make copies of the records, give authority to a person to comply with these requirements and provide the commission with any authorities and consents required by it for the purpose of enabling the commission to obtain information concerning the interested person from other persons. Refusal to comply with this requirement may lead to the minister refusing to consider the application for registration of interest.

Proposed section 10.4.7N provides that the commission may require an interested person to provide the commission with any information that is relevant to any investigation of a transfer application or temporary licence, any records relevant to the investigation and permission to examine, take extracts from and make copies of the records, give authority to a person to comply with these requirements and provide the

commission with any authorities and consents required by it for the purpose of enabling the commission to obtain information concerning the interested person from other persons. Refusal to comply with this requirement may lead to the minister refusing to consider the application or issue the temporary licence.

Proposed section 10.4.7O provides that if the commission requires information from an interested person under proposed section 10.4.7N and a change occurs in that information before the application is granted or refused or the minister decides not to issue the temporary licence, the interested person must forthwith provide the commission with written particulars of the change. A maximum penalty of 60 penalty units applies for non-compliance.

While all the above provisions may engage the section 15 right, they do not limit the right to expression because the interferences with the right are not unlawful. Special duties and responsibilities are attached to this right and the right may be subject to lawful restrictions reasonably necessary for the protection of public order. The requirement to provide information is reasonably necessary to ensure compliance with the act.

The scheme of the act is such that it generally prohibits gambling and activities related to gambling, unless authorised under the act. Therefore, the right to conduct a gambling activity is not an absolute right but is subject to a strict regulatory regime. To that end, entry into gambling industry is by choice and an understanding that the participant will be subject to that regulatory regime.

Further, for all the provisions, except proposed section 10.4.7O, there is no criminal sanction against an interested person if he or she fails to provide the information requested. The only consequence of not providing the information is that an application may not be considered further or may be refused. Ultimately, it is a choice exercised by the interested person to ensure that the application is considered and it is not a restriction imposed on any absolute right to participate in a lawful activity.

Section 20: property rights

A person must not be deprived of his or her property other than in accordance with law.

A deprivation of property is in accordance with law where the deprivation occurs under powers conferred by legislation and the law is precise and not arbitrary.

The amendments to the act contemplate that the licensee ensure, where it is within its power to do so, that a person (which may include a natural person) ceases to be an associate of the licensee if the commission refuses to grant its approval to that person becoming an associate of the licensee (proposed section 4.3A.25 for wagering and betting provisions and proposed section 6A.3.25 for the keno provisions).

The definition of associate in the act includes a person who holds a 'financial interest' in the gambling business of the licensee. Requiring such an associate to 'disassociate' themselves from the licensee's business may involve them having to dispose of a property right. If that associate is a natural person the section 20 property right may be engaged.

While the above provisions may engage the section 20 property right in the above circumstances, they do not limit the right because the deprivation is authorised by law, is in accordance with law and is therefore not in any way arbitrary.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities because it raises human rights issues but does not limit human rights.

HON. JUSTIN MADDEN MLC
Minister for Planning

Second reading

Mr LENDERS (Treasurer) — I inform the house that there were nine amendments, essentially technical amendments, to a series of clauses in the bill that were passed in the Legislative Assembly. I move:

That the second-reading speech be incorporated into *Hansard*.

Motion agreed to.

Mr LENDERS (Treasurer) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

In 2004 the government took the decision to formally review Victoria's existing gambling licences to deliver the best value to Victorians.

This government has conducted the most significant review in Victoria's history of the regulatory structure and associated arrangements for the state's major gambling licences. On 10 April this year the government announced new industry structural arrangements for wagering and betting, keno and gaming machines after 2012.

Under the new arrangements, keno will be offered as a single, 10-year licence. A single, 12-year licence will also be offered for wagering and betting.

Approved venue operators will be able to bid directly for 10-year gaming machine entitlements, which will authorise them to possess and operate gaming machines.

This bill implements the regulatory arrangements for the keno licence and the wagering and betting licence. The government will introduce a separate bill to Parliament that will implement the regulatory arrangements for the post-2012 venue operator structure for gaming machines.

To the extent necessary, the legislation which implements the range of government decisions for the next gaming machine industry structure may apply from the date of the announcement of the government's decisions on the future regulatory arrangements for gaming machines on 10 April 2008.

At all times the gambling licences review process has been characterised by openness and transparency with —

the release of an information paper and four issues papers;

an invitation for public submissions;

the conduct by Mr Peter Kirby of public consultations on the review of gaming machine licence arrangements after 2012 and the release of his report in October 2006; and

consultations with other submitters regarding wagering and betting, Club Keno and funding of the racing industry post-2012.

In addition to all this, the government established the independent review panel in 2007 to report on the probity of the processes followed during the review. The government also committed to tabling in Parliament the independent review panel's reports and has done so.

This government has always been and continues to be committed to adhering to the highest probity standards for the review process. This is evident from the most recent report of the independent review panel that was tabled in both houses of Parliament on 10 April 2008.

The report of the independent review panel has verified that the government's processes that supported its decisions for the regulatory structures and associated arrangements for the provision of gaming machines, wagering and betting and keno after 2012 met the high standards of probity, transparency and accountability, as promised by this government.

The Gambling Licences Review Steering Committee will now be commencing the competitive licensing processes for the keno licence and the wagering and betting licence. When each of those processes is complete, and the government has announced the awarding of these licences, reports of the independent review panel regarding the probity aspects of the licensing processes will again be tabled in both houses of Parliament. An appropriate level of probity will be also applied to the grant of entitlements to operate gaming machines after 2012.

