PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-SIXTH PARLIAMENT

FIRST SESSION

Thursday, 17 April 2008

(Extract from book 5)

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By authority of the Victorian Government Printer

The Governor

Professor DAVID de KRETSER, AC

The Lieutenant-Governor

The Honourable Justice MARILYN WARREN, AC

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Minister for Housing, Minister for Local Government and Minister for Aboriginal Affairs	The Hon. R. W. Wynne, MP
Cabinet Secretary	Mr A. G. Lupton, MP

Legislative Council committees

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 Gaming Licensing — Mr Barber, Mr Drum, Mr Guy, Mr Kavanagh, Mr Pakula, Mr Rich-Phillips and Mr Viney.

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

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*): Mr Leane and Ms Mikakos. (*Assembly)*: Mr Delahunty, Mr Haermeyer, Mr McIntosh, 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 Elasmar and Mr Hall. (*Assembly*): Mr Dixon, Dr Harkness, Mr Herbert, Mr Howard and Mr Kotsiras.

Electoral Matters Committee — (*Council*): Ms Broad, Mr Hall 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*): Ms Beattie, 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 Mrs Maddigan.

Outer Suburban/Interface Services and Development Committee — (*Council*): Mr Elasmar, 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 Graley, Ms Munt, 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

MEMBERS OF THE LEGISLATIVE COUNCIL

FIFTY-SIXTH PARLIAMENT — FIRST SESSION

President: The Hon. R. F. SMITH

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Mrs ANDREA COOTE

Leader of The Nationals:
Mr PETER HALL

Deputy Leader of The Nationals:
Mr DAMIAN DRUM

Member	Region	Party	Member	Region	Party
Atkinson, Mr Bruce Norman	Eastern Metropolitan	LP	Lenders, Mr John	Southern Metropolitan	ALP
Barber, Mr Gregory John	Northern Metropolitan	Greens	Lovell, Ms Wendy Ann	Northern Victoria	LP
Broad, Ms Candy Celeste	Northern Victoria	ALP	Madden, Hon. Justin Mark	Western Metropolitan	ALP
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
Elasmar, 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

CONTENTS

THURSDAY, 17 APRIL 2008

CONTENTS

Thursday, 17 April 2008

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

PETITIONS

Following petitions presented to house:

Gaming: Cardinia

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws to the attention of the Legislative Council that the residents of Officer and Beaconsfield strongly reject any move to bring and install electronic gaming machines ('pokies') into their community.

The Shire of Cardinia has received applications to install over 200 gaming machines at three separate locations in the townships of Beaconsfield and Officer. If these applications are successful, these townships will have a concentration of electronic gaming machines that is significantly higher than the community desires.

The petitioners request that the state government of Victoria recognise without delay the effect its gaming policies are having on local communities. The petitioners request that the flawed state government gaming policies, which allow the proliferation of gambling, be changed so that local communities such as Beaconsfield and Officer can remain free of electronic gaming machines ('pokies').

By Mr O'DONOHUE (Eastern Victoria) (65 signatures)

Laid on table.

Rail: Brighton level crossing

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws to the attention of the Legislative Council the loss of civic amenity caused by the forced closure of New Street.

We submit that New Street is an arterial road of significance (route 25) providing access for Victorians to their homes, businesses, schools and leisure activities. Closure has increased journey times for thousands of people, diverting through traffic to other intersections that are now operating beyond their design limits and thereby jeopardising road safety.

The historic manually operated railway gates at New Street are the last of their type in Victoria. They are living heritage and are a distinctive and cherished Victorian icon.

Your petitioners therefore request that the Minister for Public Transport and the Minister for Roads and Ports ensure that railway safety systems are upgraded at the earliest date so that the manual gate operation can be safely resumed in order to allow the reopening of New Street to full use.

By Ms PENNICUIK (Southern Metropolitan) (1524 signatures)

Laid on table.

COUNTY COURT JUDGES

Report 2006–07

Hon. J. M. MADDEN (Minister for Planning) presented report by command of the Governor.

Laid on table.

AUSTRALIAN CATHOLIC UNIVERSITY

Report 2007

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade), by leave, presented report.

Laid on table.

MELBOURNE COLLEGE OF DIVINITY

Report 2007

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade), by leave, presented report.

Laid on table.

PAPERS

Laid on table by Clerk:

Adult Multicultural Education Services — Report, 2007.

Australian Crime Commission — Report, 2006-07.

Bendigo Regional Institute of TAFE — Report, 2007.

Box Hill Institute of TAFE — Report, 2007.

Central Gippsland Institute of TAFE — Report, 2007.

Centre for Adult Education — Report, 2007.

Chisholm Institute of TAFE — Report, 2007.

Deakin University — Report, 2007.

Driver Education Centre of Australia Ltd — Report, 2007.

East Gippsland Institute of TAFE — Report, 2007.

Gordon Institute of TAFE — Report, 2007.

Goulburn Ovens Institute of TAFE — Report, 2007 (two papers).

Holmesglen Institute of TAFE — Report, 2007.

Kangan Batman Institute of TAFE — Report, 2007.

La Trobe University — Report, 2007.

Monash University — Report, 2007.

Northern Melbourne Institute of TAFE — Report, 2007.

Professional Standards Act 2003 — CPA Australia Limited (Victoria) Scheme, 14 February 2008.

Royal Melbourne Institute of Technology — Report, 2007.

South West Institute of TAFE — Report, 2007.

Subordinate Legislation Act 1994 — Minister's exemption certificate under section 9(6) in respect of Statutory Rule No. 20.

Sunraysia Institute of TAFE — Report, 2007.

Swinburne University of Technology — Report, 2007.

University of Ballarat — Report, 2007 (two papers).

University of Melbourne — Report, 2007.

Victoria University — Report, 2007 (two papers).

William Angliss Institute of TAFE — Report, 2007.

Wodonga Institute of TAFE — Report, 2007.

BUSINESS OF THE HOUSE

Adjournment

Mr LENDERS (Treasurer) — I move:

That the Council, at its rising, adjourn until Wednesday, 7 May 2008.

Motion agreed to.

MEMBERS STATEMENTS

Housing: homelessness

Ms LOVELL (Northern Victoria) — I recently met with Mr Tony Clark, the founder and chairman of Swags for Homeless. Mr Clark has a proposal to assist the more than 2000 homeless Victorians who are sleeping rough on the streets of Victoria. Mr Clark's proposal is to supply a swag and a bath pack, which would be distributed by homeless services to those homeless people forced to sleep on the street due to a lack of emergency accommodation. The cost of these would be approximately $265 per person.

While I acknowledge that it is the first preference of all governments to provide secure housing to these people, we need to recognise that with 34 872 families on the public housing waiting list, this is not going to happen overnight. Unfortunately Mr Clark, while he has been able to secure meetings with many members of the opposition, both state and federal, cannot get a meeting with the Minister for Housing in the other place to discuss his proposal, which would have at least provided some warmth and security to those forced to sleep on the streets.

I encourage the minister to meet immediately with Mr Clark to at least give his organisation the courtesy of discussing this proposal rather than just shutting it out and pretending that people are not sleeping on the streets. It is not good enough to have had buses on the steps of Parliament House last night if we are not prepared to meet with people who are willing to help homeless Victorians.

Bill Clair and Meg Tanti

Ms PENNICUIK (Southern Metropolitan) — On behalf of the Victorian Greens I would like to pay tribute today to two of our much-loved members who have recently passed away.

Bill Clair was a stalwart of the Bayside-Glen Eira branch. Branch meetings were often held at his house, and much laughter accompanied the serious purpose behind the meetings. Bill was devoted to the Greens. He was a key organiser in local government, state and federal campaigns over many years, and was a key member of the Southern Metropolitan Region campaign team at the 2006 state election.

Bill was a very warm person, whose generosity of spirit shone through. I extend our condolences to his partner Gerry, and his family and friends.

Meg Tanti died tragically after an accidental fall. She was not yet 40. Meg loved and believed passionately in the Greens. She was a passionate person. She stood as the Greens candidate for the district of Narre Warren South at the 2006 state election. Meg had a strong sense of social justice and concern for the environment. She was kind and generous to family friends and to strangers in need.

She loved rock music and was an avid concertgoer — something she and I have in common. I extend our condolences to Meg's family and many friends.

Meg and Bill will be deeply missed by all who knew them. Their commitment and contribution to the Greens will never be forgotten.

St Georges Road, Northcote: roundabout

Mr ELASMAR (Northern Metropolitan) — I raised this matter in the adjournment debate in April 2007, and I am delighted to announce that, due to the combined efforts of the member for Northcote in the other place and me, the safety of the roundabout on St Georges Road, Northcote, an intersection in my electorate, was addressed by the Minister for Roads and Ports in the other house. I had called on the minister to commission a report from VicRoads into how the safety of this intersection, which is well known to my constituents and to north–south commuters using the road, may be improved. The intersection is complicated by the tramline and the bike path that run down St Georges Road into the intersection at the roundabout.

The investigation has taken place, and the result of that investigation is that an upgrade has been recommended. Users of that intersection — motorists, pedestrians and cyclists — knowing the upgrade will take place can rest assured that future travel will be safer and that their members of Parliament have acted to ensure their safety and their interests have been looked after. I offer many thanks to the minister, VicRoads and the minister's department for taking seriously and acting upon the very real concerns of the people in my electorate.

Climate change: Earth Hour

Mr RICH-PHILLIPS (South Eastern Metropolitan) — Two weeks ago Victorians experienced near-saturation media coverage urging them to participate in Earth Hour, when we would turn out the lights and sit in the dark to reduce electricity consumption, between 8.00 p.m. and 9.00 pm on Saturday, 29 March.

In the days following, Earth Hour advocates published photographs of Melbourne's central business district, before and during Earth Hour to vindicate their claims of the success of the exercise. While the images showed that some CBD building managers had turned off their external building lighting, the real story was in the background of the photographs, which showed Melbourne's middle and outer suburbs, which were lit just as brightly during Earth Hour as before.

An inconvenient truth can be found in the official data from the National Electricity Market Management Company data, which showed that Victorian electricity demand during Earth Hour averaged 5390 megawatts, some 2.5 per cent higher than for the same hour the previous Saturday.

Earth Hour was just another feel-good, tokenistic gesture from the Sydney latte left. The fact that suburban Victorians ignored the gesture shows that they are sick and tired of out-of-touch inner city elites telling them how they should live their lives. The Brumby and Rudd governments, which suggest, 'We know what is best for you', should take heed.

Andrew Douch

Ms DARVENIZA (Northern Victoria) — I take this opportunity to congratulate Mr Andrew Douch, a teacher at the Wanganui Park Secondary College in Shepparton, on being nominated as a finalist for the prestigious 2008 Victorian education excellence awards. He has been nominated for a Curriculum Innovation award at this year's awards, which celebrate excellence and innovation in education.

This nomination comes hot on the heels of being named Australia's most innovative teacher at the recent Asia-Pacific Innovative Teachers Forum that was held in Vietnam. These awards pay tribute to the hard work and dedication of teachers, principals and schools across the state who play a vital role in our schools. Being nominated for these prestigious awards is an outstanding achievement. A judging panel has been set up, which includes senior educators and officials from the Department of Education and Early Childhood Development. I wish Mr Douch every success with these awards.

National parks: information

Mr P. DAVIS (Eastern Victoria) — This morning I would like to speak about the Cape Conran Coastal Park. It is a delightful area to visit, to walk and indeed to take a family. Recently when I was visiting Cape Conran I saw the enjoyment people, particularly the campers, get from both beaches and coastal scenery. However, the walks are problematic, because while they are reasonably well maintained they are very poorly signed.

In particular I mention the estuary view trail and the nature trail, which run around to the cape, They are among the most used walking trails. They are very inappropriately signed, and my view is that the staff of Parks Victoria need to coordinate the maps they provide to the public with the signs they erect so that the public can have a better understanding of where they may be on any of those walks.

My experience at Cape Conran has been consistent with my experience recently in the Mitchell River National Park, which was also poorly signed and for

which inadequate maps provided, and consistent with my experience recently in the Alpine National Park, indeed at Macalister Springs and Mount Howitt, where signage is also poor. While it is important that we encourage Victorians to enjoy our great parks estate, it is critically important that those responsible for their stewardship — that is, Parks Victoria — ensure that people who access the parks are in a position to be informed about which part of the park they are in at any one time.

I do not think this is a problem at Cape Conran, but it certainly is so in the Alpine National Park. Poor signage and the lack of appropriate maps could lead to a tragedy. On the other hand, Cape Conran is a great place to visit, to stay and to enjoy a family experience.

National Curriculum Board: membership

Mr SOMYUREK (South Eastern Metropolitan) — I rise to congratulate the Rudd government on its decisiveness in taking steps to establish a national education curriculum within three years. Last Monday, Julia Gillard, the federal Minister for Education, confirmed the membership of the National Curriculum Board. I understand that the new board is comprised of representatives from each of the states and territories and three representatives from the Catholic and independent sectors, and that the board will oversee the development of a rigorous, world-class national curriculum for all Australian students from kindergarten to year 12, starting with the key learning areas of English, mathematics, the sciences and history.

I understand that the board will also draw together the best programs from each state and territory into a single curriculum to ensure every child has access to the highest quality learning programs to life achievement and to drive up school retention rates. There has been a national debate on this issue of national curriculum for about 30 years, and up until now no government has been able to be decisive enough to pull it together. About 340 000 Australians move interstate each year, including 80 000 school-age children in working families. These people will be delighted with last Monday's agreement.

Rail: level crossing safety

Ms BROAD (Northern Victoria) — I wish to welcome the announcement earlier this week by the Minister for Public Transport in the other place, Lynne Kosky, that speed limits will be lowered on approach to 72 level crossings across Victoria to give motorists greater reaction time and alert them to rail lines on some of the state's busiest rail freight routes. By reducing the speed limit and supporting this with increased enforcement, we hope people will heed the message to slow down, to obey the signs and to be prepared to stop.

I also welcome a new partnership between the Brumby Labor government and the Municipal Association of Victoria to establish a program to close remote crossings because in some rural areas there are level crossings located in very close proximity to one another. By eliminating some of these crossings, risk is also eliminated. I am very pleased that the Brumby Labor government is getting on with the hard work of improving safety features on regional crossings, especially in my electorate of Northern Victoria.

Port Phillip Bay: channel deepening

Mr PAKULA (Western Metropolitan) — On 27 February in the debate in Parliament on the Port Services Amendment (Public Disclosure) Bill I said that the reporting of the *Age* on channel deepening had been characterised by unbalanced reporting on the issue, by shocking headlines that were not supported by the story they were attached to, by individuals having their views misrepresented and by negative comment not just being reported but being actively sought. At the time certain members accused me of taking unwarranted pot shots at the *Age*. However, today's *Australian* states:

> According to a statement endorsed unanimously by 235 staff members, Jaspan —

the editor-in-chief of the *Age* —

> had 'pursued an undeclared campaign' against the Victorian government's dredging of Port Phillip Bay.

The statement noted:

> The paper's news reporting and analysis of this issue, as well as the selection, emphasis and presentation of stories, has been aggressively directed to reflect the view that the dredging is a mistake … This is an issue on which our readers expect fair and objective coverage. Instead, the roles of editorial advocacy and reporting have become confused.

In terms of the view that Mr Jaspan had gone over the top, that was recognised not just by government, not just by the business community but by the whole *Age* workforce. It appears the only person who did not understand that was the Leader of the Opposition.

The PRESIDENT — Order! I remind the house of not just a technicality but a reality. Under the standing orders it is not permissible to quote from any contribution within the last six months, even though it might have been the member's own. I was a bit

confused as to how to deal with that, but I am assured that it is still the case that a member cannot quote from any contribution within the last six months.

Kaniva Bowling Club: synthetic playing surface

Ms PULFORD (Western Victoria) — On Thursday, 3 April, this year, I had the privilege of representing the Minister for Sport, Recreation and Youth Affairs in the other place, Mr Merlino, in Kaniva. As we all know, the drought has hit Victorians hard. As I travel throughout my electorate I see firsthand the effect of this on many rural and regional communities. That is why I am proud to be a part of the Brumby Labor government — one which is working for all Victorians. Unlike the government during the Kennett years, our government understands that Victoria does not stop at the tram tracks.

One example of this government's commitment to rural and regional Victoria is the $60 000 grant I was proud to announce in Kaniva for the Kaniva bowls club. The club applied through the West Wimmera Shire Council under the government's community facility funding program. The grant will see the club replace an existing lawn bowling green with a new synthetic surface. This surface will save water, provide for a more reliable playing surface and enable club members to spend more time playing and less time preparing their green. This project was 1 out of 130 across the state to share in almost $5.5 million in funding from the 2008–09 round. Since the year 2000 the Bracks and Brumby governments have supported 1850 projects with $169 million in funding.

I was joined at the announcement by West Wimmera shire chief executive officer Jim McKay; mayor Warren Wait and other councillors, club and community members. At the club I had the privilege of having a roll-up with club president Rusty Ansell; local councillor and bowler Bruce Meyer, and other club members.

Aireys Inlet Tennis Club and Quay Reserve, Torquay: funding

Ms TIERNEY (Western Victoria) — On that horrific weather day two weeks ago where one would be reluctant to be outside, let alone be playing tennis, I had the pleasure of being present for the announcement by the Minister for Sport and Recreation in the other place, James Merlino, of a $51 000 grant to the Aireys Inlet Tennis Club for two resurfaced synthetic grass courts and sports quality lighting.

The Aireys Inlet Tennis Club is very well supported; in fact, it has the largest membership of all tennis clubs across the Surf Coast shire. With this funding grant the facilities will obviously improve markedly for current members and no doubt attract new members to the very successful club.

I must also mention the work of the club committee members: in particular treasurer Kevin Riley and secretary Ceri Johnson, who were present at the announcement. I look forward to meeting with them again to witness the finished works, expected to be completed later this year.

The club and the Surf Coast Shire Council contributed $12 800 each to the project in another example of state Labor government, shire councils and local sporting clubs cooperating to improve local sporting facilities, build local communities and encourage Victorians to be active across the state.

In another coup for sport in the Surf Coast region, the minister also announced funding of $60 000 for new sports standard floodlighting at the Quay Reserve, Torquay. These two projects are part of the Brumby government's Community Facilities funding program and also encourage Victorians to stay healthy and active, which is what the state government's $150 million Go for Your Life program is all about.

HealthSMART: project funding

Mr D. DAVIS (Southern Metropolitan) — My matter today concerns the Auditor-General's report which was tabled yesterday, *Delivering HealthSMART — Victoria's Whole-of-Health ICT Strategy*. This HealthSMART program, whilst good in concept, has been implemented in a way that has ensured that it is swiftly becoming a lemon. It is massively over budget and has not been oversighted sufficiently either by the former Minister for Health, Ms Pike, or the current one, Mr Andrews, or by the respective treasurers.

I note the Treasurer's failure to answer questions properly on this matter yesterday. It is clear that the presence of a Department of Treasury and Finance official on the steering committee for this project means that he is — —

Mr Lenders interjected.

Mr D. DAVIS — Mr Lenders did not answer it in any satisfactory manner. He failed to accept responsibility. This is a massive cost to the taxpayer. It is money that is being misapplied by this government and, as Treasurer, he has some significant responsibilities here

that he is not discharging satisfactorily and, whilst he might wriggle and squirm and try to obfuscate in question time, the community does not think that he is handling its money in the proper way that he should. The stewardship of these — —

The PRESIDENT — Order! This is not a debate.

Mr D. DAVIS — It is a 90-second statement. I call on the government to get proper controls on this HealthSMART program.