The government recently announced a suite of significant new problem gambling measures. In future legislation to be introduced into Parliament, the government will restrict access to cash in gaming venues by prohibiting all automatic teller machines in all gaming venues by the end of 2012, subject to any reasonable exceptions for venues in regional Victoria where access to an ATM in a gaming venue is vital for the local community.

ATMs will also be banned within 50 metres of an entrance to the Melbourne casino gaming floor. With this announcement, Victoria will be one of the first states to have banned ATMs from gaming venues.

The government has also announced that in future legislation it will move to double the penalties for any gambling provider that allows a minor to gamble. From a minimum penalty of \$1100, fines will be increased to a possible maximum of over \$13 000. This shows how seriously the Brumby government takes the issue of allowing minors to gamble.

Finally, in a groundbreaking announcement, this government has made a commitment to introduce a requirement that, by 2010, all new gaming machines must have a mechanism that

allows a person to preset time and loss limits before they commence play. This commitment places Victoria at the forefront of the fight against the harm caused by problem gambling.

I will now turn to the provisions of the bill.

The bill before the house will amend the Gambling Regulation Act 2003 to put in place the legislative provisions to support the competitive licensing processes for the keno licence, the wagering and betting licence and the related governance arrangements for the licence-awarding processes.

Having introduced competition to the Victorian lotteries market for the first time, the government, through this bill, will open up keno and the wagering and betting licence to competition for the first time in the state's history.

Further, the new licensing regimes will continue to ensure that the highest standards of probity exist in the Victorian gambling industry. The processes set in place by this bill are designed to meet the objective of the act of ensuring that licences are granted to applicants who conduct their gambling businesses honestly and free from criminal influence and exploitation.

The bill will also build upon this government's commitment to implement responsible gambling measures throughout the industry by requiring the new wagering and betting licence-holder and keno licence-holder to have in place a responsible gambling code of conduct, which will be approved by the Victorian Commission for Gambling Regulation. The requirement to have a code of conduct will also be a condition of the licence and repeated breaches of the code will be one of the grounds for the instigation of disciplinary action against the licensee. These measures will ensure that the new licence-holders will be required to provide their gambling products in a manner that fosters responsible gambling.

Further, the wagering and betting and keno licences will, like the public lotteries licences issued in 2007, reinforce the government's commitment to responsible gambling conditions.

These are only some of features of the government's ongoing and overarching commitment to implement measures that assist and protect problem gamblers and those at risk of becoming problem gamblers, their families and the wider community.

One of this government's principles to guide future gambling policy and legislation is to ensure that the legitimate financial benefits of gambling (both public and private) are transparent, appropriately recognisable and fairly distributed to the Victorian community. To this end, all Victorians will receive the benefit of these new licences, as the bill provides that Victorian taxes on keno and wagering and betting will go to the Hospitals and Charities Fund to support Victoria's public health system.

To further ensure that gambling service providers operate in a competitive environment, the bill does not impose cross-product ownership restrictions on who can hold the wagering and betting licence and the keno licence post 2012. Similarly, there will no longer be arbitrary restrictions on the quantity of shares that may be held in a publicly listed keno licensee and wagering and betting licensee. Instead, the government will be working further on the legislative

provisions required for the regulation of the probity of shareholders of licensees that are associates of the licensee.

The bill also includes a process allowing for a wagering and betting licensee or a keno licensee to transfer the licence to a wholly owned subsidiary or another company within the same group. This process recognises that a licensee may wish to reorganise its company structure during the licence term and the ability to apply for approval of a transfer of the licence to another related entity will facilitate this. By placing a restriction on the entities to which a licensee can transfer a licence, the bill ensures that this process will not allow the probity standards regulating a licensee to be compromised.

Wagering and betting licence

The bill will create a new, single wagering and betting licence authorising the conduct of wagering on horse, harness and greyhound racing and the conduct of approved betting competitions on horse, harness and greyhound racing and other approved events.

At the end of the wagering and betting licence, which will commence in 2012, the government will have the option of extending the licence for up to two years.

Victoria has a vibrant world-class racing industry, which is internationally recognised. The structure of a single wagering and betting licence will provide the greatest support for Victoria's racing industry to grow further.

Unlike the regulatory arrangements for the current wagering licence, the post-2012 wagering and betting licence will not be coupled with the future gaming machine licences. Nor will the government put into place arrangements for the racing industry to receive funding after 2012 from other persons operating gaming machines. This will provide stronger incentives for the development of the Victorian racing industry through a realignment of the funding of the industry with the wagering and betting products that rely on the performance of the industry.

The implementation of a single wagering and betting licence is an advantage for Victorians as it retains the system of one large pool, which means better and more stable odds when punters place a bet.

One of the act's objectives is to promote tourism, employment and economic development generally in the state. To further this objective, as part of the assessment process for the new wagering and betting licence, bidders for the licence will be required to demonstrate a commitment to a growing and viable Victorian racing industry.

The Victorian racing industry will not be permitted to bid for the wagering and betting licence. As the Victorian racing industry will be providing ongoing advice to the state in relation to the needs of the racing industry, irreconcilable conflicts would emerge if it was able to also bid for a wagering and betting licence.

The tax rate for the wagering and betting licence will be determined by the government after it has consulted with the Victorian racing industry regarding the future financial arrangements for the racing industry, having regard to the government's clear commitment that the arrangements will be no less favourable than those currently in place. That tax rate will be incorporated into legislative amendments scheduled for later this year.

Keno licence

The bill will provide for the game of keno to be provided under a single 10-year licence, which, like the wagering and betting licence, will be awarded after a competitive, two-stage licensing process.

By opening up the awarding of the keno licence to a competitive process and potentially a wider distribution to hotels, wagering and betting outlets and clubs with full club liquor licences, the licensee will be able to develop the keno game to best suit player expectations and deliver more entertainment options in Victoria in a responsible way. The bill provides for the holder of the keno licence to apply for variations to allow the game to be modified by regulations.

Competitive licensing processes

As stated earlier, the awarding of both the wagering and betting licence and the keno licence will be the subject of a competitive process, to be conducted in two stages. The Minister for Gaming will be required to publish a notice calling for registrations of interest. Selected registrants will then be invited and subsequently assessed against specific criteria. The Minister for Gaming will determine which of the applicants best satisfy the criteria for the issue of a licence. The criteria are based on the objectives of the act including fostering responsible gambling, ensuring that wagering, betting and playing keno are conducted honestly and that their management is free from criminal influence and exploitation and promoting tourism, employment and economic development generally in the state, having regard to whether the grant of an application is in the public interest.

For both stages of the competitive licensing process, the minister will be assisted by reports and recommendations from the Secretary of the Department of Justice, who chairs the Gambling Licences Review Steering Committee. These new governance arrangements for dealing with registrations of interest in, and applications for, the wagering and betting licence and the keno licence transparently recognise the role of the secretary, as chair of the steering committee, in assisting the minister in the conduct of the competitive licensing processes.

The secretary will be able to draw on the resources and expertise of the independent regulator, the Victorian Commission for Gambling Regulation, for conducting investigations and inquiries into the registrations of interest and applications for a licence. The secretary's report to the minister will incorporate the advice of the commission.

In order to ensure that the commission has adequate resources for the carrying out of its role in the post-2012 licensing processes, the bill provides for the appointment of additional deputy chairpersons and additional commissioners.

The independent review panel will continue to play an important role in the competitive licensing processes for the post-2012 keno, wagering and betting and gaming machine licences. The independent review panel's role in overseeing the licensing processes will provide further transparency to these processes, and the independent review panel will report to the minister on whether each licensing process meets the expected high standards of governance and probity.

Finally, the bill includes a mechanism for the minister to extend the term of the Tatts Group's gaming operator's licence, if Tatts wishes to do so. Any extension will only be

for a period up to five months to allow the expiry date of that licence to be brought into line with the expiry date of the current gaming licence held by Tabcorp which expires in August 2012. The ability to extend the Tatts licence has been included in the bill solely to facilitate the even transition of gaming machine and keno arrangements in 2012. The current arrangements for licence premium payment, whereby Tatts pays the premium for the gaming operator licence as an ongoing tax, will continue to apply for any extended term of the licence.

I commend the bill to the house.

Debate adjourned for Mr GUY (Northern Metropolitan) on motion of Mr Koch.**Debate adjourned until Thursday, 19 June.****ADJOURNMENT**

Mr LENDERS (Treasurer) — I move:

That the house do now adjourn.

Public transport: concession cards

Ms LOVELL (Northern Victoria) — The matter I wish to raise is for the attention of the Minister for Public Transport in the other place, and it is about access to concession travel on V/Line using health care cards which have been allocated to farming families who qualify for the federal exceptional circumstances drought assistance. My request to the minister is that the minister ensure V/Line provides concession fares to all those listed on exceptional circumstances health care cards, and not just the first person listed on the card.

I was recently contacted by a constituent who is a farmer in Tongala and who is exceptional circumstances declared. The constituent decided to take her two children to Melbourne on the V/Line train as a way of providing them with a treat. Upon presenting the family's drought health care card to the V/Line ticket seller my constituent was advised that she was not entitled to a concession fare as her name was not the first name listed on the card; her husband's name was.

According to V/Line, if her name appeared first instead of her husband's, she would be entitled to a concession fare. Struggling with the drought, my constituent could not justify spending extra money on a full V/Line fare and so had to take her children home again instead of to Melbourne for their treat. My constituent telephoned V/Line when she returned home to check that she had been advised correctly. V/Line confirmed that it would not honour the concession fare as her name was not the first name listed on the drought health care card.

Drought health care cards are different to the health care cards provided for low-income earners. This is because only one card per family is allocated as exceptional circumstances is based on the drought-declared family's income, not an individual's income. This is just another example of the city-centric Labor government talking up its assistance for drought-affected farmers but then failing to deliver.

I call on the minister to ensure all V/Line staff and ticket sellers are made aware of the drought health care cards and ensure that all those listed on the card are entitled to a concession fare.

Cavendish-Coleraine Road: upgrade

Ms PULFORD (Western Victoria) — My adjournment matter is for the Minister for Regional and Rural Development in the other place, Ms Allan. During the last state election campaign the government committed to fund rural road upgrades under the \$5 million Roads to Market Farm Gate Access scheme. The Roads to Market scheme is another example of the government's commitment to rural and regional Victoria. The scheme is managed by Regional Development Victoria and provides funds to assist councils with the upgrade of strategic local roads. These roads are a vital link between the farm gate and the consumer. In particular the funding is aimed at making roads more accessible by B-double vehicles.

Last year councils were invited to submit proposals for funding under this program. A number of councils in my electorate have applied for funding, including the Southern Grampians Shire Council which applied for an upgrade to the Cavendish-Coleraine Road. B-double trucks play an important role in handling the freight task in rural and regional Victoria, and I am proud to be part of a government that has recognised this issue and taken action. It is through funding of schemes like this that we continue to enhance the lives of people in regional and rural Victoria.

The action I seek today from the minister is to fund the Southern Grampians Shire Council's requested upgrade to the Cavendish-Coleraine Road.