Member for Benalla: comments

Mr THORNLEY (Southern Metropolitan) — Last evening in the other chamber a member of the opposition, Dr Sykes, the member for Benalla, in a debate on the Environment Protection Amendment (Landfill Levies) Bill repeatedly referred to this government as 'the Gestapo' and to its having 'Gestapo-like tendencies' over a matter of compulsory acquisition of some land.

Whatever grievance Dr Sykes is trying to remedy, in section 51(xxxi) of the constitution of this country the founders of this nation guaranteed the rights of citizens in relation to compulsory acquisition. Nothing could be further from the activities of the Gestapo. But whatever offence may have been taken by this government pales into insignificance compared to the offence that could, and no doubt is, being taken by, and the hurt caused to, members of the Victorian community and their many family members who are themselves victims of the actual Gestapo.

Holocaust Memorial Day will occur on 2 May, so might I suggest to Dr Sykes that he take the opportunity to visit the Holocaust Memorial Museum and remove the veil of ignorance which motivated his comments. Might I further suggest — —

Mrs Peulich — On a point of order, President: I apologise; it is not customary to call a point of order during a members statement, but I believe that the member is reflecting on a member of another chamber, and therefore it is against standing orders.

The PRESIDENT — Order! I am not convinced that Mr Thornley is actually reflecting on the member. He is simply remarking on the comments made by the member in the other place, and I will allow him to continue.

Mr THORNLEY — Might I say, President, that the member has done himself no credit. Might I suggest that prior to 2 May he consider making a full and genuine public apology to those in the Jewish community whom he has hurt; and if he refuses to do so, I suggest that the Leader of the Opposition do so on his behalf.

STATEMENTS ON REPORTS AND PAPERS

Parks Victoria: report 2006–07

Mr P. DAVIS (Eastern Victoria) — I address the annual report 2006–07 of Parks Victoria, and in so doing note that the report highlights in part that Parks Victoria is responsible for almost 4 million hectares of land in this state, which it manages on behalf of the people of Victoria with a budget expenditure in excess of $160 million and with more than 1000 staff in its direct employ. That is a considerable undertaking, and I imagine, given the large number of parks and reserves for which Parks Victoria is responsible, the logistics of managing that are challenging. Nevertheless, that is the responsible function of Parks Victoria.

I have in recent times taken a particular interest in the performance of that statutory body, and I will commit to making it an ongoing mission to ensure that Parks Victoria undertakes its duties appropriately. Speaking on behalf of my constituents in Eastern Victoria Region where many parks exist, many of the people in the Eastern Victoria Region thoroughly enjoy those parks by accessing the parks and reserves either on foot or in four-wheel-drive vehicles in some cases or simply by camping.

I want to go to some of the points that have been made in various contributions I have made in this place. I have raised concerns with the Minister for Environment and Climate Change directly and made commentary in the house about a number of problems. The minister has been kind enough to respond to some of those concerns, and I firstly pick up the issue of weed control. The minister's response to a matter I raised in the adjournment debate on 28 February says, in part:

> Ongoing blackberry control works are targeted at boundaries with neighbours; small catchments or outlying sites disconnected from other infestations where eradication may be achievable; important sites for biodiversity conservation, such as spotted tree frog habitat; and visitor sites where camping and access to rivers is required.

I read that selective extract from the minister's response to highlight the point that what it does not say is that Parks Victoria has given up on blackberry control in large areas of the park. I made the point when I raised the matter on the adjournment that the Alpine National Park in particular suffers from extraordinary infestations of blackberry as well as other weeds.

Mrs Coote — And the ragwort in the Otways!

Mr P. DAVIS — I will focus on that, and the interjection from Mrs Coote is relevant as well. She talks about ragwort in the Otways. I can assure Mrs Coote that ragwort is abundant in the Alpine National Park, and in my view Parks Victoria is negligent for not trying to control that. But I really wanted to make a point in principle here.

In visits I have recently undertaken to the Mitchell River National Park, the Alpine National Park, the Croajingolong National Park and the Cape Conran Coastal Park I have found what I would describe as a state of neglect. I have found that vehicle access tracks and walking tracks have clearly not been well maintained, the signage is quite inadequate and in some cases quite misleading, and, importantly, there is a disconnect between the information provided to visitors — to the general public — through the information sheets provided by Parks Victoria, and the detail of where the tracks and signs indicate people should walk.

I compare this with land managed by the New South Wales National Parks and Wildlife Service, which I have had a good look at recently, in the Blue Mountains National Park and the Snowy River National Park. Clearly there is an enthusiasm among the staff of the New South Wales National Parks and Wildlife Service and a real dedication to visitor access and information. The word 'service' in that body's name summarises the attitude of employees in that organisation to discharging their functions: serving the community and ensuring that people are adequately supported and that their visits to those parks are a real ongoing pleasure.

I am committed to ensuring that the Minister for the Environment and Climate Change sharpens up the performance of Parks Victoria, because I know that the people of Victoria are committed to their national parks estate and that many employees in Parks Victoria are likewise committed. But there needs to be an improved overlay of management in Parks Victoria to ensure that the resources that taxpayers provide — that is, in excess of $160 million of funding to support the more than 1000 direct employees to manage this nearly 4 million hectares of public land — is adequately discharged. It is important to note that in the visits I have undertaken in some areas local residents have expressed concern that the performance of Parks is inadequate. I believe this is a reflection of two things. One is the actuality — —

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

Auditor-General: *Accommodation for People with a Disability*

Ms HARTLAND (Western Metropolitan) — I wish to speak today on the Auditor-General's report on accommodation for people with a disability. A number of issues and concerns are raised in this report, and it quite closely reflects the kinds of things that carers and parents have been telling me over this past year. But I will address only two of the issues in the report.

In the Disability Act 2006 is a requirement that support plans be drawn up for each client, but the report identifies a number of critical problems in carrying out this part of the act. They are a lack of consistency; a lack of training for staff; not enough staff to carry out the plans; no mechanism for clients to have input into who should do their plan; and no mechanism for the person writing the plan to have access to all relevant information. I was quite surprised that the files can be kept in three or four different places.

The problems raised about accommodation only highlights what I have been told by parents and carers over the past year. In 2006–07 the Department of Human Services (DHS) allocated $395 million for supported accommodation services. Unfortunately that amount will do very little to meet unmet need. In 2003–04 DHS identified it would need to upgrade 443 of its houses. It has estimated that it will cost $225 million to bring these houses up to standard. It has subsequently identified that another 200 houses do not comply with current building or occupational health and safety standards. The cost to bring these homes to standard has not been estimated by DHS. It has requested $123 million — $59 million in 2005–06 over three years and $64 million in 2007–08. However, to date only $44 million has actually been received. This will provide 51 replacement homes and 9 refurbished homes, but it does not increase by one the amount of bed accommodation for this state.

I shall use the words of the report to talk about the unmet need. At page 2, under the heading 'Unmet demand for support', it says:

> DHS is unable to provide support for all those requesting it (unmet demand is around 1370 people, or 30 per cent), yet demand is increasing by around 4 per cent to 5 per cent annually and DHS has not accurately quantified future support needs or the associated need for resources. The reactive nature of DHS's response to accommodation needs, combined with the stringent … criteria, is likely to continue, and therefore perpetuate a crisis-driven system.

There are a number of older parents in the system who are now in their 80s and 90s and whose children are in their 60s. I do not think this report gives them much hope.

I am also concerned about another aspect of this report. I am aware that over the past 10 years there have been a number of reports from either the Attorney-General or other organisations dealing with people who are trying to provide accommodation for people with disabilities. The reports are there, the figures are known, but the government does not appear to be doing anything about it. I would hope that this report is not another one that will sit on the shelf. I hope the government takes it seriously and does something about meeting the unmet need.

Auditor-General: *Planning for Water Infrastructure in Victoria*

Ms DARVENIZA (Northern Victoria) — I rise to make some comments on the *Planning for Water Infrastructure in Victoria* report that was tabled in Parliament last week by the Auditor-General. The report certainly highlights the Victorian government's performance at selecting, prioritising and monitoring statewide and regional water infrastructure projects. The government welcomes the report and will adopt all of the recommendations made by the Auditor-General; it will also implement those recommendations.

The government has embarked on the biggest investment in water infrastructure projects in the state's history to secure our water future. In fact the $1 billion that was committed by the Brumby Labor government to the food bowl modernisation project was the largest amount of money ever given to one regional area in Victoria by a government for an infrastructure project.

We make absolutely no apology for providing a secure water future for the people of Victoria. Consultation with irrigators and rigorous analysis of savings to be gained from the stage 1 of the food bowl modernisation project was already occurring, as recommended by the Auditor-General. The report makes it clear that the dire water situation in 2006 meant that the $4.9 billion infrastructure plan had to be developed quickly to ensure the state's water security, and Victoria should feel reassured and confident that it has a government that is prepared to take very decisive and speedy action, to show leadership when there are emergencies and when the need arises to protect the community, and also to protect it not immediately but into the future, to ensure the provision of water security in the future.

Processes to consult project stakeholders are already being implemented — a fact that was highlighted on page 25 of the report, and I quote:

> The department has put in place mechanisms to consult stakeholders as part of the detailed development and delivery of the projects in the plan.

In fact some of those consultations have resulted in a number of outcomes. We are consulting with irrigators, local governments, environment groups, householders and businesses to further refine our major projects and to deliver even better outcomes. As I said, we have seen results in the refinement of the Sugarloaf pipeline route to avoid highly valued community assets, an expansion of the $100 million early works program in stage 1 of the food bowl modernisation project to include two more irrigation districts, and the establishment of a community information centre in Wonthaggi for the desalination plant. They are outcomes that have resulted directly from consultation that the government has been involved in. The government remains confident that 225 billion litres of water currently lost through leakage, inefficiencies and evaporation from our very antiquated regional irrigation system will be able to be captured under stage 1 of the food bowl modernisation project.

It needs to be remembered that the Auditor-General's report was collated at a time when the food bowl modernisation project was still a work in progress, so it is not unreasonable that the figures on losses and savings in the steering committee's proposal were still being analysed. Goulburn-Murray Water and the Department of Sustainability and Environment have since rigorously analysed these figures — —

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

Ombudsman: investigation into VicRoads driver licensing arrangements

Mr KOCH (Western Victoria) — I am reporting today on the Ombudsman's investigation into VicRoads driver licensing arrangements, and I say from the outset that the Ombudsman, Mr George Brouwer, has not spared VicRoads in relation to his report on licensing. In fact I think he has been very damning in what he has found at VicRoads, especially in its licensing department. He has unearthed some very serious flaws and he has reported them as such. I think some of the very damaging areas reflected in this report should be recorded, and I am happy to do so. I will only be reporting on six or seven of those areas that he has uncovered.

The first of those is the falsifying of under-age identification. As you can appreciate, that has many consequences, especially club and hotel entries by people under 18 years of age. The production of fake licence identification and the use of those fake licences by welfare cheats and those who use them for job applications has seen big losses, especially in welfare

payments, and also from people holding down multiple jobs and declaring only one.

Another thing which came up in the report which I found amazing was the theft of seven licence-producing machines from the VicRoads office since 1998. We can only have one idea whose hands these are ending up in; they are obviously in criminal hands, and these people have obviously had a picnic over that period with the production of fake licences. Disappointingly, the Ombudsman concluded that there were corrupt officers within VicRoads staff, including, in one case, a senior manager. It is very disappointing that that has continued unabated.

The report also expresses concerns about the taxi industry. It was found that many taxi operators are still driving their taxis when their licences have been suspended or cancelled. It was also found that the records held by VicRoads were very poorly kept. In one case it found that there was a deceased gentleman — who would have been 111 years old if he was still alive — whose licence had been cancelled back in 1998, and that still had not been reported in the database.

There were repeated requests from police and other experts, particularly the Purana task force when it was operating, to VicRoads expressing concern that criminals had access to the production of these fake licences. VicRoads did not pick up on that; it ignored it for a long period of time. When the Ombudsman presented his report the retort from VicRoads was that it was underresourced and would have to increase the cost of licences to make the situation better within VicRoads, especially its licensing department.

The Ombudsman made some recommendations. He suggested that the licensing period should go from 10 years back to 5 years and that learners permits should expire after 2 years, not the current 10 years. He also thought it was important that the issuing of licences directly across the counter should be discontinued and that people should be further investigated or more information should be required prior to licences being issued.

These facts I have outlined are openly acknowledged within the report. Not only is the report damning but the Ombudsman has certainly expressed his concern about the way the database is run and about those who have been managing it up to date.

Charter of Human Rights and Responsibilities Act 2006: report 2007

Mr TEE (Eastern Metropolitan) — I welcome the chance to speak on the *2007 Report on the Operation of the Charter of Human Rights and Responsibilities Act 2006*.

The report by the Victorian Equal Opportunity and Human Rights Commission starts with an extract from the Attorney-General's second-reading speech, which set the government's aims and ambitions in relation to the human rights charter. It is worth reminding ourselves of the commitment the government made in relation to that charter. That was a commitment to:

> … provide better protection for human rights for all people in Victoria through the enactment of a charter of rights and responsibilities that will strengthen and support our democratic system.

The second-reading speech goes on to say:

> … this bill is about those rights and values that belong to all of us by virtue of our shared humanity.

Further on it says:

> … this bill brings human rights to the Victorian community in a relevant and practical way. It enshrines values of decency, respect and human dignity in our law, and lays the foundation for protecting human rights in the daily lives of all Victorians.

So the charter is about enshrining decency, respect and human dignity in a relevant and practical way. The practical nature of the government's comment is writ large in this report.

Mrs Peulich — It is being selective in how it applies it.

Mr TEE — The starting point for that commitment is the human rights commission. It is the human rights watchdog. It is the independent check to make sure that the charter delivers on the commitments the government has made and makes sure that the government delivers on those commitments.

Essentially the human rights commission makes sure that the charter has life and is not an empty or hollow gesture. The commission is required to report to Parliament annually on its progress in implementing the charter. That is what it has done. One year on this is the first report on the implementation of the charter. Mrs Peulich will be pleased to know that the report scorecard on how well the government is progressing is very positive. The commission catalogues and summarises in this report how effectively the government has gone about getting itself charter ready.

In the broad the report finds that a huge amount of work has been done. I will go to a few relevant parts. In relation to communication and education of government departments and agencies the report finds that the departments have on the whole delivered training — for example, the Department of Education and Early Childhood Development has provided material to schools, to school councils, to statutory authorities — —

Mrs Peulich — What is the total cost of all that to the bureaucracy?

Mr TEE — Mrs Peulich asks what the cost is. Indeed what is the cost of freedom? What is the cost of protecting and enshrining our rights to freedom? The commission finds that all departments and Victoria Police have made significant first steps in relation to the communication and other aspects of preparing the charter. Again, in relation to that we have a tick.

In relation to legislation before the government, the commission gives the government a tick. It refers to the revised cabinet processes and tools to enable all departments to ensure that legislative proposals are vetted for human rights compliance. For the first time in Victoria's history we have a government that is ensuring that its legislation is vetted for human rights compliance. The commission also notes that a number of departments are reviewing existing legislation and regulations to ensure that the regulations are code compliant. The commission notes that there are concerns in relation to local government, and I notice that the government has announced funding for local government to ensure that in the year ahead it is equipped to become code compliant.

Ombudsman: conflict of interest in the public sector

Mrs KRONBERG (Eastern Metropolitan) — I am pleased to speak about the Victorian Ombudsman's report on conflict of interest in the public sector dated March 2008. From the outset I would like to commend the Ombudsman for this fine, forensic and focused report. What he has done in his raft of recommendations is talk about mechanisms whereby agencies and government departments could alleviate public and government concerns about actual breaches and examples of conflicts of interest. He also addresses issues of public perception in this matter. The report itself is based on an investigation of complaints from Victorians about conflicts of interest in public sector agencies.

The Ombudsman has jurisdiction over more than 600 Victorian public sector agencies, including professional boards, local government councils, universities, schools, prisons and entities such as the Greyhound Racing Control Board. Public sector officials include chief executive officers, secretaries or chairpersons of boards and committees as well as public servants, municipal officers and inspectors. An example where an inspector demonstrated his capacity for a conflict of interest is given in a case study under the heading 'Dual role for inspector'. It states:

> A dentist's practice was shut down following an inspection by the Dental Practice Board of Victoria (DPBV). The dentist was required to undertake infection control training before he could reopen. The dentist complained to my office, alleging a conflict of interest because one of the DPBV inspectors also operated a business providing infection control training.
>
> I concluded that a conflict of interest existed, as the inspector could reasonably be perceived to have been influenced by his private interest in the provision of the mandated training.

In the Ombudsman's view all public sector officials have a strict and inescapable duty to act in the public interest, any extraneous factor increases and creates a conflict of interest, and if this conflict is not recognised promptly and handled wisely in each case, transparency becomes muddied and serious public mischief may follow. Victoria's ombudsmen over the past 30 years have repeatedly expressed concern about issues of conflict of interest, and nowadays claims of conflict of interest have spread to a wider range of government departments and instrumentalities.

The Ombudsman outlines his key areas of focus, including those under the headings 'Managing the risks' and 'When scrutiny is justified'. He examines outside/secondary employment and private business interests, including the obligation individuals have under the code of conduct; employment and business activities after leaving public sector employment; employment and private business interests of family members, friends and associates; membership of community groups and organisations; and inappropriate/personal relationships.

He draws attention to an example of how risk has been dealt with in New South Wales. The Independent Commission Against Corruption developed a useful model for dealing with risk, particularly where people focus their attention on what their future prospects for employment outside the public sector might be. It reads as follows:

> Under this proposal, public officials would be required to notify their employer of their intention to take up private employment.

That is often one of the constraints when a person becomes chief executive of a company. They have to talk about their interests and connections. If we move to some of the recommendations, we see that the Ombudsman recommends that all public sector entities review their guidelines on conflict of interest to ensure — —

The ACTING PRESIDENT (Mr Finn) — Order! The member's time has expired.

Auditor-General: *Planning for Water Infrastructure in Victoria*

Mr ELASMAR (Northern Metropolitan) — I rise to speak about the Auditor-General's 2008 report *Planning for Water Infrastructure in Victoria*. The state government, as we all know, has had to impose severe water restrictions across most of Victoria because of the continuing severe drought. Domestic gardening, once a common hobby, has now become a luxury. Flowerbeds and thriving bushes in our suburban landscape are now the exception to the rule. In fact I tend to look twice when I see a beautiful garden, and I hope the water being used is grey and not drinking water. Where we once took for granted our abundant water supplies, we must now think twice before watering our gardens or letting the tap run indiscriminately. Water is the staff of life, and without it we would not exist at all. No Victorian can afford to underestimate the value and supreme importance of water. That is why when I read this report I was relieved to see a cogent, strategic plan that takes into account future water usage for all Victorians.

In 2005–06 a staggering 4000 billion litres of water was consumed in Victoria. A billion litres of water is 1 gigalitre. Imagine what our consumption level is today. While it is true that households have consumed only 11 per cent of the overall total, it is still a significant amount. Irrigators utilise 76 per cent, but without crops and foodstuffs, again, we would not exist.

I, like many other Victorians, have installed water-saving devices around my home, but it is still not enough. We all have to do more to conserve this precious resource. It is true that water charges have risen for all households across Victoria, and I know that people complain about them, but when the day comes when we turn on our water taps and nothing comes out, the screams will be heard in Singapore, 'What has our government done to protect us from this?'.

The water plan is timely and crucially necessary. The report contains several vital recommendations that are most worthy of support. It includes infrastructure projects and priorities for the future supply of water to all sectors within our communities. It is also critical to the survival of our agricultural and horticultural industries that clear processes regarding monitoring and pricing are set in place, but it is also important for the success factor that the proposed mechanisms contained in the report are not so inflexible that they defeat the purpose of the strategic water plan.

The report is proactive and puts in place a framework and a strategy that give us all hope for the future. I support the recommendations contained in the report, and I congratulate the department and the Minister for Water in the other house for their foresight and expertise.

Auditor-General: *Delivering HealthSMART — Victoria's Whole-of-Health ICT Strategy*

Mrs PETROVICH (Northern Victoria) — I rise to commend the Auditor-General's report *Delivering HealthSMART — Victoria's Whole-of-Health ICT Strategy*. After reading the report and attending the briefing yesterday I have many concerns. I commend the Auditor-General's office for its frank and exposing report.

The system should be good for the delivery of improved medical services, but the most basic project management skills have not been applied to this very complex system. HealthSMART is currently a six-year, $323 million program which was operating across the Victorian public health system and due for completion in June 2009. The program is, by the Auditor-General's own admission, large and complex and involves health services, rural information and communication technology (ICT) alliances, and community-based health providers across the state. It is a far-reaching ICT change program undertaken by the VPHS.

When it was introduced the Liberal Party was supportive of this timely and much-needed revamp of the program to assist in improving medical services across Victoria, but the Auditor-General's findings and conclusions are quite scathing. The project has $323 million worth of technology to be implemented, and half of the budget has already been spent. The government has spent 57 per cent of the budget, $184 million, and it has delivered only 24 per cent of the planned application. The original milestones for the program have proven too ambitious. The Auditor-General said that this will require:

OHIS —

which is the Office of Health Information Systems —

> to periodically revise … Our analysis also indicates that the program will not be finalised by its planned completion date of June 2009 …

The really interesting part about this is that, although there are difficulties with the budget and there is no adherence to time lines, the Department of Human Services has as yet not advised the government of the need to revise the expected completion date. I find that extraordinary.

This important program was supposed to provide an integrated information system to streamline patient care by providing accurate and timely comprehensive medical records. Such is the state of the project that participating hospitals are either withdrawing or not taking up the program. Such is the autocracy of the government that, unfortunately, if the hospitals do not participate in the ICT program, they are not allowed to implement an alternative.

Peninsula Health is a great example of a struggling health system that is trying to implement the program. It is one of four implementing agencies experiencing problems with issues around emergency department performance reporting and the system's integration. This agency is having enough problems, even with the remediation program in place. This hospital's existing issues are being compounded. It is of interest that recently the community health facility and hospital have been forced to amalgamate — that is the Peninsula Community Health Service.

To date four agencies have implemented acute functionality for the one patient-manager application. In the four years since the initial strategy, only one of those agencies using Homer has replaced this old system with the new patient and client management system while seven others are awaiting implementation.

I am terrified that this government, with an appalling track record of poor project management, has in this case spent half of the money but has been able to deliver only one-quarter of the project. There seems to be little confidence in the health sector to participate, but unfortunately it has no choice. The government has decreed that the system is this or nothing, and if there is not sufficient participation in this lemon of a project, it will not succeed. Health services are being held to ransom to accommodate this incompetence.

With a budget allocation of $323 million, of which 57 per cent — that is, $184 million — has been spent, we have just 24 per cent of the planned installation complete. I will be watching with interest the final outcomes of the project. Its time lines are already overspent, its budget is not good, and basic project management has not been implemented. I cannot understand how we can have a report here that says DHS has no reliable basis for estimating the whole-of-life costs arising from the program.

The ACTING PRESIDENT (Mr Finn) — Order! The member's time has expired.

Auditor-General: *Agricultural Research Investment, Monitoring and Review*

Mr THORNLEY (Southern Metropolitan) — I rise to speak on the agricultural research investment, monitoring and review report of the Victorian Auditor-General of February this year. Agricultural research is absolutely critical to an industry that forms a very large part of the state's economy and even more is the backbone of many rural and regional communities throughout this state. It is a classic example of an industry that is by and large fragmented into a number of smaller producers for whom the individual investment in scientific research would not be a realistic possibility, thus creating a market failure that is filled in part at least by government funding. It is an absolutely vital function that we as a government play in injecting some degree of public funding into research that supports the continuing progress and competitive advantage that industry enjoys.

I have seen on a number of occasions how that can work — sometimes well and sometimes not so well. I think that is the reason we are assessing the performance here and we have strict processes in place to do that.

A few years back I was working with a friend who saw an opportunity for selling buckwheat into the Japanese soba noodle market. Some 98 per cent of the world's buckwheat is grown in the Northern Hemisphere, and if fresh buckwheat is wanted all year round in the soba noodle market in Japan, that creates an opportunity for Southern Hemisphere players. He was very excited to see the availability of public research both here and from the CSIRO that gave that investigation of an entrepreneurial, commercial opportunity in agriculture a really full wad of scientific support. That is the sort of thing that can really work well when agricultural research is done effectively.

Conversely, I was a member of the review panel of the CSIRO fibre labs in Belmont a few years ago, and it was clear that whilst that laboratory has done a lot of excellent, vital work for that very important industry, it has missed the strategic opportunity that presented itself in the fast-growing superfine wool market and concentrated more of its efforts on trying to preserve

the position in the medium wool market, which I think could reasonably be judged to be very difficult to preserve. So instead of building on our strengths we were trying to protect our weaknesses. That review considered among other things a shift in that research to focus on how we capture even greater strengths from our globally dominant position in the fast-growing superfine wool market.

I have seen agricultural research work well, and I have seen it need redirection. I am happy to say this report is a good example of us being careful with public dollars, not only recognising the critical importance of public support for research into a range of agricultural industries but understanding the importance of getting bang for your buck, focusing on the highest value opportunities. Not only is the Department of Primary Industries doing that with a range of performance mechanisms that can judge the performance of its research, but we have an independent overview of the performance to ensure that it is indeed delivering. That is what the Auditor-General's report does. I think it is a very good example of good process in action on an import priority for this government and for the Victorian community.

The specifics of this report are interesting because they refer in particular to the report several years back by Professor Goran Roos, who was looking at the effectiveness of our agricultural research and made some recommendations suggesting that there was quite a bit of room for improvement. The good news is the Auditor-General, in reviewing the latest research, whilst not giving it the 100 per cent mark, certainly sees progress in the implementation of the recommendations of the Roos report along the lines that were recommended, and the corresponding performance improvement has been very satisfactory.

The Roos report recommended a closer alignment of research priorities with larger government goals, an increased openness and clarity about the evidence base that is used for decision making about which projects are to be funded, greater scrutiny of those individual projects — as is so often the case in research and development, you cut the ones that are not working and as early and as quickly as you can focus the money and the opportunities on the ones that are really exciting — and a stronger focus on program-wide planning on the whole portfolio of activities. That report is in the process of being implemented with good success.

The Auditor-General comments pretty favourably on that progress, and I think if you look at the key performance indicators, the metrics of success on page 44 of that report, you will see pretty much universally strong performance. Every target bar one was met or exceeded, but perhaps more importantly the trajectory line on every single metric was positive. You look at things like the scientific and technical publications going from 314 to 355 to 378, and every other metric tells the same story. So I think it is a promising story. It is a helpful report, and I hope we continue this progress.

Auditor-General: *Accommodation for People with a Disability*

Mr O'DONOHUE (Eastern Victoria) — I am pleased to rise and make a contribution in relation to the Victorian Auditor-General report of March 2008 on accommodation for people with a disability. As an introductory comment, I point out that perhaps a society is judged by how it deals with and cares for its most vulnerable. This Auditor-General report in summary indicates that we have a long way to go in dealing with those who are most vulnerable in our society. It is worthwhile noting that there are estimated to be 323 300 people who are considered to have a severe or profound limitation that inhibits their ability to care for themselves, communicate clearly or undertake normal cognitive or motor development tasks.

These 323 300 people represent 6.5 per cent of all Victorians under the age of 64, so we are not talking about a small number of people. We are talking about a significant proportion of the population. If you take into account in addition those family members and carers who care for those people, we are talking about a very large proportion of the population indeed. It is perhaps those carers who are most often left out of reports such as these, those carers who are most often forgotten in the government statistics, those carers who devote their lives to caring for their children or relatives who have a disability. They really are the unsung heroes in this sector, and much more needs to be done to give them services and support that they require.

The process of deinstitutionalisation began in 1984 under the Cain government, and this sector has progressively changed from a model of institutionalisation to a community residential unit model and now to a range of different options.

The question raised by the report is how much demand is out there. It is interesting to quote part of paragraph 5.2.2 of the report, which states:

> DHS has conducted some broad demand studies but does not have systematic data collection tools to accurately monitor growth in demand. DHS has also conducted regional projects to investigate the impact on service demand of factors such as ageing carers. These projects need to be extended across the

State and collated to give a clearer picture of expected demand growth.

In other words, the government is, in effect, operating in the dark. Anyone who has had contact with carers groups and with this sector would understand that there is enormous unmet demand, but the Auditor-General is saying that that demand is not quantified. The government itself does not know what the level of demand is for this service.

The first step for the government should be to accurately quantify existing demand and future demand. There is no doubt that demand in this sector is going to increase significantly, because as carers themselves age, they will be unable to provide the care that many of them have provided for the last 10, 20 or 30 years. The government needs to accurately quantify the level of demand for that service. It is estimated that the demand is increasing by around 5 per cent, but there are no accurate figures.

Perhaps one area in which the sector is severely lacking is respite services. In my electorate of Eastern Victoria Region there has recently been a situation where the Koo Wee Rup Regional Health Service, which has been funded for respite services through the commonwealth, needs capital injection from the state to make sure that those respite services can continue. The Koo Wee Rup Regional Health Service provides the only 24-hour, seven-day-a-week respite service for the three local government areas of Bass Coast, Casey and Cardinia, but unfortunately the state refuses to provide that capital, which is compromising the ongoing viability of that respite service. Respite is a critical tool in providing carers with a break. I ask the government to address that issue urgently.

Ombudsman: investigation into VicRoads driver licensing arrangements

Mr SOMYUREK (South Eastern Metropolitan) — I rise to make a statement on the Ombudsman's report, dated December 2007, on his investigation into VicRoads driver licensing. The investigation into VicRoads licensing arose from a whistleblower's disclosure of systematic problems with drivers licence arrangements in Victoria. VicRoads has a statutory responsibility to provide secure, accurate and timely licensing services for the Victorian community, so it is only appropriate that the Ombudsman has taken into account the whistleblower's concerns. Due to time constraints I will not go into the specifics of the issues I had planned to discuss; rather, I will give a general summary of the report. Perhaps it would be helpful if I went through its headings chapter by chapter.

The report starts with an executive summary, as reports normally do, and the first two chapters contain an introduction and some background. The third chapter, headed 'The driver licence', refers to security enhancements to the drivers licence and to facial recognition software, an example of which is a photo of a Mr Stephen Papas of Bondi, but the photo looks like Mr Mokbel. I found that to be quite interesting!

Chapter 5 is headed 'Compromising the integrity of the driver licence', and the issues covered include lack of security features, problems with licensing consumables, theft of equipment, the duration of driver learner permits, and 10-year licences. Chapter 6 is headed 'Driver licence database', and the issues covered include statutory responsibilities, customer service officers, best practice customer enrolment principles for driver licensing, audit capabilities, multiple client records, security of data and credit card data, data accuracy and integrity, data cleansing, data archiving and financial issues arising from data integrity. Chapter 7 is headed 'Driver licence testing' and covers the issues of overseas drivers, driver education, motorcycle licensing and heavy vehicle testing.

Chapter 8 is headed 'Use of service providers'. Chapter 9 is about medical reviews. The main issues covered in chapter 9 are medical review process, problems with the current arrangements, information and education, the VicRoads website — which is a big issue — and assessing fitness to drive. Chapter 10 deals with the demerit point scheme, which is a hot issue. The Ombudsman is critical of the audit trail process in the demerit point system. He claims that up to 10 per cent of Victorians who have been caught transgressing are not being identified, so that, too, is pretty interesting.

Chapter 12 deals with VicRoads' investigations and its anticorruption group. Chapter 13 is about the Victorian Taxi Directorate, and the report concludes with a series of recommendations which are very interesting, but unfortunately, due to time constraints, I cannot go into them.

Auditor-General: *Planning for Water Infrastructure in Victoria*

Ms BROAD (Northern Victoria) — I also wish to make some brief remarks about the Victorian Auditor-General's April 2008 report on planning for water infrastructure in Victoria. In doing so I wish to reaffirm the Brumby Labor government's commitment to ensuring the integrity and independence of the Auditor-General, which is in contrast to the actions of the previous government.

It has been previously reported to the house that the report contains 10 recommendations directed at improving the processes used to track the progress of water strategies, the information provided to the community about these strategies and the review of water authorities' plans, and the fact that the Brumby government has committed to adopting and implementing the recommendations.

In particular I wish to address the eight recommendations contained in the report which go to the provision of information to the community on an ongoing basis. In that light it was particularly well timed that last weekend the Minister for Water in the other place, Tim Holding, launched a new water saving information and awareness campaign. That campaign focuses on saving, creating and sharing water; it highlights the major water infrastructure projects being rolled out across the state and follows the successful Our Water Our Future campaigns, which have helped to make water saving second nature for Victorians.

The kit, which is available to Victorians, includes terrific information about what business is doing to save water, how to apply for rebates, how to sustain a garden in dry times and provides 11 top tips for a water-efficient garden. These are some examples of the terrific material available in the water savings kit. I am pleased to say that the campaign is running on television and in the print media in regional Victoria as well as in Melbourne. It combines all of the elements of the campaign for saving, creating and sharing water.

It is also noteworthy that at the same time as launching that campaign the water minister also drew attention to the fact that water consumption in Melbourne from April 2007 to March this year was 368 billion litres compared to the period between April 2005 and March 2006, when it was 443 billion litres but when there were no water restrictions in place.

That means water savings of 75 billion litres have been achieved, which is a very significant saving. Victorians living in rural and regional areas are watching this very closely to see what is happening in Melbourne. I am sure that Victorians living in rural and regional areas will very much welcome those savings which have been achieved in Melbourne.

The ACTING PRESIDENT (Mr Finn) — Order! The time for statements on reports has expired.

COURTS LEGISLATION AMENDMENT (ASSOCIATE JUDGES) BILL

Statement of compatibility

Hon. J. M. MADDEN (Minister for Planning) 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 Courts Legislation (Associate Judges) Bill 2008.

In my opinion, the Courts Legislation (Associate Judges) 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 bill contains amendments to the Constitution Act 1975, the Supreme Court Act 1975 and the County Court Act 1958.

The bill will amend provisions in these acts to implement the recommendations contained in Crown Counsel's *Report to the Attorney-General — Office of Master/Costs Office* (March 2007) and institute substantial reform to the offices of master of the Supreme Court and master of the County Court, by creating the office of associate judge in the Supreme and County courts.

The bill contains a number of technical amendments to provisions in a number of acts which themselves engage human rights. However, the only limitations on rights which are addressed in this statement are those which newly arise by reasons of the bill.

Human rights issues

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

Section 8(2) of the charter provides that every person has the right to enjoy his or her rights without discrimination. Section 18(1) of the charter provides that every person has the right, and is to have the opportunity, without discrimination, to participate in the conduct of public affairs.

The bill specifies age eligibility requirements for being appointed to or continuing in the office of associate judge. The age eligibility requirement constitutes discrimination on the attribute of 'age' under the Equal Opportunity Act 1995 and therefore limits sections 8 and 18 of the charter.

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

(a) the nature of the right being limited

The prohibition of discrimination is one of the cornerstones of human rights instruments and this is reflected in the preamble to the charter. The right to have the opportunity to participate in the conduct of public affairs without discrimination is fundamental to a free and democratic society. However, neither right is absolute and can be subject to reasonable limitations under section 7 of the charter.

(b) the importance of the purpose of the limitation

The purpose of the limitation, to ensure that appointees are competent and able to adequately perform judicial functions and maintain public confidence in the judiciary, is of high importance. The age eligibility requirement removes the need for individual assessment of the competence of judicial officers by the executive which would erode public confidence in the independence of the judiciary.

(c) the nature and extent of the limitation

The extent of the limitation is that a person is not eligible for appointment as an associate judge in the Supreme Court or County Court unless he or she has not attained the age of 75 years (where the person has been a judge, associate judge or magistrate of another court), or has not attained the age of 70 years (where the person has been admitted to legal practice for not less than five years). Furthermore, a person ceases to hold office as an associate judge upon attaining the relevant age. The limitation does not prevent such persons from participating in the conduct of public affairs in other ways, but only in the context of holding the office of associate judge.

(*d) the relationship between the limitation and its purpose*

There is a direct relationship between the limitation and its purpose as it ensures that associate judges are competent and maintains public confidence in the judiciary while preserving the independence of the judiciary and minimising intrusive performance evaluations of associate judges by the executive.

(e) any less restrictive means reasonably available to achieve its purpose

There are no less restrictive means to achieve that purpose without compromising the perceived or actual independence of the judiciary.

Conclusion

I consider that the bill is compatible with the charter.

Justin Madden
Minister for Planning

Second reading

Ordered that second-reading speech be incorporated on motion of Hon. J. M. MADDEN (Minister for Planning).

Hon. J. M. MADDEN (Minister for Planning) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

The proposed bill is based on a report by Crown Counsel, Dr John Lynch, in 2007 recommending substantial reform to the offices of master of the Supreme Court and master of the County Court.

The key provisions of Dr Lynch's review related to the functions of masters. The current mechanisms for allocating functions and powers to masters do not reflect their evolved status as judicial officers.

Masters have been part of the Supreme Court of Victoria since the 19th century. The office of County Court master was created in 1985. Masters' principal function is to assist in the general business of the two courts. Their powers and authority are conferred on them by legislation, usually court procedural rules.

Initially masters were Crown employees. Their terms and conditions of office were determined by public service legislation. Over time masters have been recognised as part of the Supreme Court in the state's constitution and have acquired similar terms and conditions of office to other judicial officers, including security of tenure, a non-reducible salary (set at about the same level as County Court judges) and judicial pension entitlements.

While the new office of associate judge would continue to perform some of the historical functions of masters there have been significant developments in recent years to modernise the office of master in the Supreme Court, particularly in the provision of court-directed mediation. The bill builds on the initiative of the Supreme Court in recent years in allowing litigants to utilise the masters of the court to mediate disputes. It is unusual and innovative for judicial officers to have been used in a superior court in this way. The Supreme Court's initiative has been embraced by litigants and their practitioners.

In 2007 Parliament amended section 75A of the Constitution Act 1975 to allow for the Court of Appeal to be constituted by a master for the purposes of making orders and giving directions of a procedural nature in civil appeals. This was one aspect of a program of civil appeal reforms in the Court of Appeal, designed to reduce delay and improve the operation of the Court of Appeal. In 2007 the court introduced new rules and a practice statement to facilitate a pilot project for front-end management of civil appeals. The pilot principally draws on the skills of masters in managing cases. A new master was appointed to manage and direct civil appeals.

Renaming the office of master would be consistent with developments in New South Wales and New Zealand and would reflect the judicial status acquired by masters, particularly over the last two decades, and assist public understanding of the nature of the office.

In line with the recommendations of the review, the bill retains the current requirement that the chief justice provide a certificate to the Attorney-General before a new office is created within the court.

Under the bill, associate judges will be subject to the rules and the general direction of the chief justice. The allocation of functions to associate judges would be an internal matter for the court.

Although a master has not been appointed to the County Court for some years, the bill provides for the replacement of the office of master in the County Court with the office of associate judge, for the time being. The civil jurisdiction of the County Court increased significantly in 2007. The question of whether to retain the office in the longer term could be considered once the impact of the increased jurisdiction is known.