Regional and rural Victoria: tourism initiatives

Mr P. DAVIS (Eastern Victoria) — I raise a matter for the attention of the Minister for Regional and Rural Development in the other place. From discussions with business and tourism associations at Mallacoota and Omeo, I have come to the conclusion these centres are missing out on significant potential development opportunities as a result of a gap in the government's

regional development program. Moreover, this situation would apply not only to those two centres in my electorate but to quite a number of towns serving remote areas of the state.

Recently the Premier announced a \$68 million package of measures spread over the next two years to support regional growth and development initiatives. A newly established regional and rural growth ministerial task force, under the leadership of the Minister for Regional and Rural Development, will oversee this program, so in that context I present two case studies from the far east of the state.

Firstly, the Mallacoota Business and Tourism Association is doing excellent work to identify development opportunities, principally those that would foster tourism growth, which is a core sector of the local economy. However, the association's efforts are somewhat limited because of a lack of resources. It is a self-sufficient organisation relying on the support of a very small local Mallacoota business community and other community organisations.

Secondly, the Omeo Business and Tourism Association has had the benefit of some funding to employ a part-time officer. The government has provided the funding for tourism development to offset the impact on the Omeo district of the cessation of alpine cattle grazing; however, this funding will cease towards the end of this year.

I therefore propose that there would be considerable merit in developing a program within the government's regional strategy framework to cater for the future growth of centres such as Mallacoota and Omeo. In each of these particular cases the towns are in remote locations, they are centres of historical significance to the state and they are established tourism destinations, but there is so much unfulfilled potential because of the lack of resources to pursue development initiatives and promotion. I therefore ask that the Minister for Regional and Rural Development establish a program specifically to support growth opportunities for Victorian towns that fit this general criteria.

Active Girls Breakfast program: funding

Ms DARVENIZA (Northern Victoria) — I wish to raise a matter for the attention of the Minister for Sport, Recreation and Youth Affairs in the other place, James Merlino. It concerns the Active Girls Breakfast program, which is an initiative of the Brumby government and is aimed at curbing the prevalence of obesity in adolescents. We know that obesity in adolescents is a major concern. It has a whole range of

health risks associated with it as well as the social problems that can be associated with it. We know that if young people have problems associated with food-eating disorders, whether it be that they are eating too much or not eating enough, they can stay with them into adult life.

The Active Girls Breakfast is a fantastic initiative. The breakfasts are about active participation and about eating nutritious food to help maintain a healthy lifestyle. As I said, the program is really targeted at teenage girls at a critical stage in their lives and is designed to enhance their self-esteem and encourage a positive body image.

A big Active Girls Breakfast is held in Melbourne at which motivational speakers attend, including elite athletes as well as television personalities and people like that who can talk about their experiences. A whole range of role models are present. It is used as an opportunity also to promote young women who have achieved in athletic performance, and that is acknowledged at the breakfast. These breakfasts have been held in some areas of regional Victoria and I am requesting of the minister that the Active Girls Breakfast program be continued and that the breakfasts be expanded in regional Victoria.

Mr Atkinson — On a point of order, President, I have listened to the contribution made by Ms Darveniza which to me has been a set speech discussing the particular breakfast forums which have been conducted by the government over quite a period. I note that the action she requests is that the minister continue them. That is not an action that would be allowable, in my view, under the rules of the adjournment debate.

The PRESIDENT — Order! Set speeches are in fact okay now, but of course debating is not. I do not believe the member is actually debating the issue. She is giving copious amounts of information, but I note that she has not finished. If the action she requires is not as it ought to be, then the matter will be ruled out of order, but I will give her the opportunity to finish.

Ms DARVENIZA — The action I am seeking from the minister is that the Active Girls Breakfast in rural and regional Victoria be extended. There have been some in the past but we want more of them in rural and regional Victoria so that young women in those areas are able to take advantage of these forums — that is, are able to take advantage of meeting with role models and hearing motivational speakers at these breakfasts.

Mr Atkinson — On a point of order, President, unfortunately the member is still seeking a continuation

of something that is already happening and that the minister is already involved in, rather than making a specific request for an action.

The PRESIDENT — Order! Mr Atkinson and I obviously disagree here. The request was clearly to extend, and by inference I am assuming it is an extension further across the state or whatever. If what is sought is extending the activity further across the state, I do not see it in the same context as Mr Atkinson does, so I will allow the matter.

Water: Geelong supply

Mr KOCH (Western Victoria) — I raise a matter for the Minister for Water in the other place that concerns the future of Geelong's water supply. Below-average rainfall means securing an adequate water supply is one of the most challenging issues facing communities like Geelong, where water storages have fallen to just 25 per cent of capacity. Not wanting to be seen as rushing on this crucial issue, the Brumby government has kept itself busy commissioning expensive consultancies to write 14 different water plans over the last five years, and it continues to conduct reviews and release public discussion papers that do nothing to actually source new water. While water recycling and water-saving measures are very worthwhile initiatives that should be encouraged, on their own they are not going to provide enough water for Geelong's growing population.

The Brumby government has promised to connect Geelong to Melbourne's water supply at a cost of \$80 million. But in his recent review the Auditor-General warned that the cost of this pipeline, before it has even commenced construction, has blown out by 50 per cent to at least \$120 million. Although the government says it will pay \$20 million, Barwon Water customers will be forced to pay more than 80 per cent, or \$100 million, of the cost of the pipeline for what is now being called the Geelong water tax to connect Geelong to Melbourne's water.

This should be compared with the \$180 million, 87-kilometre Ballarat to Bendigo goldfields super-pipe, where the state government is putting in \$71 million and the federal government is putting in \$90 million. Central Highlands Water consumers will contribute the balance of just \$19 million. Geelong residents will be paying more than 80 per cent, while Ballarat residents will pay only about 10 per cent for a similar scheme.