The bill gives associate judges the jurisdiction of the trial division of the Supreme Court and of the County Court.

The Victorian courts are embracing mediation, both external and court-based, and are continuing to streamline case management.

The bill builds on the courts' initiatives in these areas and demonstrates the commitment of the government to ensure that justice is modern and delivered in an efficient and effective manner.

I commend the bill to the house.

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

Debate adjourned until Thursday, 24 April.

POLICE INTEGRITY BILL

Second reading

Debate resumed from 10 April; motion of Mr JENNINGS (Minister for Environment and Climate Change).

Mr DALLA-RIVA (Eastern Metropolitan) — I rise on behalf of the Liberal Party to make a contribution on the Police Integrity Bill 2008. We do not oppose the legislation, although we have some concerns about the way that this government continues to bring in legislation on this very serious issue. Over the years we have seen police corruption and we have seen the impact that police corruption has had in the community. We have seen over many years a number of murders, and we have seen a range of high-profile people who have been involved in corrupt activities. It is interesting that those corrupt activities do not necessarily fall within the domain of the police. It always fascinates me, as a former policeman, that it seems to be that only the police are corrupt, and that only the police have the capacity to be engaged in corrupt activity. I have to say for the record that if you ever want to see a corrupt environment, just look at this government, with its corruption and the way it has handled a range of issues over the period that it has been in power.

It always amazes me that when premiers from other states and almost every person in this state speaks on this topic they say that the issue of investigating corruption should extend not only to investigating police but also go beyond the police realm. Although there may be people who members opposite know are engaged in corrupt activity, there is no capacity under any legislative framework whatsoever to conduct appropriate investigations. The laws that apply to ordinary citizens may not be suitable for applying to people who are engaged in corruption at a higher level. But it seems to me that this state government accepts corruption as part of the norm in the way it deals with business. I do not want to particularly indicate any persons or individuals or organisations, but I think it is fair to say that over the last couple of years we have seen issues where you would have to say there has been a certainty of the inclusion of some element of corruption.

It is also interesting in terms of this bill that we are still on the slippery road of more legislative corrections. It is important for the record to go back to the way this government has dealt with the issues of police integrity, the ombudsman, the special investigations monitor et cetera, issues which are all contained within this bill. We need to go back to 5 October 2004 when this house agreed to the Major Crime (Special Investigations Monitor) Bill. Before that, in 2003, we had the Major Crime Legislation (Office of Police Integrity) Bill. That replaced the police ombudsman act that was passed only a year earlier in 2002. We had the Crimes (Assumed Identities) Act and the Crimes (Controlled Operations) Act put in place in 2004. We had the Surveillance Devices (Amendment) Act, which in 2004 amended the act of the previous year, as well as the Telecommunications (Interception) (State Provisions) Act that was also amended in 2004. We have had this myriad of legislative and framework changes that have seemed to bring a level of total confusion into the broader community. What this does is to create a level of uncertainty about where we are going in terms of investigations.

The way we conduct investigations into police today seems to be the way this government operates — that is, through the media. We saw it recently with the way that a number of police officers were dealt with by open public hearings. It was more a media spectacle than anything else. All I can say is thank God for juries, because those investigations were conducted without fair justification. In my view those officers were assumed to be guilty before being found guilty. The presumption of innocence seems to be something that is not applied to the police.

It is interesting to note in that whole process, because of the way the investigations can be carried out only on police, when they started to move into the realm of this government and the involvement of the government and parts of the bureaucracy, and also some areas within the Victorian police, suddenly that evidence was not allowed to be presented because it was outside the terms of reference. As it stands there are no terms of reference in this state to investigate the whole area of corruption.

You cannot assume that only small components of the police force are corrupt and that this legislation will deal with corruption in its entirety. We on this side of the chamber have said time and again that the only way you can root out corruption in this state is to do what has been done in other Labor states. New South Wales, Queensland and Western Australia all have similar independent, broadbased anticorruption commissions, by whatever name they call them. We still do not have such a system. Recently this chamber resolved to refer to the Victorian Law Reform Commission an examination of the establishment of an anticorruption commission. We on this side of the chamber are deeply concerned as to where that motion has gone. What has the government done about it? It has ignored it, and it continues to ignore it.

I have said on the record before that I think this government is corrupt and it is only a matter of time before we uncover that, but it will be uncovered only if the people of Victoria understand that the Liberal Party will stand proud and enforce the establishment of an independent crime commission. We will establish that and we will make sure that if there are any issues of illegality or corruption by this government, the bureaucracy or those associated with it, the appropriate mechanisms will be applied.

I think the bill in this sense is just a continuation of the present system. We know it is intended to re-establish the Office of Police Integrity (OPI). Great! We know what it is intended to do. It gives greater clarity. I recall in many debates raising concerns about the relationship between the Ombudsman and the director, police integrity. We have been calling for that separation for a long time, and we are always pooh-poohed for it in this chamber. 'How can you have that?', is the question. Yet we now have legislation that agrees with our policy position. It is another policy initiative we have put forward which the government has brought in legislation to achieve.

Fundamentally the bill makes no change to the jurisdiction of the OPI, except that its functions have been extended to include education about police corruption. That is great. We will educate. Maybe we should educate further and wider. I am not saying that police are generally squeaky clean, and I am not saying the rest of the community is squeaky clean either. In recent times we have seen a range of events reported in the media where this government has indicated it has its fingers in the pie perhaps a bit too deeply, and you have to wonder what the connections are with the government and certain individuals that may have had some involvement in that process.

The bill implements 19 further recommendations of the special investigations monitor relating to the confidential obligations of people who appear before the OPI and the DPI and OPI staff as well as the procedures for giving evidence.

The bill also provides for a mechanism for paying legal costs incurred by people who appear as witnesses. It clarifies the power of search warrants that are issued by a magistrate. The provision is not new, but it clarifies the limits of the judicial review and is limited to acts of bad faith or lack of jurisdiction. I note that the state is liable for damage — not the OPI or the individual officers involved in the process.

The bill provides for complaints to be made to the Ombudsman or the SIM, the special investigations monitor, and it also contains provisions relating to the production of OPI documents in court proceedings. You cannot get those documents in civil cases, while in a criminal case there are provisions for ex parte hearings or a court-appointed special counsel is able to make application for documents if the DPI objects to producing the documents. Interestingly, the OPI officers do not have the ability to use defensive equipment such as body armour, handcuffs and guns et cetera. The OPI is provided with a statutory right to request assistance from Victoria Police, but I think there is an understanding that the OPI officers will now be permitted to use defensive equipment such as body armour, handcuffs and guns.

The relationship the OPI has with Victoria Police is interesting. You only need to look at the Office of Police Integrity annual report 2006–07 to see that. On page 17 of the report under the heading 'Strong alliances — Victoria Police' it states:

> Over the past year the chief commissioner and I met on a regular basis —

this is from the office itself, from the OPI director, who is also related in other ways, in other areas —

> and we continue to have a constructive, frank relationship. Similarly, OPI senior staff have worked closely and cooperatively with Victoria Police command and senior staff in the ethical standards department …

Just how closely and cooperatively do they work? Do they work at the behest of the government? Do they work at the behest of the chief commissioner? Do they work at undermining the Police Association? Do they work at attempting to ensure that one faction of the Victoria Police dominates over another faction of the Victoria Police? Do they then use those capacities to have public hearings to slaughter members of the Victorian police in a public arena where they are

deemed to be guilty in the eyes of the public in a court of law?

As I said before, thank heavens for the jury system because it is one of the saviours that I have seen over many years where police have been wrongly accused and wrongly made out to be guilty, and it is only when you hear evidence provided in front of 12 good men and women of the community that you realise that the activities that might have been indicated to be corrupt in the 60-second grab on television or the front-page splash in reality are nothing more than a furphy, and often members of the Victorian police who are wrongly charged walk free. It is interesting, and I am concerned that this close, chummy relationship that we have, the strong alliance, as is indicated in the report, may extend to a bit more than just some cosy relationship that the police and the OPI have. The report goes on, at page 18:

> OPI investigators have also developed strong, collaborative working relationships with a number of ESD investigators …

The ESD (ethical standards department) investigators come from where? They come from the body of the Victoria Police. A few of my former colleagues who worked in various areas, in various squads, in various criminal investigations units, are now ESD investigators. I cast no aspersions on the ESD; I have no issue with it, but it just seems that the cosy relationship may be a bit more than just that.

The report continues:

> I expect that the mutual respect and regard for the skills and technical expertise each party brings to joint operations will strengthen when, where appropriate, OPI and ESD join forces to achieve our common goals.

I guess the common goal is to knock off the Police Association because the chief commissioner does not like it. Is that a common goal? The annual report says, 'The chief commissioner and I met on a regular basis', but I do not know whether there were common goals. Who would know about those discussions? It is amazing to see this mutual regard.

I recall when, with a team of other officers, I was seconded to the National Crime Authority, which is now the Australian Crime Commission. The ACC runs along similar lines to the NCA, and individuals are seconded to it. You would have investigators working separately from and independently of the reason you might be there. We were there to provide an investigative background and skills. Lots of investigations undertaken by the NCA were separate from what police officers would be involved in, which was done for a simple reason and I can give a good example.

I was seconded from Victoria Police to work with a team that included people from the West Australian police and the South Australian police. We were investigating a matter that involved another state, and that made sense because those other officers and I had no connection with that state. You can be seconded on the whim of the way the process works, but it would be fairly hard to draw the long bow between my involvement with any corrupt activity in New South Wales if I had come from Victoria. The same would apply to others who had come from South Australia and Western Australia. Also on the team was somebody from the Australian Capital Territory police.

We do not have that structure here. Victoria has this relationship of cosy, strong alliances, which is admitted, but that raises serious concerns about how we ensure there is no evidence of closer than normal relationships. That issue is not dealt with in this bill, nor is it dealt with in any other piece of legislation. We do not know the terms of the relationships of these individuals, and I have real concerns not about the way this bill is constructed but about the relationships that have been established currently and the processes that seem to be engaged in for the fulfilment of we know not what — at least, not yet! I am sure we will find out in due course.

As I said, the bill does not go anywhere near addressing concerns about corruption in the public sector. The assumption, as I have said time and time again in this chamber, that only a small number of police are corrupt and only they get involved in shoddy deals, is totally wrong.

The other thing of note is that this supposed independence that the Police Integrity Bill presents is also a furphy. If we were serious about it, we would have a system like the New South Wales system, where the Police Integrity Commission and the monitor are both fully accountable to a joint parliamentary committee. We do not have that situation, but what we do have are some cosy occasional meetings between the police commissioner and others, for which there is no accountability.

Unlike the Police Integrity Commission in New South Wales, where current and former members of the New South Wales police are not able to work for the Police Integrity Commission, we have the OPI working almost as a department of Victoria Police, with no accountability, no reporting requirements and no oversight by this Parliament.

I always say to members of this chamber and to people visiting Parliament that if they ever want to get a feel for where we stand as the people's house in respect of this government, they should stand out at the front of Parliament and look up, and they will see this huge multistorey building dominating Parliament. As the sun sets, a shadow is cast on us by that large building — and that building is full of bureaucrats. I have no issue with bureaucrats, but it appears we are swamped by this tall building that overshadows the people's house.

We see that time and time again, even with this bill. For proper accountability purposes, the OPI should be required to report to a joint parliamentary committee, but it does not because the government does not want in place the true accountability and scrutiny that should be applied by this Police Integrity Bill.

As I said, I know there are concerns on this side of the house about the bill. The opposition in the other house attempted to move a reasoned amendment that would bring in an independent broadbased anticorruption commission. That amendment could not be moved, and the opposition accepts that. The bottom line is that it is the policy of the Liberal-Nationals coalition to establish an independent, broadbased anticorruption commission in Victoria.

While we support the concept of an OPI, it is not independent, it does not report to the Parliament and it has limited jurisdiction on matters arising out of police corruption. The New South Wales Independent Commission against Corruption and the separate Police Integrity Commission, in my view, could be the model that could be applied in Victoria.

In summary, this bill is another hollow piece of legislation. It goes against the broader issue of corruption, and it does not tackle the concerns of independence and accountability. It is all the more disappointing because whilst we sit here waiting for some independence through various commissions, we know that Victoria is subject to levels of corruption that fall not only within parts of the Victorian police force but also, more concerningly, externally to and separately from the Victorian police force, which no-one in this state has any capacity to investigate.

Mr HALL (Eastern Victoria) — I want to say a few words about the Police Integrity Bill 2008. I noticed when it was tabled in Parliament that it was rather a weighty document of well over 200 or so pages, and I thought, 'Goodness me, there must be a few significant changes with respect to the matters contained in it'. However, when you look through this bill you see that the concepts and issues contained within it are fairly simple.

Most of this bill seems to be removing the establishment of the Office of Police Integrity from the Police Regulations Act and placing it in a new, stand-alone act. Many of the provisions contained within that lengthy document are simply a transference of components of the Police Regulations Act into a new stand-alone Office of Police Integrity act. I know — and the minister has mentioned it in the second-reading speech — that there are some other recommendations from certain reviews that have been put in place, and it seems to me that they are appropriate. I do not disagree with those, but in terms of the concept itself, what we are doing here is essentially only establishing the Office of Police Integrity under its own act.

I have no principal objections to that in itself, and we will not be opposing the bill in that regard, but I do not think we ought to go overboard today in our enthusiasm for this, because it does not advance the cause for the combat of crime and corruption in this state. I agree with the comments made by my colleague Mr Dalla-Riva that although the legislation is a step, it is not a major step forward by any means at all, and it does not go anywhere near the position that has been strongly and consistently advocated by both the Liberal Party and The Nationals over a long period; I am talking about years, and not recent months or weeks.

For a long time both conservative parties have consistently advocated for the need to establish an independent commission against crime and corruption. The terminology applied by the Liberal Party was an 'independent broadbased anticorruption commission'. There is a difference in terminology, but there is no difference in terms of the function which both parties have advocated.

My colleague Mr Dalla-Riva eloquently pointed out that such authorities exist in New South Wales, Queensland and Western Australia and that those organisations have more extensive powers than those provided to the Office of Police Integrity in this state. Mr Dalla-Riva also makes an essential point in relation to the importance of having such a broadbased commission against crime and corruption, in that it can go further than just simply investigating corruption within the police force. It is absolutely true that there is probably corruption in all aspects of our lives and all around us, and we should not confine those investigations into corruption simply to members of the police force.

The criminal law allows for the Victorian police to deal with matters of corruption at a level but not with the same powers that could be applied to such an independent commission. That is why the Liberal Party and The Nationals have consistently advocated the urgent need in Victoria to establish such an independent, broadbased commission against crime and corruption. That is what we should be doing here today.

I see this bill simply as a further lost opportunity to make some real progress in the efforts to combat crime and corruption in this state. This government could have taken many such opportunities, but it seems it has just been pig-headed — one could say 'arrogant' — in its attitude of refusing to back down and its reluctance to stand back and say, 'Yes, we have done the wrong thing; let us now redress that and put in place what is really required in Victoria', which is an independent commission against crime and corruption.

Although I do not oppose this bill, it is only minor in its impact and nature. There has been a missed opportunity, and the government could have gone further. I leave my comments at that, because the bill has fairly simple concepts. The provisions of one act are being moved into a new stand-alone act, which is not something we need to talk about for hours on end in this chamber. I close by again saying that there has been a missed opportunity, and I again call on the government to reconsider and look at the urgent need to establish an independent, broadbased commission against crime and corruption in Victoria.

Mr TEE (Eastern Metropolitan) — I am pleased to speak in favour of the bill. I have listened carefully to what Mr Hall said, and I think he underestimates the impact, breadth and extensive nature of the bill. I will address some of those issues in detail in my remarks. I start by saying that I fervently believe that generally police are not corrupt; they are — —

An honourable member interjected.

Mr TEE — Overwhelmingly, indeed — I would say 'overwhelmingly not corrupt'. They are highly regarded by the community, as they should be, and the community values the role they play. It is important, then, to maintain that community confidence in that there is a strong, independent watchdog that focuses on the activities of police and provides that oversight role; this will reinforce the public's support for and confidence in the activities of the police. I congratulate this government for its ongoing commitment to ensuring there is a statutorily independent oversight of the actions of police. This bill builds on the extensive record this government has developed.

As Mr Hall indicated, the bill will transfer the provisions relating to the Office of Police Integrity from the Police Regulation Act and place them in the new legislation. That is important, because the importance and nature of the functions of the OPI as the independent body is then recognised. It will be consistent with the approaches other states have taken, and it is consistent with our approach that the oversight body, in practice and in law, ought to be seen to be independent of the police.

The bill makes a number of amendments to the existing provisions. A lot of them will ensure that we have clearer, more detailed provisions dealing with the obligations of the director, police integrity, and of witnesses during examination. But it is also clear that no changes are being made to the jurisdiction of the director.

The substantive amendments, in large part, deal with the recommendations that have come forward from the special investigation monitor (SIM) in the report tabled in this house on 1 November 2007. That is an important reminder of the oversight this Parliament has of the operations of the SIM. The SIM report relates to the powers of the OPI, and it is that report that the government has responded to in this bill.

There are a number of substantive changes.
Mr Dalla-Riva has nominated a few, but there are three or four that I wish to highlight to the house. The first one is the new provision which provides access by OPI officers to firearms. Currently the position is that where it requires the use of firearms, the OPI relies on Victoria Police. This may be entirely appropriate, but there are occasions when it is appropriate that OPI officers carry firearms, such as in circumstances where the officers need to operate in high-risk and life-threatening environments. The current reliance by the OPI on Victoria Police may provide a conflict and a difficulty where the independent OPI is required to brief Victoria Police on the nature of its operations. In briefing the police, there is the risk that the integrity and security of the OPI investigations may be breached.

I support the limited use of or capacity to use firearms. I note that all the authorised officers will be trained in the use of the equipment, and their training, as would be expected, will be to the standards of the Australian Federal Police and Victoria Police.

The second issue I will briefly take the house to deals with the judicial review of the OPI actions. The bill provides additional circumstances where legal redress will be available in relation to the actions of OPI personnel. These will include situations where OPI staff

are involved in a critical incident, such as a car accident or an incident involving the use of firearms. It is important that this amendment essentially follows the other amendment in which the OPI is given the power to use firearms. It is therefore appropriate that the circumstances in which legal redress is available be extended to include circumstances that involve the use of firearms. It is also important to note that that extension goes beyond just the use of firearms to include any other critical incident, such as a car accident.

It is worth noting that the court protections will be in addition to the existing protections in place in relation to OPI activities. Currently under the Police Regulation Act the Supreme Court is able to review the actions of the DPI and OPI officers that are made or performed in bad faith. The court is also able to determine whether the DPI has the jurisdiction to investigate a complaint. These provisions, as you would expect, are retained in the bill. It is also worth noting that the Ombudsman and the SIM already have powers to investigate the actions of the OPI. It is worth noting that Mr Dalla-Riva was critical of the lack of accountability to this house, but indeed the OPI, the Ombudsman and the SIM all report to this Parliament on their activities and actions. Those reports are available for Mr Dalla-Riva to peruse if he so wishes.

The other matter is the important issue going to the role of the special investigations monitor. Currently, as we know, the SIM is the primary body responsible for oversighting the actions of the OPI. As you would expect, when you have a powerful body like the OPI with significant powers, including coercive powers, there ought to be, again, an independent body which has oversight of that, and that is the role the SIM plays. Of course, for Mr Dalla-Riva's benefit, the SIM will continue to report to Parliament on the operations of the OPI, providing accountability to this house, and the SIM will continue to be able to investigate complaints made about the OPI by any person who has attended the OPI to provide information, to give evidence or to produce documents. But the bill will also clarify the operation of the confidentiality provisions that apply in relation to OPI investigations. It means that it will be clear that the confidentiality provisions do not prevent an individual disclosing information about investigations to the Ombudsman for the purposes of making a complaint to the Ombudsman. The bill also enhances the oversight of the OPI by making it clear that complaints about the director and the OPI can be made to the Ombudsman.