Geelong has seen extensive growth since the West Barwon Reservoir, the last major water storage project in the region, was constructed in 1965. In the 1980s

Barwon Water bought land in the Otways for a new dam. The government's refusal to look at building a new dam for Geelong means that, even though the region is running low on water, Barwon Water is being forced to impose massive increases of 60 per cent over the next five years so that Geelong can tap into Melbourne's water supply. The government should allow Barwon Water to draw more water from the underutilised Barwon Downs aquifer and access the vast untapped resources of the Newlingbrook aquifer in the Otways.

The action I seek is for the minister to guarantee an affordable sustainable water supply for the people of Geelong and their region for today and decades to come.

Ambulance services: western suburbs

Ms HARTLAND (Western Metropolitan) — Again my adjournment matter tonight is for the Minister for Police and Emergency Services in the other place, Mr Cameron. I again raise a concern with Minister Cameron regarding ambulance services and workers who service the western suburbs. It has been brought to my attention by the local paper and the union that because Royal Melbourne Hospital does not go on bypass its emergency unit is overloaded and ambulances have to wait a considerable amount of time to hand over their patients to the hospital.

As the minister would be aware, bypass is a system used to divert ambulances away from hospitals when emergency departments are at capacity. Steve McGhie, the Ambulance Employees Association state secretary, has stated that the hospital bypass system needs to be seriously addressed by the state government. He said:

We know that the Royal Melbourne has had paramedics lined up with their patients for up to an hour.

In a local Fairfax newspaper article on 27 May, reporter Charmaine Camilleri reported what a western suburbs paramedic said about the system. The report states:

You can only assume that six emergency ambulance [paramedics] sitting in a hospital for hours means fewer ambulances to respond to emergencies in the community ... half of them [ambulances] were from the west.

The action I ask of the minister is to take up the concern of the Ambulance Employees Association and fix the ambulance bypass problem.

Rail: travel passes

Mr LEANE (Eastern Metropolitan) — My adjournment matter is for the Minister for Public

Transport in the other place, Lynne Kosky. The action I request from the minister is to ask her department to reconsider its decision concerning the granting of a travel pass — these are awarded to people who work in the railways for a long time — to a Mr Angelos Papagelis. In saying that, I appreciate that the department needs to follow strict criteria in granting these passes. However, I would like to ask the department to look at the special circumstances of Mr Papagelis, insofar as he was a rail worker on a crew for well over 10 years. Unfortunately in 1971 he had a very serious accident on the railways in which a part of track landed on him severing both his legs, which were later reattached.

Since then Mr Papagelis has been in the system as far as WorkCover and the railway system go, and he maintains he really still is a rail worker — he has never gone on to do anything else. It is hard to disagree with Mr Papagelis's argument that his friends, who stayed in the system for a long time, now have rail passes, because they have been able to work, and that he would have kept working in this crew for the same period of time.

Having dealt with rail crews in a previous job, I know that there are people who are very loyal to the railways. You would easily find workers who have been in rail crews for 50 years-plus. I think Mr Papagelis's argument is fair. Once again, the action I seek is for the minister to ask the department to reconsider its decision, taking into account the criteria it has to follow, as far as this special case goes. This is someone who came to this country and did a great job in terms of our infrastructure while he physically could.

Local government: planning powers

Mrs COOTE (Southern Metropolitan) — My adjournment matter this evening is for the Minister for Planning. The issue concerns development assessment committees in Prahran and South Yarra. The Brumby government recently announced the introduction of development assessment committees (DACs), which will take planning powers in Prahran and South Yarra from the City of Stonnington and give them to government-appointed committee members. These areas of Prahran and South Yarra have their own special character. It is people on the local councils who know best what this character is. They know the community best, they know what the community's needs are and they know what the planning issues should be.

My concern goes basically to the processes which will be followed in the appointment of the independent

chairperson. The rest of the committee is to comprise two local government nominees and two state government nominees, so the independent chairperson will be of major significance to many outcomes. The people of Prahran and South Yarra deserve more details as to the process the government will follow in appointing the person who will be casting the fifth and, one would imagine, casting vote on the planning decisions that impact on their communities. My fear is that the DACs will open the door for high-density, high-rise housing in suburban areas, whereas that is against the desires of the community.

One of the special features of South Yarra, and particularly Prahran, is the terrace houses — the small houses with a lot of local character — which are a hallmark of this area. It would be a great shame to see that being overrun by a so-called independent person on a committee who has no understanding of what the local environment and needs are.

Decisions once made by the Stonnington City Council for the good of Stonnington will now, it seems, be made by Spring Street for the good of government policy. Stonnington will have government-appointed mates with no understanding of community concerns to oversee the development of our city as a last-ditch effort to solve the government's housing affordability mismanagement. The people of Prahran and South Yarra are not responsible for the Brumby government's failure to provide affordable housing to the people of Victoria; however, they will be amongst the first to suffer.

The action I am seeking is for the minister to explain as a matter of urgency to the people of Prahran and South Yarra the process which will be undertaken in selecting the independent chairperson for the development assessment committees to oversee planning decisions in those communities.

Roads: South Eastern Metropolitan Region

Mrs PEULICH (South Eastern Metropolitan) — Last night I raised with the Minister for Roads and Ports in the other place a range of issues to do with transportation and traffic congestion, and I do so again today in the hope that VicRoads will facilitate the resolution of those spots, which are causing traffic congestion and traffic snarls. One of them involves the Kingston roundabout that was announced by the Labor government some time ago but whose delivery has been very slow. I refer to the installation of traffic lights at the intersection of Boundary and Lower Dandenong roads. VicRoads confirmed the works would commence some time in 2009, but this intersection has

been identified by the Royal Automobile Club of Victoria and the Leader news group as the intersection causing Kingston drivers most anger.