The other issue that is significant, as you look through the bill, is in relation to the production of OPI documents. Currently the position of the courts is that the release of those documents as part of those proceedings is governed by common-law principles covering public interest immunity. It is not proposed that that test should change, but what the bill does is provide the courts with a number of mechanisms which will enable the courts to properly consider whether or not that public interest will apply. So the court can decide to hear the OPI's arguments against production of documents in a closed court by way of confidential affidavit or by way of an ex parte hearing. There is, for the benefit of the courts, a capacity for them to consider whether or not evidence ought to be part of the legal proceedings in a way that will not damage the operations of the OPI.

This gets the balance right; although in all these issues there is always the concern about the defence seeking access to documents to make sure that there is a fair trial. A fair trial is now enshrined, for Mrs Peulich's benefit, as one of the protections set out in the human rights charter. The bill ensures that there is a fair trial by providing in these circumstances for a special counsel — a person whose role it will be to, in essence, represent the defendant who is seeking documents — to represent that person, but only in a way that does not disclose any information contained in those documents to the defendant. The bill in that sense makes sure that the work of the OPI can continue in an effective way without compromising the rights of individuals to a fair trial.

I should note that Mr Dalla-Riva went through the now traditional motions of the opposition in support of an independent commission against corruption. As this house knows, we already have in place an Ombudsman who has broad powers to investigate the actions of public bodies, including government departments and statutory bodies. We know the Ombudsman has extensive powers, including powers to investigate complaints and conduct his own investigations. He can summon witnesses to attend to give evidence and to produce documents. He can impose penalties where witnesses fail to attend or refuse to give evidence. He can hold closed hearings, he can question witnesses under oath about matters under investigation and he can enter public premises to inspect documents, so we have broad-ranging powers here.

I appreciate Mr Dalla-Riva going through the bill and putting the arguments, but he knows that we have the protections and the oversight mechanisms that we need in place. If you look at the powers of the Ombudsman, you see that they are broader than those of the New South Wales Independent Commission Against Corruption. The Ombudsman in Victoria has power to

investigate corrupt and improper conduct of government bodies, whereas by contrast the ICAC only has jurisdiction to investigate corrupt conduct.

The other criticism I have of the ICAC model is that what you do not have is what we have in Victoria, and that is a body which is responsible solely for investigating police misconduct. As we know, investigating police misconduct requires independent specialist skills and knowledge, which a body with a broader investigative jurisdiction would lack. If you want to be serious about police corruption, if you are serious about investigating it and uncovering it, then what you need is a body which has the expertise to be able to deal with those allegations; you do not need a broad-ranging, publicity-seeking inquiry which does not produce any results because it does not have the depth of knowledge and experience necessary to deal with corrupt or improper conduct.

I am supportive of this continued change, evolution and development of the very effective system that we have developed. I congratulate the government on its strong independent watchdog, which has real powers to ensure our police are working without fear or favour. This transparency will continue to enhance the public's support and respect for our police force. I congratulate the government on this bill, and I urge the house to support the bill.

Mrs PEULICH (South Eastern Metropolitan) — I would like to briefly endorse the comments made by Mr Dalla-Riva, on behalf of the Liberal Party, and by Mr Hall. I also express concern, first of all, about whether in fact this model is adequate to deal with corruption in Victoria, and clearly I think the weight of evidence and opinion in the media and the Parliament is that it does not go far enough, that there needs to be a more broadly based approach to rooting out corruption in Victoria. Merely separating the Office of Police Integrity out of the Police Regulation Act, transferring some details and adding some bits and pieces — such as, for example, enabling investigators of the OPI to carry weapons and defining the manner in which they conduct investigations — will not go far enough.

Anyone who has concerns or does not believe that this model goes far enough would probably have found interesting the *Four Corners* program of this week, which looked at a particular case, admittedly in New South Wales, of local government corruption. I do not believe this would be a particularly isolated incident. Certainly many Victorians would like to see a capacity for corruption to be rooted out wherever it hides, wherever it resides — even at the door of the Premier's office. Recently we heard of concerns about Premier's advisers being involved in behind-the-scenes discussions and relationships with the police department. We have seen that play out in a fairly concerning way in the public arena.

Mr Dalla-Riva said that the bill does not tackle the question of independence and accountability, and I agree with him. I believe that, rather than having oversight provided only by the special investigations monitor, the Parliament should play a role in oversight too, because the question is: who monitors the monitor? Instead of having a funnelling of accountability, I would like to see a broadening of accountability to make sure that not only are the powers appropriate but the manner in which those powers are being exercised is appropriate.

I draw the attention of members to the Scrutiny of Acts and Regulations Committee report on this legislation, firstly pointing out that SARC is a government-dominated committee, so by the time we have a draft report it has been perused and presumably edited by the chairman, and generally speaking government members have their way. This particular report, though, is a fairly extensive one — it is a 17-page report; it raises numerous concerns that have not been answered to date and the SARC has written to the minister asking for answers. I believe that this Parliament and this chamber should have the opportunity to consider any answers that are provided to questions, which include the issue of the use of defensive equipment and firearms, Eliot Ness-style, given that the director, by instrument, may authorise a member of staff of the OPI to possess, carry and use a firearm for the purpose of an investigation.

Clause 104 of the bill gives immunity against civil and criminal proceedings in respect of any act professed to be done under the legislation unless the act was done in bad faith. This immunity does not extend to acts done in the course of, or which result in, critical incidents, which are defined in clause 30. Clause 110 provides that where a critical incident is involved and the person acts in good faith, the liability attaches instead to the state. These matters of detail need to be fully considered to make sure that the occurrence of a critical incident resulting from the use of a firearm can be fully dealt with and that the details of the legislation cannot just be used, to borrow Mrs Kronberg's expression, as a ruse.

I would not like to see an authorised investigator who can carry a firearm use it in anything other than a defensive action — perhaps a proactive action or perhaps even in a corrupt fashion — without certainty that those matters can be fully exposed and dealt with,

and that we have the opportunity to be aware of them. The human rights adviser provided some very useful insight into that issue, and I commend a reading of page 25 of *Alert Digest* No. 4 of 2008 to members. This issue needs to be resolved before this piece of legislation passes through the Parliament.

The *Alert Digest* also goes on to talk about the 'Use of evidence derived from compulsory self-incriminatory questioning in criminal proceedings'. It goes on to say:

> The committee notes that clauses 69(1) and 125(1) provide that a person being examined by the director of police integrity or the special investigations monitor must answer questions even if those answers might tend to incriminate him or her. The committee notes that clauses 69(3) and 125(4) provide that any answers given by a person under compulsory examination cannot be admitted as evidence against him or her in most judicial proceedings, apart from proceedings relating to compliance with the directives of the director of police integrity, the special investigations monitor or Victoria Police disciplinary proceedings.

However, the report goes on to say that whilst the director cannot act on information that is disclosed, that information can be passed on to the police, who can then initiate investigations derived from that evidence. The committee wants to make sure, given the human rights charter commitments as professed by the Parliamentary Secretary for Justice, that the charter of SARC can be executed adequately, because if it cannot, one has to question why SARC ought to exist, particularly given that SARC is a government-dominated committee. Eleven out of 12 parliamentary committees are government dominated, and this does not reflect the composition of the upper house.

That committee, if it is going to give proper scrutiny to government legislation, should not be chaired by a government member. This very important piece of legislation, which gives additional powers and prescribes the manner in which those powers are exercised, needs to be sufficiently scrutinised by an appropriate body. I do not believe that has been the case.

An honourable member interjected.

Mrs PEULICH — Who monitors the monitor? I would much prefer to see a model that makes sure that an all-party parliamentary committee has some degree of oversight of the system. At the end of the day we also want to know — and I believe the Scrutiny of Acts and Regulations Committee should be taking evidence about that from experts in the field — whether this is the best model that can be applied and whether the processes and powers prescribed in the legislation are appropriate to achieve its objectives.

With those few words, I again express my disappointment that this opportunity has been missed by the government to set up a broadbased anti-crime and corruption commission. The question has to be: why are government members so reluctant to do so? What do they have to hide? Are they afraid of similar *Four Corners* stories here in Victoria? Are they attempting to protect the Premier and his staff? What do they have to hide? If they really want a system that works, it should be vastly different to the system proposed in this legislation.

Business interrupted pursuant to sessional orders.

ABSENCE OF MINISTER

Mr LENDERS (Treasurer) — I rise to formally advise the house that my ministerial colleague Mr Jennings is at a ministerial council today and will not be here for question time. Any questions on his portfolios can be referred to me, and I will seek to answer them.

QUESTIONS WITHOUT NOTICE

Rail: Nunawading level crossing

Mr ATKINSON (Eastern Metropolitan) — My question is addressed to the Treasurer. I refer to the designation by the level crossings steering committee of the level crossing at Springvale Road, Nunawading, as its no. 1 priority in the state to be addressed in terms of grade separation or some works to address what is a very difficult situation at that location. I also note that it has been designated by the Royal Automobile Club of Victoria as the no. 1 red spot — or hot spot — in the state. In light of that and of continuing community agitation for the government to address the bizarre situation with this crossing, will the minister confirm for the house that he has actually rejected the capital funding bid for this dangerous level crossing?

Mr LENDERS (Treasurer) — I thank Mr Atkinson for his question. He raises a couple of issues. My first comment is that issues on individual level crossings are the responsibility of the Minister for Public Transport in the other place. Those issues are ones that Ms Kosky, as minister, has certainly been addressing, to the extent that we have the largest investment in the history of this state in level crossing safety. They are primarily her area of responsibility.

In response to the second part of the question, I say to Mr Atkinson that it goes back to the fundamental issue of ministers ruling in or out what is in a budget. Mr Atkinson well knows that during the seven years he was in government, to use an example, no Treasurer would rule in or out whether any project was in budget or not in the lead-up to budget day. I understand Mr Atkinson is clearly raising an issue that is of great concern to his community and his constituency, and I do not in any way dispute that. Safety upgrades are an issue on which this government has spent of the order of $30 million or more per annum, plus in Mr Atkinson's constituency the Middleborough Road grade separation and upgrade was completed fairly recently.

I am certainly aware of the issue, but I am not going to break with the Westminster tradition that goes back to the very start of this state and potentially right back to when King John actually signed the charter under the tree at Runnymede. I am not about to break any of those Westminster traditions by starting now and responding to a Liberal Party tactic that comes up every day in question time with another budget bid for me to rule in or out. I know how it works. He has got the press release ready, just like Mrs Kronberg had last week with Box Hill Hospital. My answer in this place about visiting Box Hill Hospital at 7.00 a.m. and meeting with the team is already in the local Box Hill paper. It all goes out. I have seen it happen. I know what the game is.

I say to Mr Atkinson that this government is spending more on infrastructure than any other government in the history of the state of Victoria. This government is doing so while keeping our net financial liabilities as a percentage of the economy at the lowest level in 50 years. If we go back 50 years, to 1958 — I was not even born and Sir Henry Bolte was Premier — we find that is the level of debt this state now has. We have brought net financial liabilities back to the level of 1957, which was before I and many members of this house were born. While doing so, over the life of the Labor government we have quadrupled the amount spent on infrastructure.

Mr Atkinson interjected.

Mr LENDERS — I look forward to Mr Atkinson's interjections, but I say to Mr Atkinson — —

Mrs Kronberg — It's the busiest intersection in the state!

Mr LENDERS — And I say to Mrs Kronberg, who again is being vocal on these issues and does not understand constitutional or financial history, that we will respond to these matters in the budget, as is appropriate. We are aware of the issue he has raised, but I as Treasurer am not going to rule in or out any item in a budget until it is announced on budget day.

Supplementary question

Mr ATKINSON (Eastern Metropolitan) — I note that the Treasurer invokes historical figures such as King John. I could invoke another one, such as Pontius Pilate wiping his hands of a very important issue. Nonetheless I accept that the minister has indicated that he has some knowledge of this dangerous level crossing and has apparently taken some heed of its nomination by the level crossing steering committee and the RACV as the worst crossing in Victoria. It therefore alarms me that, given those factors and the fact that the crossing handles more than 200 trains and 120 000 vehicle movements daily, the Treasurer does not seem to have accorded it sufficient priority in terms of apparently ruling out the capital funding bid. I hear what he says about not wanting to put things in or out of the budget, but the reality is that the Treasurer, having ruled out capital funding, I believe needs to consider it. I ask the Treasurer if he believes the government has got its priorities right, if in fact it has rejected capital funding on this project.

Mr LENDERS (Treasurer) — Standing orders preclude hypotheticals and standing orders preclude convoluted gymnastics, but what I will say to Mr Atkinson and say to him clearly is that I repeat my earlier answer: I do not rule in or out, and I will not fall for the Liberal Party game.

I also say to Mr Atkinson and to his constituents, if he wants to make this a partisan issue, that for seven years the government in which he was a parliamentary secretary had the option of spending money on that crossing, but it did not. For eleven and a half years the party he was a part of controlled the federal purse strings and could have given money to Victoria for that crossing — it postured, but it did not. His community said loudly and clearly to this government that among the priorities it wanted — and government is about priorities — the first priority when we got into government was fixing Scoresby, and EastLink will open this year.

What I say to Mr Atkinson is: we listen, we act and we look at the advice that we get, but I am not going to in this house rule in or out any budget bids, knowing full well that with my doing so Mr Atkinson will go to his local press, as Mrs Kronberg did, as I am sure Mr Vogels did in Ballarat and as I am sure

Mrs Petrovich did in Wallan, with the same story. The government will not rule it out. Judge us by what we do, with the largest infrastructure spend in the history of the state. Judge us by what we do, and reform and review your judgement on budget day.

Mr Atkinson — I think you're Robin Hood, not King John!

The PRESIDENT — Order! I remind the chamber that slagging off at each other across the chamber is not appropriate or acceptable. If it happens again, I will deal with the individuals or with all members.

Economy: performance

Ms PULFORD (Western Victoria) — My question is to the Treasurer. Can the Treasurer inform the house of the performance of Victoria's economy?

Mr LENDERS (Treasurer) — I thank Ms Pulford for her question — —

Mrs Peulich — Is this a ministerial statement?

Mr LENDERS — I pick up the interjection by Mrs Peulich, 'Is this a ministerial statement?'. I think it is a response to a hardworking member from a regional electorate asking for information about how the Victorian economy is going. I would have thought the information Ms Pulford seeks is information that most Victorians would seek in times of global turmoil and great uncertainty about where the global economy is going and where the contagion from the United States subprimes is going. I think it is a legitimate question for Ms Pulford to ask, and it is also a particularly pertinent question as we go into a phase where every jurisdiction in this country has to frame its budgets on the basis of where the economy is going.

Victoria is the strongest of the non-resource state economies in Australia. We are seeing the strength of that economy pervade not just the large metropolis of Melbourne, we are also seeing it reach right throughout regional Victoria. We are seeing strong growth across the whole of the state, which is very important for the state. What we see is that our growth is of the order of 2.7 per cent and is the strongest of the non-resource states. We are also seeing that that growth is across the whole state, and we are seeing it measured in economic forecasts in state final demand, the most recent Australian Bureau of Statistics figures we have on that matter.

We are also seeing it measured in new employment, with the strongest jobs growth over the last year of any state in Australia. There is no stronger job growth than Victoria's in all the other states and territories. When we consider the resource boom in New South Wales — in Western Australia, Queensland and the Northern Territory — —

Mr Guy — New South Wales?

Mr LENDERS — Mr Guy is quick; he picked up that I said 'New South Wales', but I corrected myself. We see greater growth in jobs in Victoria than in any of those other states. That is a significant boost to our economy, and it is one that we as the Labor Party give extraordinary heed to, because jobs are opportunity for our next generation, growth for the economy and the most cherished economic commodity you can have.

We are also seeing our exports growing at 8.3 per cent in the last figures we have available. We are seeing our population growing strongly in Victoria. We have seen in Melbourne stronger population growth than in any other city in Australia. Population is a lot of things to different people, but what it means to me is that people are talking with their feet and saying that Victoria is a great place to live, a great place to work and a great place to raise a family. We are seeing it in strong population growth. We saw that in the year to the end of September our population in this state grew by 78 000 people — again, stronger than in any other state or territory in Australia.

We are seeing building approvals rise. We have had the highest value of building approvals of any state in the year ending February this year — $20.4 billion. That is higher than in Queensland or New South Wales. There is a whole range of variables that I could use in response to Ms Pulford's question, but what we are seeing is a strong economy, because it is a diversified economy and because it is a well-managed economy, and a strong economy gives this state and our people great options. I thank Ms Pulford for her question and say to her that Victoria, particularly regional Victoria, is a great place to live, work and raise a family.

Budget: submission process

Ms PENNICUIK (Southern Metropolitan) — My question is for the Treasurer. Last week I had an approach by a community group as to the process by which it could make a budget submission. As I was not sure, I asked my electorate officer to contact the Department of Treasury and Finance (DTF) to find out. After several phone calls she was told that there was no process to assist community groups to make budget submissions. She was advised that the government writes to industry groups inviting them to make submissions, but the list of groups is not publicly

available. On further inquiry we were advised that peak non-government organisations are probably included on the list and that the community group that had approached me could still write to the department with its view of the world. Can the Treasurer advise of the process by which community groups can make budget submissions and by what criteria certain groups are chosen to be invited to do so?

Mr LENDERS (Treasurer) — I thank Ms Pennicuik for her question. It is an interesting one she raises and one that eight months ago, when I became Treasurer, I spent a fair bit of time focusing on. Even today in this house Mr Atkinson has made a budget submission for the Springvale Road, Nunawading, railway crossing. Last week Mrs Kronberg made a submission in the house on the Box Hill Hospital. Also last week Mrs Petrovich made a submission on Wallan Primary School, just as last week Mr Vogels too made a submission on the Ballarat hospital.

Many months before Mr Atkinson made today's submission the member for Mitcham in another place made a submission on the Springvale Road grade separation; in fact, he made a submission a long time ago. Long before Mrs Kronberg made her call, the members for Burwood, Forest Hill, Mitcham and others in the other place made similar submissions, and Mr Leane and Mr Tee have made submissions on the Box Hill Hospital. In fact years before the dust even settled on the submission made here by Mrs Petrovich on behalf of Wallan Primary School, the member for Seymour in the other place, who is the most persuasive and tenacious person on that issue — followed closely by Ms Broad and Ms Darveniza in this house — was lobbying for funding on the same issues for that area.

Budget submissions, for Ms Pennicuik's information, come from everywhere — from members of this house, from members of the other house, from members of the community and from industry groups. One of the things I have learnt since becoming Treasurer is that wherever you go, from the local swimming pool to the Parliament of Victoria, people have budget submissions for you.

The process we follow in government is that individual ministers make submissions to government as a whole and want them to be considered as part of the budget process. They form views from their departmental input. Obviously the first and foremost driver is the government's election commitments and actually delivering what it promised in 2006. That is the starting point. New and emerging issues come up, which ministers bring to the government's attention, and those new and emerging issues include representations from industry groups, the community and parliamentarians as to what should be part of a budget priority.

As part of assisting me above and beyond that there are a number of peak bodies and groups that make submissions to me. There are a series of them; they cover the whole gamut of economic, social, environmental, regional bodies — whatever. There is no formal process from my perspective for dealing with the budget other than the one I have outlined, which deals with ministers making presentations, and they engage communities. There are many informal processes. The Department of Treasury and Finance tries to structure a process to assist the Treasurer in getting a timely response from community groups. From my office we also try to make sure that we do not waste the time of community groups. So community groups get access to government whether it be through the individual minister or through the Treasurer.

There is no exact science to budget consultation. I understand Ms Pennicuik made a phone call on that, and she got advice. There is no exact science to it other than this government — through me, through its members or through its ministers — will always listen to the community's aspirations, listen to the community's views on how government can be made better, listen to the community's views on how the scarce resources of government can best be targeted to make Victoria a better place to live, work and raise a family.

In the process of that it is the role of government to filter through all those submissions to see what we can do that will deliver targeted service and targeted infrastructure so this state moves forward as an even better place to live, work and raise a family.

That is the budget process as succinctly as I can put it. I welcome Ms Pennicuik's supplementary question and any input that Ms Pennicuik or her community group would have to this budget or future budgets.

Supplementary question

Ms PENNICUIK (Southern Metropolitan) — In the interests of public participation and involvement in the business of government, which is outlined in the government's statement of intentions, this community group obviously felt that it was not able to make a submission, and that is why it came to me. The Treasurer did not answer the second part of my question, which was the criteria by which industry groups and peak bodies are added to the list. Would the Treasurer make that list publicly available in terms of putting on the DTF website the names of the groups

that have been invited and a process by which community groups that are not in that privileged group can make a submission to the department?

Mr LENDERS (Treasurer) — I have two things in response to Ms Pennicuik's supplementary question. First, will I put my diary — which, effectively it is — on the Department of Treasury and Finance website? The answer is no. A minister is never going to put their diary on a DTF website. I am sure it would be fascinating for people to know that I got up at 5.30 this morning, went to the Harold Holt pool and had a swim, but I am not going to put my diary on a DTF website.

Second, I will say to Mrs Pennicuik that I am actually given a great deal of confidence by her asking the question. It means that a community group has multiple venues to actually have input into the budget. It could visit other members representing Southern Metropolitan Region — perhaps Mr Thornley or me, or possibly Mrs Coote or David Davis. It could visit any of us. It visited Ms Pennicuik, which is very good. There are multiple forums for the community — —

Honourable members interjecting.

Questions interrupted.

SUSPENSION OF MEMBER

The PRESIDENT — Order! Mr Leane! I have already informed the house of what I require in terms of standards in here. Mr Leane has previously been removed from this chamber for doing exactly what he is doing now. Therefore I will use standing order 13.0.2 and remove him for 30 minutes.

Mr Leane withdrew from chamber.

DISTINGUISHED VISITORS

The PRESIDENT — Order! I wish to bring to the attention of the house that we have guests in the gallery. They are led by the tourism minister from Lebanon, the Honourable Joseph Sarkis. Welcome to you, Sir, and to your party.

Questions resumed.

Commonwealth-state relations: specific purpose payments

Ms MIKAKOS (Northern Metropolitan) — My question is to the Treasurer. Can the Treasurer please update the house as to whether there have been any recent reforms to specific purpose payments?

Mr LENDERS (Treasurer) — I thank Ms Mikakos for her question and her interest in specific purpose payments, particularly as they relate to a core part of cooperative federalism.

The state of Victoria receives approximately one-sixth of its budget through specific purpose payments from the commonwealth. Areas of extraordinary need in our community are funded through this arrangement. The most obvious one, which we have discussed in this house previously, is the funding of our public hospitals, where the specific purpose payments from the commonwealth account for approximately 41 per cent of the cost of running a public hospital — state revenue, of course, contributing the other 59 per cent.

As I informed the house previously, on the issue of indexation, whether it be at consumer price index level or whether it be at a higher rate, that specific purpose payment alone can affect the state of Victoria by of the order of $121 million or $500 million across all states and territories. The issue of specific purpose payments and their reform is one that is not an academic issue for accountants. It is an issue that goes to the core service deliveries that people like Mrs Petrovich and David Davis constantly talk to this house about as being of such urgency.

Ms Mikakos's question is: how can we actually reform this? What are the reforms to this if we are going to move forward as a modern state in the 21st century? Fortunately with a change of federal government and the new cooperative federalism, the new Prime Minister, Mr Rudd — and 'the new Prime Minister Mr Rudd' really rolls off the tongue nicely — and his Treasurer, Mr Swan, have actually engaged the states and territories on this issue.

What we have had to date is a commitment from the Council of Australian Governments that we will reform specific purpose payments, and we have had a commitment that the states will be no worse off; I am confident that the states will be better off. We have already seen more than 90 per cent of the specific purpose payments wound down to five, in line with a commitment we have from the commonwealth. We will have a core one in areas like hospitals which will actually let us go on with certainty in delivering these important services for the commonwealth. We have seen on hospitals alone the commonwealth portion of funding of hospitals out of the last variation of this go from less than 40 per cent to more than 40 per cent. That is a great start.

All these specific purpose payments gave great grief to the states and often did not actually deliver services to members of the community. I have used the example here before of the specific purpose payment for schools. I reiterate this to Ms Mikakos as part of my response. Under the old specific purpose payments, for the state of Victoria to get its approximately $500 million from the commonwealth to run government schools we needed to fill in endless input controls, including the education minister certifying that all 1594 government schools had two flagpoles, flags flying and posters on the walls.

What that has got to do with students leaving school equipped to face a complex 21st century workplace and society absolutely baffles me. The idea of values in the schools — big tick; the idea of honouring our national flag — big tick; the idea of a minister for education getting eight regional directors going to 1594 schools and asking them to fill in forms and send them back up the line so he can tell the federal minister it has or has not happened — that is where reform is needed.

What we have now is an understanding. These have to be linked together. We have to work together with the commonwealth, remove ridiculous red tape and focus on service delivery. Measure us by the outputs by all means. The output in schools is: are students better equipped to face the 21st century and to get a job? Yes. Should we fill in all this paperwork and be worried about a 6 o'clock news story of eight years ago? No.

In response to Ms Mikakos: there is significant reform, in fact the greatest reform in the history of this federation, and its benefits to Victorians will be greater flexibility for states and a better partnership with the commonwealth in delivering these funds. They are one-sixth of our budget, and this is but one step on the way to making Victoria an even better place to live, work and raise a family.

Gaming: industry restructure

Mr D. DAVIS (Southern Metropolitan) — My question is for the Treasurer. I refer to the Brumby government's decision to end the Tatts and Tabcorp licences in 2012 and replace them with a venue-based bidding system. Given, on the basis of comments by these companies, that these matters may be subject to litigation, what provision has the government made for a potential payout to the current operators, and how will this be reported to the community in official government financial documents?

Honourable members interjecting.

The PRESIDENT — Order! If Mr Davis wants to hear the answer to his question, I suggest he listen to my call from the Chair when I call for order.

Mr LENDERS (Treasurer) — I thank Mr Davis for his question. I am starting to get the feeling that this is actually the House of Commons and Treasurer's question time — it is getting a bit like that today — but I welcome his question. As I said to the house yesterday, I welcome all questions, so I should be delighted at getting them all.

The question he asked is a good one. It is: where will this fit in the budget papers? I have not got the exact paper in front of me, but I think it is budget paper 2, page 88 from last year's budget, where we actually make a note dealing with — —

Mr D. Davis — Page 86, actually.

Mr LENDERS — Thank you, Mr Davis; my memory is not as sharp as I would hope it would be, but within two pages. We made a reference — there was a footnote as to contingent liabilities as they were reported in the budget papers — and clearly they were done on the basis — —

Mr D. Davis — You were correct.

Honourable members interjecting.

Mr LENDERS — I accuse Mr Davis of dirty tactics. That rendered me speechless for the first time, I think, since I have been in this house — to hear him saying I got something right!

His point is that we report in the budget papers on contingent liability. Clearly, with a change in government policy from statewide operators to a new policy proposal announced by the government last week, that is an issue that we will need to review as part of how we report the budget. In an open, transparent and accountable way we will need to report whether there is or is not a contingent liability going forward. He is correct in finding that entry. He is correct in asking how it is reported. That is how it was reported last year under that system.

Clearly — certainly from my reading of the act, which says that contingent liability no longer exists — the new budget papers will have an informed, updated government view. I have not as yet reached an informed conclusion as to how that will be reported in the budget papers. Obviously they need to come to this house in three weeks time, but it is a contingent liability mentioned on page 88 of the budget paper that Mr Davis has before him, and that is obviously

something that will be reviewed as we produce budget paper 2 for this budget.

Supplementary question

Mr D. DAVIS (Southern Metropolitan) — I thank the Treasurer for his answer and draw his attention to page 88 of budget paper 2 from the last budget, which says:

> The Gambling Regulation Act 2003 requires the state to provide a refund to Tabcorp in 2012 of an amount equal to the licence value of the former licences or the premium payment paid by the new licensee, whichever is the lesser.

And the same goes for Tatts. How is this consistent with statements by government ministers that no compensation is payable, and how will the Treasurer report this far greater risk in the forthcoming budget?

Mr LENDERS (Treasurer) — Essentially my supplementary answer is the same as my substantive answer. As I said to Mr Davis, there has been a change of policy from government to move from a duopoly operator system with two operators across the state. When they entered into contracts, that was the system, and that is how the contingent liability is reported. There has been a policy change from government to a venue-based system for electronic gaming machines. The Premier has certainly expressed a view when asked the question, as has the gaming minister, and now I have been asked the question by Mr Davis and express the same view.

Mr D. Davis — About the contingent liabilities.

Mr LENDERS — The substance of what Mr Davis is asking is: is there compensation of $1.3 billion for the two companies? I know his shadow minister has argued publicly that that is a higher priority for the budget than perhaps the separation of Middleborough Road or the Box Hill Hospital or the Wallan Primary School or the Ballarat hospital, but the government is saying that it is the view of government that that is no longer there, and the contingent liability Mr Davis refers to, as I said in my response, is something that will obviously be reviewed with the government's policy change by the time budget paper 2 is presented to the Parliament on 6 May.

GM Holden: Pontiac G8

Mr ELASMAR (Northern Metropolitan) — My question is for the Minister for Industry and Trade. Can the minister inform the house of any recent announcements that will see more exports in the local automotive industry?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — I thank the member for his question. I know that Mr Elasmar is very interested in employment in Victoria. There are large numbers of people who work in the automotive industry who are of various migrant and ethnic backgrounds and who have come to Australia and have been a part of that industry for more than 50 years. I know that many in his own community, the Lebanese community, have been involved in this industry, as have other ethnic communities, of which there are probably around 120 different ones in Melbourne.

Today I want to talk about the government's action to deliver jobs in relation to GM Holden, which recently announced that it will begin to export the Pontiac G8 sports truck, which to most Victorians would be known as the ute and not a sports truck. One of the issues that was raised by the company was: what should the ute be branded as in the United States of America? Of course we put up the bid that it ought to be branded in the United States not as a sports truck but as an Aussie ute. That decision is still being considered, but the point here is that this adds to the export of the sedan version of the Pontiac, which General Motors announced would be exported into the US. Who would have thought that the idea of Americans driving around in Australian-produced cars would have been possible a few years ago? Yet here we are talking about not only the Pontiac, but also the — —

Honourable members interjecting.

Mr Guy interjected.

Hon. T. C. THEOPHANOUS — I know Mr Guy does not like good news.

Let me make it clear. It is this government that has driven export of motor vehicles out of Victoria and out of Australia. It is this government that has driven and supported the automotive industry to allow it to export. I am absolutely thrilled that General Motors has been able to make this announcement. Why has it been able to make this announcement? It is because General Motors has a design centre at its Port Melbourne facility which is second to none around the world in relation to the design and engineering of rear-wheel architecture for motor vehicles. That design centre was supported not by the previous government but by this government in designing the rear-wheel architecture for the Pontiac ute, and it has facilitated that.

I might also say, from the point of view of history for members who may not know this, that when the Premier announced the export of utes to the United

States he also made the point that the ute is an original Victorian idea. In fact it was designed in Gippsland by a Gippsland dairy farmer. This dairy farmer, so the tale goes, wanted to have a car that he could drive to church on a Sunday, but one where he could also put hay and couple of pigs in the back and do his normal work. He might have been able to fit a couple of Nationals members in the back as well and go about his work. That is how the ute was born. It has been a runaway success in Australia, and we hope now that that success will also be taken up in the United States.

It is another good news story. I appeal to the media once again to take up a few more good news stories in Victoria. There are lots of good news stories happening in Victoria — 2000 jobs in Geelong and new aviation services coming in. There are many good news stories. We are happy to provide them. All we want is for the newspapers to give Victoria a fair go, run those good news stories and improve their presence in the house. I hope they are able to get more information about the fantastic stories that we put out day after day about how the Victorian economy is doing so well — all of these great stories that are happening around the state, with new facilities being built and new infrastructure being built, and now with this development at General Motors proceeding as well. It is another example of how the government works with industry to ensure we get exports, improve the livelihoods of the people of this state and ensure the betterment of this state.

Schools: federal computer scheme

Mrs PEULICH (South Eastern Metropolitan) — My question is directed to the Treasurer, Mr Lenders. I refer the Treasurer to the Rudd federal government's education revolution, where inadequate funding has been provided for the ongoing maintenance and eventual upgrading of computers, the provision of adequate and safer power points, the security and associated infrastructure in traditional classrooms that were not designed to house this extra equipment, the provision of software and site licences, and the professional development for teachers and curriculum support needed for minimal information and communications technology skill standards that have yet to be articulated. Will the government ensure that no Victorian government school is forced to fund the shortfall in support, and will the Treasurer therefore allocate sufficient capital funding to Victorian government schools to implement Labor's promise to provide every student with a laptop and broadband connection?

Mr LENDERS (Treasurer) — I think the answer is for Mrs Peulich to read the Council of Australian Governments (COAG) communiqué. Her question will be fully answered.

Supplementary question

Mrs PEULICH (South Eastern Metropolitan) — Could I first of all say that it is disappointing that the Treasurer does not feel obligated — —

The PRESIDENT — Order! The member will ask her supplementary question.

Mrs PEULICH — My supplementary question is: will the Treasurer inform the house whether he has made any representations to the federal government concerning funding for its education revolution promises and associated unfunded costs?

Mr LENDERS (Treasurer) — I should just make it simple and say yes, but I will answer a bit more deeply than that. Of course I have talked to the federal Treasurer about this. This is — —

Mr Guy — Did you drive up in a Holden Statesman, or did you fly up?

Mr LENDERS — On frequent flyer points, if we want to know. What I will say to Mrs Peulich is that this is an issue of great excitement for Australia. We actually have a federal government committed to putting a computer with every student. In the information and communications technology age we have a federal government saying it is going to put computers into every school for all students across the country, regardless of who you are and regardless of what your socioeconomic status is, because that is a part of bridging the digital divide and taking people into the 21st century. Let us first look at the extraordinarily positive things you get from a federal Labor government wanting to put computers in schools.

Secondly, if Mrs Peulich had read the COAG communiqué, she would know that state treasurers have raised this with the federal Treasurer. If she had listened to my response to Ms Mikakos, she would know that this is exactly what reforming special purpose payments is about, so we get these things right. We know there is a federal Labor government electoral commitment on computers. It will honour it, and we will work in partnership with it to deliver that so that every student in school has a computer. We have issues to work through with the federal government, as is on the public domain. Mrs Peulich undoubtedly will put out a press release in her local paper saying, 'Treasurer admits discussion with federal government over unresolved funding issues'. Yes, they are unresolved. They have been on the public record now for a long period of time.

What we will assure Mrs Peulich is that we have boosted funding to schools in this state to the highest level in the history of this state. We also have given them student resource packages that actually let schools make decisions on issues that are of critical importance to them. Some schools have invested more heavily in computers than others, but we will continue to work with the commonwealth to make sure that the commonwealth government's electoral commitment is one that it honours. We will work with the commonwealth to make sure these computers are rolled out in schools in the best way possible. We will continue discussing with the commonwealth how its election promises should be funded, but we are not going to play politics and say, because there is a great idea from another jurisdiction and it is hard to work through the details, that we are just going to blame people, where the victims are the students in schools in Australia.

This is an issue the commonwealth and the states are working on. I have spoken to federal Treasurer Wayne Swan on a number of occasions. I have spoken to other treasurers on this. This is an issue that our education ministers have addressed. This is an issue that we will work through. The objective we share at both levels of government is that it is a good thing for a Labor government to want to put computers into every school. It is a good thing, and we welcome it. We are delighted if the biggest problem we have is ironing out the details with the federal government. That is how cooperative federalism should work. We are standing up for our rights, and the federal government is standing up for its rights. We will work through it, but we are not going to blame each other on the 6 o'clock news, which was the hallmark of Mr John Howard's aspirational federalism.

Planning: government initiatives

Mr VINEY (Eastern Victoria) — My question is for the Minister for Planning. The Brumby Labor government has recently announced initiatives that will fast-track planning in our growth areas across Victoria to accommodate our growing population. I ask the minister to inform the house of what further action the Brumby Labor government will take to ensure that livability and environmental sustainability remain top priorities as new homes come onto the market in this growth period.

Hon. J. M. MADDEN (Minister for Planning) — I welcome Mr Viney's question in relation to this matter, because I know that in his region we are seeing substantial growth, as we are seeing it right across the state. To complement the Treasurer's words in relation to the performance of Victoria, bearing in mind that we are a non-resource state, what we are seeing is enormous job growth. That is attracting enormous numbers of people to the state, but that is also complemented by our livability and the work we are doing on sustainability. Bearing all those factors in mind, we need to make sure that in land release and in our planning for the future, we maintain that livability and that desirability in making Victoria the best place to live, work and raise a family so that we can continue to attract people into Victoria.

As part of that, at the weekend I released research commissioned by the Growth Areas Authority, in partnership with other stakeholders, into the livability of our growth areas in Melton, Wyndham, Whittlesea, Hume, Casey and Cardinia. The findings of that research, which was undertaken by Melbourne University and Griffiths University, is being used to develop livability indicators so that we can ensure that we build livability into those new suburbs. We have to meet the needs of our growing population, but we have to proactively ensure that we build that livability in by livability planning, so that it is front and centre in our new growth corridors.

As part of the fast-tracking of the 90 000 new allotments for new homes in our growth areas we have to build communities that are less car reliant and less power and water hungry, but in particular more livable. One of the things we are very aware of in these new communities is that a predominant number of car trips are short journey car trips. No doubt there are commuter issues, but we can overcome the short journey car trips by good planning in relation to walkability, permeability and the design of the streets, so that, whilst you may need to have a car, you are not necessarily as car reliant as might have been the case previously.

To ensure that livability planning becomes part of the development of all these projects, the Growth Areas Authority, in collaboration with the Planning Institute of Australia — and I would like to congratulate the Planning Institute of Australia on working so collaboratively on this occasion with Stockland to make sure that this is an Australian first — will have one of Australia's largest commercial developers working in conjunction with the state government and planning experts to master plan the Cranbourne East community. The features of these will include water-sensitive urban design, linked open spaces and a range of residential housing densities. The residential housing densities are particularly important. With the ageing population we have, but also the formation of more single-person households than ever before, we need to ensure that we provide choice in these communities, so that as people

age or as new households are formed they do not necessarily have to move out of communities they have grown to love and in which they have built up their connections.

We are putting livability at the forefront of what we do. This project will help lead the market to form new ways of developing communities so that we maintain the livability of Melbourne, and Victoria in particular, and continue to make sure that Victoria is the best place to live, work and raise a family.