It has been almost 12 months since VicRoads commenced work on the Mordialloc bridge, and there has been a budget extension of an additional \$2 million. This sort of ongoing bungling has to be stopped. I call on VicRoads and the Minister for Roads and Ports to look at resolving this matter more expeditiously.

In addition to that, the Chelsea rail crossing has had some works done last year, but at the same time there was a failure to install a left-turn lane, similar to the one in Edithvale, to improve southbound traffic flow. It may only be light industrial development along the eastern side of Wells Road between Springvale Road and Thames Promenade, but the patchwork of roadworks over the years needs to be finalised into two lanes each way. This is because a percentage of the southbound traffic enters the freeway via the Thames Promenade access, and many people use this frequently. So I hope those two areas that are causing some significant concern can be taken up by the Minister for Roads and Ports with his department and resolved at the earliest opportunity.

Water: desalination plant

Mr O'DONOHUE (Eastern Victoria) — The action I seek this afternoon is from the Minister for Environment and Climate Change, Mr Gavin Jennings. It relates to the proposed desalination plant at Wonthaggi and specifically the powerlines that are under consideration, from Tynong, Nar Nar Goon through Cora Lynn, Catani, Nyora, Woodleigh, Glen Forbes and down to the desalination plant site.

I have been contacted by several constituents who have had staff from the Department of Sustainability and Environment knocking on their doors this week and last week advising them that their properties are under consideration for the proposed route of the powerlines. The farmers who have come to see me — in particular, Mr and Mrs John and Wilma Coleman of Yannathan, and Mr Colin Hobson, representing the Horticulture Peat Preservation Group — are very concerned about the potential impact on their farming activities, on the free movement of their stock in the situation that significant easements are created. The rumour is that easements of 400 to 500 metres will be required for the powerlines, and vegetable growers who use irrigation are concerned that they will not be able to irrigate their crops around the proposed powerlines.

The action I seek from the minister is to meet with these farmers and work out a solution that ensures that, if indeed this proposed access takes place, the absolute minimum impact on these farmers occurs, and that the impact on their livelihoods, their farms and their ability to manage their farms is a factor in the environment effects statement process, noting that these farmers in West Gippsland are in an area that is already pressured with increasing urbanisation which is making continued agriculture in the area more and more difficult.

Greensborough: shopping centre redevelopment

Mr GUY (Northern Metropolitan) — My adjournment issue tonight is for the Minister for Planning and concerns the redevelopment of the Greensborough shopping centre, known as the Green Edge project. This is a terrific project that will revitalise the centre of Greensborough and place that suburb squarely as the major commercial point for Melbourne's north-east. Currently residents in the north-east do not have a large commercial centre to gravitate to for easy shopping, offices or government services, with that role being spread between Northland, Doncaster and Ringwood, none of which is terribly convenient.

The Green Edge project will totally change the centre of Greensborough. It will feature a state-of-the-art aquatic centre, a brand-new civic centre for Banyule and a large addition of commercial and retail space for Greensborough. The project will be a massive addition to the current Greensborough main street shopping centre commercial area, as well as, as I said, to the shopping centre over the road. It will feature under-street commercial areas and walkways and an open space precinct at its core. There will also be medium-density residential properties included in the new development, meaning that some residents in the more than \$200 million development will not have to use a litre of petrol to buy a litre of milk.

It is worth noting that the project has the support of the state government, although its members opposite appear to be disinterested in it, and the current and former federal governments and, in particular, the full and in-principle financial support of the Banyule City Council. The people of Banyule know this project better than anyone else because they live, work and raise their families right there. It is with that in mind that I ask the minister for some action tonight.

Under the government's recent development assessment committee (DAC) announcement Banyule

will have its planning powers in Greensborough centre removed — —

Mr D. Davis interjected.

Mr GUY — Stripped indeed, and placed with an unelected DAC, and the council will lose local control of the project. The Banyule City Council has been the driver of this project at a government level. It has faced challenges with both levels of government — state and federal — and has done its best to get this project off the ground. The Banyule council does not deserve to lose its planning authority over a project it has nurtured for a number of years. It has not been a hindrance to the process of getting the Green Edge off the ground; rather, as I have said before, it has been the leader in this fine example of urban renewal. The councillors have been the people driving this project, and as I said, they do not deserve to lose their local planning input into the Green Edge development.

I ask the minister today to do the right thing by the council and the Banyule community, to remove the DAC proposal from Greensborough and to leave the planning authority for this area solely with the Banyule City Council, where it belongs.

Public transport: early bird fares

Mr ATKINSON (Eastern Metropolitan) — I raise a matter for the Minister for Public Transport in another place. The Eastern Transport Coalition is an organisation of a number of councils: the City of Greater Dandenong, the City of Knox, the City of Manningham, the City of Maroondah, the City of Monash, the City of Whitehorse and the Shire of Yarra Ranges. They have got together to promote transport options for the eastern suburbs, which unfortunately Mr Leane does not seem to find very interesting or important. That is a pity because indeed the Eastern Transport Coalition has done some particularly useful work which Mr Leane might avail himself of in looking at public transport options in the eastern suburbs.

One of the things the coalition has done recently is to undertake a survey of public transport users. This provides some interesting information, not all of which I think is as valuable as we might wish in terms of establishing public policy, because most of the people surveyed had a reason to answer as they did, given that they were already, for the most part, public transport users, and therefore their views perhaps were not as objective as one might look for in a survey.