Tabcorp: headquarters relocation

Mr DALLA-RIVA (Eastern Metropolitan) — My question without notice is for the Minister for Industry and Trade. The minister would be aware that Tabcorp has strategically relocated some of its operations interstate over the last few years. Now that his government's gaming restructuring plan is about to gut the operational and profit centre of Tabcorp, what action is his department taking to prevent Tabcorp from relocating its headquarters and other key operations out of Victoria?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — I thank the member for his question. As Minister for Industry and Trade, one of my primary efforts is aimed towards ensuring that industry is well represented in Victoria and also that we can get as many corporate head offices as possible from around the country and around the world locating themselves in this state. I might say that from the point of view of head office locations in Australia, Victoria does better than virtually any other state, and I think in some recent figures that I saw — —

Mr O'Donohue interjected.

Hon. T. C. THEOPHANOUS — It depends on whether you look at all businesses or whether you look at the top 100 or whether you look at the top couple of hundred or which particular statistic you take. But let me tell members that in respect of the top 100, in a comparison between New South Wales and ourselves which I saw recently in a financial study that was done for us by Deloittes, Victoria comes out ahead of New South Wales in the top companies, comparing the top companies in both states in terms of their head office locations.

We are, I believe, very well positioned in relation to getting head offices here. BHP is still located here and BP's head office is still located here. A number of these big companies still have their headquarters in Melbourne and work out of Melbourne, as well as a vast number of other organisations that are headquartered in Melbourne. In the banking sector, as I have said before, the ANZ is headquartered in Melbourne and is building a new building. The National Australia Bank, the biggest bank in Australia, is headquartered in Melbourne. AXA is headquartered in Melbourne. The Bendigo Bank is in Melbourne. GE Money is in Melbourne. The list goes on and on.

Mr Drum — Bendigo Bank has its headquarters in Bendigo, not in Melbourne.

Hon. T. C. THEOPHANOUS — Bendigo Bank is another one of the banks that we have been able to attract to the Docklands region to form a financial hub in that area. When we look at it from an overall industry point of view, which is the way I would look at this, we are doing better, I believe, than any other state in terms of head offices.

Of course the government has made a particular decision in relation to the gaming industry. As to the way that will play itself out, we will wait to see what will happen in relation to that. But that was a deliberative decision. It was made in the context of ensuring that Victorians gain the maximum benefit out of the gaming industry, and we do not walk away from the decisions that we have made to bring gaming closer to the people that are involved in it. There may be some impacts as a result of that on the two organisations, Tabcorp and Tattersall's, but we do not apologise for this change in policy.

Supplementary question

Mr DALLA-RIVA (Eastern Metropolitan) — I thank the minister for his answer. On the basis of the minister's answer, why would Tabcorp want to maintain itself in Victoria after 2012 when in a few years time its major operations and profits will be generated in New South Wales and Queensland?

The PRESIDENT — Order! Mr Dalla-Riva's supplementary question in my view fails on the basis that he is asking the minister for an opinion. 'Minister, why would Tabcorp want to da-da-da-da?'. I do not think the minister can answer that, and I rule it out.

Stamp duty: insurance premiums

Mr HALL (Eastern Victoria) — My question without notice today is directed to the Treasurer. I refer the Treasurer to the stamp duty paid by Victorians on property insurance. Could the Treasurer explain the logic and the fairness of stamp duty being payable on not only insurance premiums but also on the fire

services levy and the GST, which effectively equates to Victorians paying a tax on a tax on a tax?

Mr LENDERS (Treasurer) — I thank Mr Hall for his question and his interest in tax and stamp duty. The first thing I would say to Mr Hall is that the concept he talks about is the concept of a state duty being paid on the fire services levy or any of the inbuilt taxes, whether they are state or federal, and is a concept that was in place during the time of the government he was a member of — the Kennett government. If the concept is not correct, then it begs the question why Mr Hall was silent during the seven years he was part of that government, because the concept of a state duty on the fire services levy and all the other components was there during the seven years he was part of the government.

Mr Drum interjected.

Mr LENDERS — Mr Drum says, 'No, there wasn't'. Mr Hall asked me, through you, President, about the concept of a tax upon a tax, a duty upon the GST, which came in post the Kennett government, the fire services levy, which was there under the Kennett government, and embedded taxes, whether they be federal or state, which were there under the Kennett government.

He asked, 'What is the logic of it?', so I am opening by explaining what the logic is. There are several components of a householders insurance premium. I got my household insurance premium notice last week, so I have seen the sort of bill that everyone gets. For a house in Carnegie you get the base premium, then you get the agent's commission and then you get a fire services levy — and that is presumably the most controversial issue that Mr Hall raises.

The fire services levy is a charge on insurance companies to assist with fire brigades having greater resources so that they are available to ensure that houses do not burn down and insurance companies do not have to pay for houses to be replaced. It is a charge on the insurance industry. The rate is set by the Insurance Council of Australia and imposed on individual insurance companies. As we know, it is a critical part of the funding of the Metropolitan Fire Brigade and the Country Fire Authority. I could not give the house the exact figures, but I am happy to take that on notice and say what they are. That is how it works.

Then you have the GST, which comes on top of that, and then state stamp duty, which is a duty that is applied — as it always has been in Victoria — after all the other charges on insurance. It applied under former premiers Henry Bolte, Dick Hamer, Lindsay Thompson and Jeff Kennett — and it probably applied under the last Country Party Premier, Albert Dunstan, although I stand to be corrected on that.

Mr Hall asked, 'How do you justify a tax upon a tax?', as he described it. We justify charging duties on insurance premiums because that amount of money goes towards building the services in the Latrobe Valley and in Gippsland that Mr Hall wants. You cannot just wipe out a figure of the order of $1.1 billion — I stand to be corrected on that — but you cannot just wipe out that component of insurance taxes as a populist move and then ask, 'How do you justify it?'. You justify it because it is a tax that has been in place under governments of all persuasions over a period of time. You justify it because it is the way you fund roads, schools, hospital, police, teachers and nurses. Yesterday in this house there was a debate in which it was argued that we should pay teachers more. You cannot pay teachers more if you slash 3 per cent off your budget.

Taxes are about priorities. Nobody likes a tax. As Winston Churchill once said, democracy is the worst form of government except for all the rest. In a sense, taxes are offensive. Each tax is the worst form of revenue except for the alternatives.

Mr Hall asked the legitimate question, 'How do you justify it?'. My response to Mr Hall's question is that we tax because we must provide the services our community needs. That tax, at 10 per cent on the end cost of insurance premiums, has been unchanged — I stand to be corrected on this — since the days when Sir Albert Dunstan was the last Country Party Premier of Victoria. That is what the tax has been, and that is how we fund the things that matter to Mr Hall and me. I look forward to his supplementary question.

Supplementary question

Mr HALL (Eastern Victoria) — I ask the Treasurer if he has calculated the cost to the budget if stamp duty were applied only to the insurance premium and not also to the fire services levy and the GST.

Mr LENDERS (Treasurer) — I am not going to comment specifically on any work done by myself or the Department of Treasury and Finance on the preparation of budgets. I am not going to rule anything in or anything out.

An honourable member interjected.

Mr LENDERS — People are saying that that is not what he is asking. Mr Hall asked me had I done calculations on that. I am happy to say to the house that this government commissioned the Harvey tax review — I think it was in 2000 — which reported back extensively on tax, and the government considered a range of options. This government also responded, again in the last several years, to a review on the whole issue of the fire services levy, how that was done and the whole tax issues that went with that.

I am confident that modelling has been done on that, and it is quite obvious that it would be an amount that, if it were to be reduced, would have to then be weighed up against fewer schools, fewer hospitals and fewer wage rises for teachers, which were near and dear to Mr Hall's heart yesterday.

We can have an ongoing discussion about whether the fire services levy is appropriate to be there or not. Mrs Petrovich, I think, raised this issue with me the other week on the adjournment, and I then raised with the house some of the issues on the fire services levy. They are difficult issues. Different jurisdictions have made different responses, but the jurisdictions that represent 60 per cent of the Australian population have consistently said that a fire services levy is the least inequitable way — which is probably a better way of putting it — of paying for those fire services.

That is a legitimate debate. If Mr Hall has a policy position on behalf of the coalition that we should put a poll tax in place or introduce some other form of tax or cuts to remove the fire services levy, he is entitled to put that, and I would welcome the robust debate that would follow it. But we will always look at the best forms of raising revenue, because revenue is such a critical part of the targeted service delivery and the targeted infrastructure spending that I alluded to in my earlier answer.

I welcome Mr Hall's question, and I welcome the debate. This debate is an important part of getting the parameters right for making Victoria a better place to live, work and raise a family.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Treasurer) — I have answers to the following questions on notice: 870, 1728, 1786, 1788, 1792, 1810–17, 1965, 1970, 1971, 1973, 1981–85, 1991, 1992, 1994–96.

Sitting suspended 12.58 p.m. until 2.08 p.m.

POLICE INTEGRITY BILL

Second reading

Debate resumed.

Ms MIKAKOS (Northern Metropolitan) — It is with great pleasure that I rise to speak in support of this bill. Since being in office the Bracks and Brumby governments have been extremely committed to ensuring that Victoria remains a safe place to live and raise a family. It has been pleasing to see that over the years we have put a huge amount of additional resources into Victoria Police. We have seen an increase in police resources of the order of $1.6 billion, there are an extra 1400 police on the streets, and there is a promise of another 350 police during this term of government. We have also seen the construction or refurbishment of 148 police stations. All of these things have resulted in a reduction in the crime rate of over 23.5 per cent since 2000–01.

It is interesting that over time opposition members have raised the issue of policing in particular and had cheap pot shots at the Chief Commissioner of Police. But the Victorian public remains extremely confident in the work of Victoria Police and of Chief Commissioner Christine Nixon. The Productivity Commission report on government services last year shows that Victorians had the highest level of confidence in the nation of their police service. There is a high level of police morale, and the vast majority of police speak very highly of their chief commissioner. I am very supportive of the work being done by Chief Commissioner Christine Nixon, particularly her efforts to not only drive down crime but also tackle the causes of crime, and her focus on issues such as family violence that have sadly been neglected in the past.

The other issue the chief commissioner is fully committed to, as is the government, is ensuring that crooked cops are weeded out of the system. It is important that we have strong oversight bodies such as the Office of Police Integrity (OPI) performing this work and ensuring that police are held accountable. They have an extraordinary level of powers to tap phones and do other things, which are subject to oversight and checks and balances through the court system, but they need to exercise those powers in a responsible manner. I am one of the first to recognise that the police do a tough job. I have enormous respect for Victoria Police members and the very difficult work they do. Only a few weeks ago I had the opportunity, with some other members of the parliamentary Drugs and Crime Prevention Committee, to go out on a Saturday evening on a fact-finding mission to the

nightclub spots in the Melbourne central business district area and see for myself the types of work the police do when dealing with in particular young people and alcohol and violence. It is important that all of us as a community recognise the difficult work they do every day. Over the years many law enforcement officers have sacrificed their lives in the course of undertaking their duties. That service and sacrifice is recognised every year through Blue Ribbon Day and other commemorations that are held.

If there is to be public confidence in our police force and community support for the extraordinary powers the police have, it is important that we ensure that where there are cases of corruption or individuals engaging in improper and unlawful behaviour, there are some consequences of that. Over the years the government has been committed to and has taken a number of steps to respond to the issue of corruption by bringing in different legislation to this Parliament.

That is what the bill is also doing. It seeks to provide a stand-alone act to govern the OPI in recognition of the significance of the OPI as an independent oversight body, and to provide clarification and further details on issues such as the obligations of the director, police integrity, and witnesses when witnesses are being questioned, and other issues. I do not want to go into the bill in huge detail because my colleague Mr Tee has already done that, but I want to emphasise that this piece of legislation and the role of the OPI are very important.

In the past we have had tabled in this house reports by the OPI that have dealt with the issue of corruption. It is important we acknowledge the important work that it does. For example, in February last year a report was tabled; its title is *Past Patterns — Future Directions: Victoria Police and the Problem of Corruption and Serious Misconduct*. I particularly want to focus on one quote in the opening comments of that report, where the director of the OPI, Mr Brouwer, talked about the experiences of fighting corruption in the past. He said:

> Inquiries into police corruption in other local and international jurisdictions demonstrate that in addition to a strong, well-supported management, a further element is required to maintain a modern ethical force resilient to corruption and misconduct. It is a permanent body, independent of the force and at arms length from government with inquiry powers and resources to apply continuing pressure to maintain and improve standards of police conduct and performance. Victoria is now equipped with such a body.

That is exactly what the Bracks, now the Brumby, governments have done. The Office of Police Integrity has been created and resourced to perform this task, to ensure that we can maintain the highest ethical standards and behaviour by members of Victoria Police. We have ensured that we have an independent and impartial organisation that reports directly to the Victorian Parliament, and therefore to the Victorian people.

The OPI's record in looking at issues of corruption is an impressive one. The OPI can conduct own-motion investigations into matters of concern. In the past it has produced very detailed reports on issues such as witnesses and their treatment, the conditions for persons in custody, fatal shootings, the witness protection program and the LEAP (law enforcement assistance program) database. We can see that the work of the OPI is quite extensive. As I said, it does its own-motion investigations, as well as handling referrals to it and complaints by members of the public.

It is important to acknowledge that the OPI is producing results. In its annual report tabled in this house last year it said that, at that time, 20 civilians and police were facing criminal charges, 2 police members had pleaded guilty to crimes, 6 police members had resigned while under investigation, and 152 criminal charges had been laid against members of the police. The OPI has been achieving the task assigned to it — that is, to weed out crooked cops. It is not surprising that we have had a reaction from the Police Association. It is upset that its members are facing this scrutiny. Some of those individuals, who themselves have been subject to some pressure in recent times, would be supporting the dismantling of a body that is so effective. In the 2006–07 budget the government resourced the OPI with an injection of funds of the order of an extra $31 million. It gave the OPI significant powers, in fact more powers than a royal commission, and that is why, as was said before, it is producing the outcomes that it is.

By contrast we have seen from the Liberal Party a range of different positions over a short time. In fact, it has had seven different positions at different times. It has called for a royal commission, an independent commission against corruption and for police auditors. The Liberal Party is not quite sure where it stands on this issue. It is subject to receiving its latest orders from its mate, Mr Mullett, but was unsuccessful in securing him as a candidate at the previous election, and members opposite seem to have considerable time for Mr Mullett. I can assure members that from conversations I have had with members of the police, they think the best thing the Police Association could do is sever its ties with individuals like Mr Mullett who have cast a shadow over the important work that the association and Victoria Police do.

I am digressing, and I want to come back to the issue of the OPI and its particular powers. It is important that when members of the opposition come in here and raise issues, such as calling for independent commissions of inquiry, we recognise that the OPI in this state has comparable powers and, in fact, in some cases has more powers than those types of bodies in other jurisdictions.

The OPI, as I said, has had the ability to conduct investigations into complaints or conduct own-motion investigations. It also has the ability to summon witnesses to attend to give evidence and produce documents, to impose penalties on witnesses who fail to attend or refuse to give evidence, and is able to hold closed hearings and question witnesses under oath about matters under investigation, and to enter public premises to inspect documents.

The OPI does similar work to the New South Wales Independent Commission against Corruption. However, the jurisdiction of the Ombudsman exceeds that of ICAC. For example, the Ombudsman has the power to investigate corrupt and improper conduct of government bodies. By contrast, ICAC only has jurisdiction to investigate corrupt conduct.

It is appropriate that Victoria has a body that is solely responsible for investigating police misconduct. Fighting police misconduct requires specialist skills and knowledge, which a body with broader investigative jurisdiction would lack, so the OPI is comparable with similar bodies in other states in terms of its powers and resources.

Just briefly, the bill seeks to allow the director of police integrity to authorise certain OPI officers to carry and use firearms and defensive equipment, such as body armour, extendable batons, capsicum spray and handcuffs. I know that there have been some concerns raised by members of the opposition and also the Police Association about this issue. I think it is appropriate that if members of the OPI are going to conduct the organisation's work in an effective manner, they should have similar powers and capacity to carry weapons as do the police themselves. Of course there are proper oversight and disciplinary mechanisms in the legislation relating to the inappropriate use of defensive equipment or firearms.

The bill also contains protections in relation to the immunity of OPI officers from being sued. It is not seeking to expand existing immunities but to carve protections out from the general immunity, where the act in question involves a critical incident involving the death or serious injury of a person and the use of a firearm or defence equipment or other use of force. So the bill will extend the circumstances in which a person may bring proceedings against the OPI, and if an OPI officer is involved in a critical incident, the OPI officer will be personally liable if they have not acted in good faith. If the officer has acted in good faith, any liability that would have attached to the person attaches instead to the state. It is important that we have these types of protections in place, again, to ensure that the OPI is able to do its work effectively.

In conclusion, this is an important piece of legislation. It builds upon previous legislation brought by this government to the Parliament seeking to provide appropriate oversight of the police by the OPI, to ensure that we can have a properly resourced but honest police force in this state which the Victorian public can have confidence in. I commend the bill to the house.

Mr O'DONOHUE (Eastern Victoria) — I am pleased to rise to make a contribution to the debate on the Police Integrity Bill 2008. I reaffirm that the opposition will not be opposing the passage of this legislation. I will start by picking up on some of the observations and comments made by Ms Mikakos. She said that the Liberal Party was all over the place when it came to this issue. It appears, however, that it is not the Liberal Party that is all over the place, it is the ALP. Because if you listen to the premiers and the Prime Minister, and indeed virtually all other commentators, there is agreement that what is needed to ensure that there is not corruption is a broadbased anticorruption commission, an institution similar to the ICAC (Independent Commission Against Corruption) in New South Wales or the Corruption and Crime Commission in Western Australia, or other such bodies that exist in other jurisdictions. That is something which the Liberal Party and the coalition endorse and support and advocate for wholeheartedly, clearly and unambiguously. It would appear that the Victorian Labor Party is perhaps one of the few groups left that does not agree with that situation.

There is an obvious flaw in the logic of the argument which Ms Mikakos made. She talked about the Office of Police Integrity having greater powers than ICAC, and what a great thing that was, and that the OPI has all the powers it requires to properly investigate police and ensure there is not widespread corruption in the police force. If that is such a great thing, and if that is what this bill will do and the OPI is able to do, the logical conclusion from her argument is that corruption in the public sector only exists in one realm — the police force. There is such an obvious hole, such an obvious flaw, in that argument. What the state government is saying is that despite what has happened with New South Wales and the corruption in local government in

Newcastle and elsewhere, and despite what has happened in other jurisdictions with corruption in the public service, that is not possible in Victoria. It says it is not possible for corruption to exist anywhere else but in the police force. Ms Mikakos says that the OPI is required because corruption may exist in the police force. There is such an obvious failing in the logic that one can only ask oneself: why is this government so resistant to the establishment of an ICAC or some such similar body? The community not only wants justice to be done, it wants it to be seen to be done, and a great way to do that is to have an anticorruption commission that can ensure that corruption does not take place within the public service.

Ms Mikakos also mentioned the low crime rate. Again, I must pick her up on that, because if you speak to the person on the street and if you look at a range of crime indicators, it is clear that there are grave concerns about the crime rate throughout Victoria. There is a sense of lawlessness, particularly in many of the outer suburban areas, where police resources are often stretched; I know in my own electorate that that is the case in a range of areas. I know many people who have suffered from petty crime and other crime in recent times. There is a sense — and the statistics support it — that crime is a real problem. So I absolutely refute the statement made by Ms Mikakos.

Ms Mikakos also said that the police officers she speaks to support severing ties with the Police Association. All I can say to Ms Mikakos is that she must mix in different circles to those I mix in, because the police I speak to — and I speak to police regularly — have a lot of concerns with the way the police force is being run. That was reflected by the demonstration last week, with over 3000 police officers rallying on the front steps of Parliament House. It was quite amazing.