Nonetheless, one of the issues that was pursued by the Eastern Transport Coalition which I think is useful and

warrants investigation by the minister is a proposal to extend the early bird train tickets access to buses and connecting services to those trains to allow them also to be subject to the same incentive. As the coalition points out, it is all very well for people to access the trains and for the government to be encouraging people to get on the trains as early bird passengers to relieve the congestion that is being caused by the government's failure to invest significantly in the services, but this would provide a greater incentive for more people to avail themselves of that early bird fare, which I think is a good initiative. I therefore ask the minister to investigate extending the incentive to connecting services, including buses.

Child care: police record checks

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I raise a matter for the attention of the Attorney-General in the other place. It relates to the identification requirements of the working-with-children check that the attorney has introduced.

I have been contacted by a constituent in Dandenong regarding her 22-year-old disabled daughter who was seeking a working-with-children check to undertake volunteer work in an after-school environment. Because her daughter is disabled, she does not have a drivers licence. She lives at home with her parents; therefore she does not have any bills that are in her name as opposed to her parents' name. She was unable to meet the identity requirements for a working-with-children check, which requires, similar to bank accounts, 100 point identification, including one piece of type A identification, which is either an Australian passport, a foreign passport, an Australian drivers licence or an Australian firearms licence, none of which she was able to present, and therefore she had considerable difficulty in establishing her identity for the purpose of applying for the working-with-children check.

Subsequently she has obtained that, but the issue that arose is that she holds a keypass ID card. A keypass ID card is issued by a private organisation. Victoria Police supports the keypass ID card. It is used for access to licensed premises, the sale of alcohol and tobacco et cetera. It is also used as a form of identification for people applying for an Australian passport, if they have no other photo identification. A keypass can be used to apply for a passport, and a passport can be used to apply for a working-with-children check, but you cannot use a keypass as an original document to apply for a working-with-children check. It is quite an absurd situation that a keypass is recognised by the

commonwealth for a passport, but nor for a working-with-children check.

What I seek from the Attorney-General is that he review the identification requirements for the working-with-children check to ensure that the keypass scheme is included as an acceptable form of identification. As I said, it is recognised by the commonwealth for the issuing of a passport and recognised by Victoria Police for other matters. Clearly the lack of photo identification for people without drivers licences and older people is an issue when we are seeking to increase the number of volunteers that are available to the community to work with children in various capacities. Addressing the issue of making the keypass an acceptable form of identification will enhance the pool of volunteers that are available to the community for that purpose.

Primary Industries: funding

Mr VOGELS (Western Victoria) — I raise an issue for the Minister for Agriculture in the other place. It concerns the budget for the Department of Primary Industries. Budget paper 4 shows an output of the following amounts for DPI: 2007–08, \$513.9 million; 2008–09, \$480 million, which is a 6.6 per cent drop; and 2009–10, \$435 million, which is a 9.2 per cent drop. If DPI's budget had remained at \$513.9 million for 2008–09 and 2009–10, it would have had a budget of \$1027.8 million over two years instead of \$480 million and \$435 million, which is \$915.9 million, a decrease of \$112 million.

According to the Minister for Agriculture there is no cut in funding. We often hear the Treasurer talking about voodoo economics, and this is voodoo economics. The minister claims that the budget last year was \$513 million because there was funding for the drought and equine influenza, which is not needed this year. I am sure that farmers across Victoria would be pleased if the minister is right and there is no drought coming up, but in the areas I travel around in country Victoria people are very worried at the moment. They have sown their crops, and a lot of rain is badly needed.

The minister also says the budget was increased due to horse flu. The \$513.9 million in the budget came out in May 2007, and instances of horse flu did not commence until three months after that. Unless the minister had 20/20 vision and knew that horse flu was going to erupt three months later, this does not stack up.

The action I seek from the minister is that since there is \$112 million less in the DPI budget over the next two

years, can he please explain where the axe will fall; will it be on research and development, staff cuts or a combination of both?

Clearways: Boroondara

Mr D. DAVIS (Southern Metropolitan) — My adjournment matter is for the attention of the Minister for Roads and Ports in the other place. It concerns the ongoing and vexed issue of the government's clearways policy in which the government has said it will extend clearway hours from 6.30 a.m. to 10.30 a.m. and 3.00 p.m. until 7.00 p.m. within a 10-kilometre radius of the central business district. Many are familiar with the stance taken by traders, and I commend those traders on being prepared to stand up for the challenges this will provide to their local shopping centres, their businesses and their communities. This is not just about business; this is about the heart of communities and people being able to access communities through their shopping centres at a range of times that are not constrained in the way the government's blanket policy seems to be causing.

The City of Stonnington, as the house will be aware, has pledged \$100 000 for a report to measure the impact of extending clearway hours, and the Kew Traders Association president, Tim Warmington, said the City of Boroondara needs to emulate that stance. I congratulate Boroondara council on the work it is doing at the moment, and I put on the public record that I and my colleague Mrs Coote met with the mayor, Coral Ross, and the chief executive officer recently to discuss this and other matters. I note also the stance taken by Studley ward councillor Phillip Healey and his determination to defend traders from this excessive policy.

At the same time I note that my colleague the member for Kew in the other place has also been very active on this matter with respect to the Kew Traders Association, and I compliment him on his concern for his local community. I note also that traders in Glenferrie Road, Burwood village shopping centre and elsewhere around the municipality are concerned about the impact of this policy and are working together cohesively. I encourage that, because this government only listens to forceful publicity which can only be generated in a cohesive way. As I said, the council has commissioned a report to look at the impacts, and that will go to council on 16 June. That is the first step for Boroondara council in putting a clear policy that will be informed by the facts outlined in that study.

My point today is that I would like the Minister for Roads and Ports in the other place to join me in a tour

to meet the traders of Boroondara in the local shopping centres so that he can directly observe the impact on them. This might only take him half a day. If he is implementing this policy, it is not a lot to ask. I am flexible and would welcome his joining me on a tour of those trading groups.

Responses

Mr JENNINGS (Minister for Environment and Climate Change) — It is my intention to refer all the matters that have been raised this evening, although on one or two matters I will leave it to the ministers' discretion as to what the substantive issues are that they have to respond to.

Ms Lovell raised a matter for the attention of the Minister for Public Transport in the other place, concerned on behalf of constituents about the availability of concessions for public transport fares that emanate from the drought health care card.

Jaala Pulford raised a matter for the attention of the Minister for Regional and Rural Development in the other place about funding to provide support to the South Grampians community to complete the Cavendish-Coleraine Road.

Philip Davis also raised a matter for the attention of the Minister for Regional and Rural Development in the other place relating to reviewing the criteria that apply to the development of towns that are isolated from other parts of the economy or the community, and he gave the examples of Mallacoota and Omeo as warranting special attention.

Kaye Darveniza asked that the Minister for Sport, Recreation and Youth Affairs in the other place extend the healthy breakfast program to make sure it is available to young women, particularly in rural and regional parts of Victoria.

David Koch had the matter closest to being dispensed with today, because he asked the Minister for Water in the other place to basically do his job in delivering water to the people of the community. The minister is determined to achieve the outcomes that Mr Koch has asked him to achieve, but I will allow the Minister for Water to respond.

Colleen Hartland raised a matter for the attention of the Minister for Police and Emergency Services in the other place — I think it may have been better directed to the Minister for Health in the other place — in relation to ambulance, conditions of ambulance and particularly the functioning of ambulance and the conditions that relate to bypass that currently occurs

within the hospital system. I will let the minister make that appreciation for himself.

Shaun Leane raised a matter for the attention of the Minister for Public Transport in the other place, asking her to review the circumstances of Mr Papagelis, who is a railway worker of long standing but yet has been unable to achieve a public transport card to enable him to use public transport. I know full well the loyalty that railway workers have demonstrated to the industry and that they see this pretty much as a feature of their life. This is a very significant issue, and I am sure the minister will respond.

Andrea Coote raised a matter for the attention of the Minister for Planning, wanting to make sure that the minister conveys — beyond, obviously, the conversations that I am having in the local community about this issue she has raised — the way in which the development area committees will be established, and provides the community with confidence that in fact they will be established in an appropriate way that accounts for independent sharing and for the aspirations of local communities in terms of development issues.

Inga Peulich raised the matter — —

Mrs Peulich interjected.

Mr JENNINGS — Exactly, I am going to get to that because the Clerk and I have had a conversation in the running about whether two issues can be raised on the adjournment. We think that we might have a bit of difficulty and that in fact Mrs Peulich may be called upon to choose one of those two issues that she has raised for the attention of the Minister for Roads and Ports in the other place. Mrs Peulich might be able to rope in a definition of the coalition of those issues but they are two separate locations dealing with two separate traffic-related matters.

Mr O'Donohue raised a matter for my attention, and I am happy to look at what aspect of his matter may fall within my responsibility. It is not absolutely clear to me at this point in time, but I am happy to investigate whether the people from the Department of Sustainability and Environment who have knocked on doors are actually acting on my behalf or on behalf of the Minister for Water, because both of us have people within that department who are engaging in aspects of this consideration.

In relation to the scoping of the environment effects statement, Mr O'Donohue would appreciate that that is a matter for the attention of the Minister for Planning but if, on the basis of the connections that have been made, there are some issues that I should respond to, I

will. Otherwise those matters will be dealt with by the appropriate ministers.

Mr Guy raised in a great deal of detail the benefits of a development in Greensborough, the Green Edge project proposal. Mr Guy showed that this is an example of local communities, Banyule City Council in particular, being mobilised to support the large-scale development that has sustainability features. If this is the feature of local planning decision making, this is very consistent with the hopes and aspirations of my colleague, the Minister for Planning. I am happy for the minister to reflect on this example, in relation to it as a shining example of development in that municipality.

Mr Atkinson raised a matter for the attention of the Minister for Public Transport in the other place, seeking her help to extend the application of the early bird fares to buses that connect with the train system.

Mr Rich-Phillips raised a matter for the attention of the Attorney-General. We could probably spend a lot of time deconstructing the chain of evidence and the cumulative points that are required for various forms of identification, but I am sure the Attorney-General will reflect on the relevance of the keypass ID card.

Mr Vogels raised a matter for the attention of the Minister for Agriculture in the other place and invites the minister to come back and give him a deconstruction à la the Public Accounts and Estimates Committee about the agriculture budget. I volunteer to Mr Vogels from my reading of what he has described that there is a difference between what is in the forward estimates at the beginning of the year to what might be the outcome at the end of the year. The examples that Mr Vogels gave about funding that comes from drought funding or for equine flu can end up being in the outcome that is actually reported at budget time. They are not necessarily mutually exclusive propositions but I am sure the Minister for Agriculture will respond to him.

David Davis raised a matter for the attention of the Minister for Roads and Ports in the other place, seeking his reflection, if not intervention, on the clearway policy and the implications it has for inner-city municipalities and strip shopping centres therein.

The PRESIDENT — Order! The house now stands adjourned.

House adjourned 3.04 p.m. until Tuesday, 24 June.