The other issue I wish to address in this brief contribution is the charter of human rights, in particular the comments by the Scrutiny of Acts and Regulations Committee in *Alert Digest* No. 4 of 2008, referred to earlier by Mrs Peulich. This is a complex bill, and there is no doubt, no matter which side of the fence one sits on, that the charter of human rights has increased complexity for the passage of legislation through this place. The report on the charter that commences on page 25 of that *Alert Digest* details that very clearly. There are a range of issues in relation to the charter of human rights that require answers. Unfortunately it appears that this legislation will pass through the house before we have heard from the appropriate minister on those questions.

I make the observation that if the government was truly committed to the charter, if it truly believed in the charter rather than mouthing platitudes about protecting human rights, it would ensure that questions legitimately raised by the Scrutiny of Acts and Regulations Committee are answered before the legislation is passed. Unfortunately that is not how this government goes about its business. It is not the way the government deals with these issues. This raises the question: is the government truly committed to the charter, or is it just merely paying lip-service to it? With those few brief words I reaffirm that the opposition will not oppose the bill.

Mr SOMYUREK (South Eastern Metropolitan) — I rise to support the Police Integrity Bill 2008. The purpose of this bill is to re-establish the function of the Office of Police Integrity, to prescribe the functions of the OPI and the director, police integrity (DPI), and to amend the Police Regulation Act 1958.

The bill establishes a scheme to investigate police corruption and serious misconduct of members of the Victoria Police and empowers the DPI to issue a witness summons to compel witnesses to attend before the DPI for an investigation or examination, and to impose penalties on members of the force for failure to respond to the DPI's directions and summonses. It sets out procedures for charging and arresting members of the force who do not cooperate with the DPI's summonses. It empowers an authorised officer, including the DPI, to enter premises and seize documents relevant to an investigation. Finally, it sets out a procedure for the special investigations monitor (SIM) to investigate misconduct of the DPI.

By way of background, under the Police Regulations Act 1958 the special investigations monitor was required to report to Parliament on the OPI's use of the coercive powers provisions within three years of their commencement. The report was tabled in Parliament on 1 November 2007. The SIM's report made 23 recommendations to clarify and improve the procedures and legislative provisions that underpin the OPI's current functions. The bill implements 18 of these recommendations in full and one in part. Two other recommendations are being implemented in part but do not require legislative amendment. They are recommendations 17 and 23. They are not part of the legislation, and I will go into those a little later on, but before I do I want to say a few words about the special investigations monitor.

The special investigations monitor was established by the Major Crimes (Special Investigations Monitor) Act 2004 to monitor certain activities of Victoria Police, the

director, police integrity, and the OPI. Currently the SIM can investigate complaints made by someone who has attended the DPI to provide information, give evidence or produce documents or things. This jurisdiction is narrower than that of specialist oversight bodies in other states. The SIM report recommended — and that is recommendation 23 — extending the SIM's complaints handling jurisdiction to cover complaints regarding abuse of power, impropriety and other forms of misconduct by the DPI or OPI. However, the Ombudsman already has jurisdiction to investigate administrative actions that fall outside the SIM's jurisdiction.

The special investigations monitor was also concerned about a conflict of interest arising from the fact that the Ombudsman was also the DPI. However, the Police Regulation Amendment Act 2007 will separate the offices of DPI and Ombudsman with the appointment of a new DPI. Country Court Judge Michael Strong was appointed as the DPI on 18 March 2008 and will commence as the new DPI on 1 May 2008, so one presumes that the conflict of interest issues will be resolved by the separation of the two offices.

The bill does not implement the SIM's recommendation. Expanding the SIM's powers as recommended would create a duplication of responsibilities. The Ombudsman is well equipped to exercise jurisdiction concerning the matters the SIM proposed taking over. I will go back to the recommendations in the SIM's report, which are not part of the legislation. Recommendation 17 of the SIM report recommended giving the courts greater scope to review OPI investigations. Instead, the bill continues the existing arrangements, which allow the courts to review OPI actions performed in bad faith, and introduces a limited exception to the current protection where a member of OPI personnel is involved in a 'critical incident'.

The second point I wish to make is that an expanded review power is not necessary because legal actions may otherwise be initiated to impede or delay the OPI from carrying out its functions effectively. The current review power is consistent both with the statutory protection given to the Ombudsman and his officers and that given to the DPI's predecessors.

Recommendation 18 is not included in the legislation because it allows for legal assistance to be given to witnesses summoned to appear before the OPI. Recommendation 19 states that no legislative change is required. The SIM recommended that the OPI endeavour to provide more information about specific investigations in its annual report, and the director, police integrity will take this recommendation into account in preparing its annual reports.

I am running out of time, so I will not go to recommendations 20, 21, 22 and 23, but I will say that the bill ensures that the OPI is equipped with the necessary powers and resources to rigorously perform its functions of detecting, investigating and preventing police corruption and misconduct. I commend the bill to the house.

Mr ELASMAR (Northern Metropolitan) — There is an old Latin saying which translates as 'Who guards the guards?'. The Office of Police Integrity (OPI) was established in 2004. Its purpose was to investigate and expose corruption within Victoria Police. It goes without saying that the Victorian community expects its police force to be ethical, professional and, most of all, trustworthy. Most Victorians have read or seen media stories about the underworld and its illegal activities. Unfortunately strong action had to be taken to ensure that some rotten apples within our own law enforcement agency were rooted out.

Alas, that is not as easy as it sounds. The culture within Victoria Police is enormously strong, and in the past even honest police personnel who have reported illegal activities have been penalised by brother officers to the extent that they have had to leave the force and end their careers as law enforcers. Most of us can remember when B11, a unit within Victoria Police, was the only authority investigating internal illegal police activities and/or complaints from members of the public. B11 was the most hated bunch of coppers in the force. Time has passed and events have unfolded in the public's view of extraordinary relationships between law-breakers and our own police force. This is not acceptable. The recent Purana task force, established by our current Chief Commissioner of Police, Christine Nixon, has shown how unbelievably difficult it is to uncover and expose corruption.

The government has taken the view, and rightly so in my eyes, that only a truly independent body, independent of the police force and the department, can act without fear of revenge or retribution — a body which reports directly to and is answerable to the Victorian Parliament. That body is the Office of Police Integrity. A few mavericks have spoilt the sterling reputation of the vast majority of extremely hardworking, conscientious members of the police force. It is not fair, and I am sure that members of the police force would agree.

It is essential to the safety and wellbeing of our citizens that they have every confidence in the body they rely

on to protect them against the bad guys. The bill maintains the OPI as an independent and impartial organisation. This is a stand-alone action in the respect that it seeks to, firstly, govern the OPI and foster an atmosphere of anticorruption that is not seen as anti-police. The OPI is now an effective, proactive and fully operational police anticorruption body. The powers that this bill confers will ensure that without fear or favour members of the OPI will be able to perform their duties as set out and clearly understood by everyone, especially those within Victoria Police. Other states have their own equivalents of this independent anticorruption body.

In this world of amazing high-tech crime and increasing violence against our citizens it is essential our police understand that we the Parliament support them 1000 per cent, that Victoria Police is the best police force in Australia and that the majority of police members work hard and conduct themselves with integrity and honesty. This bill is designed to ensure that the OPI is equipped with the necessary powers and resources to rigorously perform its functions of detecting, investigating and preventing police corruption and misconduct, and the independence to pursue corruption without fear or favour. I commend the bill to the house.

Debate adjourned on motion of Ms PENNICUIK (Southern Metropolitan).

Debate adjourned until next day.

CO-OPERATIVES AND PRIVATE SECURITY ACTS AMENDMENT BILL

Second reading

Debate resumed from 10 April; motion of Mr JENNINGS (Minister for Environment and Climate Change).

Mr GUY (Northern Metropolitan) — It is a pleasure to make a number of remarks on the Co-operatives and Private Security Acts Amendment Bill, and I indicate from the outset that the Liberal-National coalition will not be opposing this bill. It covers a range of issues that are somewhat technical, and we have a number of points we would like to make, but although we take exception to a number of issues we do not oppose the passage of the bill through the Parliament. The purpose of the bill is to amend the Co-operatives Act 1996, enabling cooperatives to issue capital units for raising funds, to increase recognition of co-ops registered outside Victoria and to allow the registrar of cooperatives to exempt smaller co-ops from the requirement to have their accounts audited.

It is also introduced to amend the Private Security Act 2004 to extend the date by which a ministerial review of its operation must be finalised and reported back to Parliament. There are three main provisions, the first relating to cooperative credit units, known throughout the bill as CCUs. In accordance with the national agreement reached by the Ministerial Council on Consumer Affairs the bill makes various amendments to the Co-operatives Act 1996 to enable cooperatives to issue CCUs to assist with the raising of funds. A CCU is similar to a debenture and differs from a share in a cooperative, which is available only to co-op members. The bill sets out the terms under which a CCU may be transferred.

The second provision relates to mutual recognition. The bill allows for the recognition of cooperatives registered in another jurisdiction and allows the responsible minister to certify laws of another jurisdiction to be cooperative law provided that it substantially corresponds with the provisions of the new act. Interestingly the bill talks about ‘foreign’, meaning interstate, powers, which is a rather antiquated term, but that is the way the legislation has been presented in the past.

The bill provides for an offence for a foreign cooperative — as I said, ‘foreign’ being an interstate cooperative — to carry on business in Victoria without authorisation under the act. It provides legislative requirements for obtaining such authorisation and the grounds for refusal and withdrawal of authorisation by the registrar. The provisions also allow for mergers and transfers of foreign cooperatives.

The third point relates to amendments to the Private Security Act 2004. The bill allows the extension of the time for the completion of the review of the operation of the act by the responsible minister from 1 June 2008 to 1 June 2009. I understand the review is being undertaken by PricewaterhouseCoopers.

There are some further points about the bill that I want to go through quickly. As I said, the bill makes three amendments to the Co-operatives Act. It provides for: first, the introduction of capital credit units as a means of fundraising by cooperatives; second, mutual recognition; and third, the registrar of cooperatives to be able to grant exemptions from submitting annual audit returns.

Over 750 cooperatives operate in Victoria. We should be aware that they serve important functions in a wide

range of industries, one of which is the financial services industry. Members would be aware that financial services cooperatives are like the Bendigo Bank, which as we in this chamber all know is headquartered in Bendigo. The Bendigo Bank offers services to communities that nowadays cannot attract bigger banks, which seem to have withdrawn from some communities. I thought it fitting that we refer to the Bendigo Bank in this debate, to record where the Bendigo Bank has come from.

In 1858 the company was started as a fixed-term building society. I am not sure whether he does know, but Minister Madden might be aware that today the Bendigo Bank is headquartered in Bendigo. The minister may not have been around for the planning approval for Bendigo Bank's Melbourne headquarters along the esplanade in the Docklands — certainly his colleague next to him might have been — but back in 1858 it was still headquartered in Bendigo, which is good to see.

In 1978 it was not a small company any more. The Bendigo Building Society, as it was, merged with the Bendigo and Eaglehawk Star, a building society. In 1983 it acquired Sandhurst, another building society, so the Bendigo was getting bigger. In 1985 it acquired the Sunraysia Building Society, so it was getting bigger again. In 1992 it merged with Sandhurst Trustees Ltd and acquired two building societies, Capital and Compass. Despite the depths of Labor's recession influence back in 1983, Bendigo received a stock market listing, so it was doing very well for itself. In the late 1990s the Bendigo and Elders Ltd formed Elders Rural Bank, a joint-venture company, to focus on agribusiness and rural Australia, which is a worthy initiative. In 2000 it received its banking operation licence.

Back in 1998 the Bendigo began the community banking program, which was well supported by many communities around Victoria. Indeed a number of people to whom I am quite close worked very hard with Bendigo Bank to establish a branch in Hurstbridge in the northern part of my electorate; it has been successful and well received. In 1999 the Bendigo and the IOOF Building Society — I remember the old IOOF — announced an alliance that would involve mutual shareholding. In 2000 the Bendigo acquired the first Australian building society in Queensland — the Bendigo has actually got building societies even up in Queensland. This company is headquartered in the regional centre of Victoria — 100 000 people up in Bendigo — and it has got influence up in Queensland, which is good to see.

In 2005, as I mentioned to the minister before, Bendigo Bank began construction of its $75 million head office expansion. I ask Mr Drum: where would the Bendigo Bank's head office expansion be?

Mr Drum — I think it is in Bendigo, but the Minister for Industry and Trade was saying that it might be in Melbourne.

Mr GUY — I think Mr Drum is right. Today the Minister for Industry and Trade said it was in Melbourne, which is bizarre. Who would have thought the Bendigo Bank, being called the Bendigo Bank, would be headquartered in Melbourne? It would be like the Sydney Opera House being in Newcastle.

Mr Drum — An $80 million head office that does not exist.

Mr GUY — That's right, Mr Drum. The Bendigo Bank, as I said, is doing very well for itself. Members on this side of the chamber are fully supportive of a lot of the community banking initiatives launched by the Bendigo Bank, particularly in rural and regional Australia. That beautiful bank is headquartered in Bendigo, in regional Victoria, and run by a fellow who is a namesake of mine but is not a relative of mine. It is terrific to see the Bendigo Bank in Bendigo doing well for itself and doing exceptionally well for regional Victoria.

Agricultural marketing cooperatives are also among the cooperatives operating in Victoria. They use their combined market power to get better deals. Using advertising and marketing potential, they help rural communities get ahead. It is important that we acknowledge and assist cooperatives in country Victoria to support and advance the cause of the towns in country Victoria that may have suffered some reduction in services, particularly under the current government, so that they have the ability to go forward.

School-based cooperatives work in private and independent schools, providing services for the running or operating of a school in a local community. There are many independent schools — indeed, many independent Christian or religious schools — that are run by cooperatives. Some up to the north in my area are run by cooperatives and do very well for themselves. They provide a high standard of education for students in the northern suburbs, for which they should be commended. It is important to again note that the arrangements that assist with the running, management and funding of independent schools in rural and regional Victoria rely on cooperatives. It is important that schools in rural and regional Victoria are

given every support to enable them to proceed with providing a good education and a good level of infrastructure for the kids who go to them.

In accordance with the 2002 Ministerial Council on Consumer Affairs agreement, cooperatives across Australia are being made more uniform and more accountable. On this side of the house we support amendments that seek to enable cooperatives to raise capital by issuing capital credits to non-members. Traditionally cooperatives have had to raise capital from their own members and they have also been the owners of the cooperatives. With the changes in the operation and structure of cooperatives over many years, they have gone from usually being small, locally based endeavours to multimillion dollar, Australia-wide operations, and changes in the law reflect this.

The issuing of CCUs to non-members will not affect the operation of the cooperative. Owners of CCUs do not have an equitable share in the cooperative; they are provided with an interest in the capital but not in the ownership of the cooperative. The system of CCUs is based on the New South Wales model, which has been operating for more than 10 years. On this side of the house we certainly welcome the opportunity for cooperatives to fundraise from outside their membership, and we see that as quite important.

We also support mutual recognition and the operation of a central register for cooperatives. The minister is responsible for the recognition of cooperatives coming from other jurisdictions. Responsibility is conferred upon the minister to authorise cooperatives operating here in Victoria. We believe a national approach is certainly the way to go. Mutual recognition is not new — it has happened in a number of areas; I think the law is one of them — and it certainly frees up trade between the states and territories of Australia. It is interesting that we are still talking about that. Freeing up trade between Victoria and New South Wales, for example, is very important, and the bill certainly seeks to free up the system.

Much of the regulation of cooperatives is imported from the Corporations Law. At the moment the Australian Securities and Investments Commission regulates more than 1.6 million companies in Australia, which is incredible. The number has been growing substantially every year on a national level for I think the last 12 or 13 years. It is encouraging that the Corporations Law is one of the regulating mechanisms and that ASIC is involved. We should have confidence in anything that ASIC is involved in. The opposition welcomes moves to simplify the burden on smaller cooperatives that may not have the means or finances to keep up to date with reporting requirements.

Briefly, the second part of the bill is about the Private Security Act. This legislation requires the minister to conduct a review by 1 June 2008. The bill seeks to extend the timing of that review by a year, which will delay the report. We would be asking the obvious question: why the delay? The bill has been brought to the house two months before the report is due, so the report should not need to be delayed. I understand the minister's office has been unable to provide any explanation as to why there is a delay when the review has commenced. Is this a case of the government being slack, which would not be a new thing? Are government members sitting on their hands, or is it perhaps due to the fact that we have had a number of ministers in this time: Haermeyer, Holding, and I think Cameron? If Mr Finn were here, he might even say Nixon, but that is another issue altogether.

Having said that, as I have said from the start, the Liberal Party does not oppose the bill. It has a number of worthy initiatives. There are some issues we have some concerns about, but they are not so great that we would oppose the bill. Anything that simplifies cross-border cooperation in this area is welcome.

Mr BARBER (Northern Metropolitan) — The Greens will be supporting this bill.

Mr DRUM (Northern Victoria) — The Nationals also will not be opposing the Co-operatives and Private Security Acts Amendment Bill. This bill amends the Co-operatives Act 1996 and the Private Security Act 2004. Amendments being made to the Co-operatives Act will cover three main areas, which are mainly based around capital credit unions. The bill provides credit unions with the ability to raise money outside of their co-ops. They do not have the ability to do that at the moment.

The bill also provides for mutual recognition across jurisdictions. We understand it must be very frustrating for cooperatives that operate along the border regions of Victoria. Whether they are in New South Wales or South Australia or in both those jurisdictions, this legislation will provide them with mutual acceptance and recognition across those borders.

The third provision of this legislation will give exemptions to some of the smaller cooperatives in relation to auditing procedures. That will be highly appreciated by some of the smaller cooperatives that struggle to keep up with all the accounting and auditing

procedures that are necessary within the cooperative sector across the state.

The provisions of the bill which affect the Private Security Act 2004 seek to delay the tabling of a report on the statutory review of that act by one year, until 1 June 2009. The ministerial review is to be conducted by PricewaterhouseCoopers, which will report on how effectively the act is being run. It is a review of the operation of the act itself, so this minor provision enables the review to be conducted over a further 12 months.

In relation to cooperatives, Mr Guy has spoken about cooperatives that operate in regional areas, particularly those in the agricultural sector. As an example of such a cooperative, the Murray Goulburn Co-operative deals with a large percentage of producers in the dairy industry. That cooperative has worked at maintaining extremely high prices. Apparently, especially with the downturn in the weather due to the drought, the coming year will be the first time in many years that dairy farmers will be experiencing prices that will let them put in place budgets that will see them making some money. Although the future of the Goulburn Valley is uncertain, at least the farmers have been able to get decent prices set for next year, and the Murray Goulburn Co-operative has played a large role in that.

As we all know, the Murray Goulburn Co-operative was set up predominantly by members of the co-op to enable them to have a whole range of benefits, including the sharing of information and knowledge, greater buying power and the ability to aggregate their spend. Those dairy farmers have been able to use their cooperative as a way of finding newer and better markets and to help onsell their products at a rate that will maximise their returns.

The basis for agriculture cooperatives is very well set out and has spilled over into the financial sector. As Mr Guy has said, cooperatives play a huge role in the financial sector. The Bendigo Bank has become a very successful model of a community bank and does amazingly well. That cooperative has grown at an exponential rate. The first branches of the bank's community branch program were opened at Minyip and Rupanyup, and after a relatively short time there are now in the vicinity of 350 community bank branches around the country. It has grown at quite a rate. There are some 750 co-ops around the state, and the provisions of this bill will be well received. The Nationals do not oppose the legislation.

Ms DARVENIZA (Northern Victoria) — I rise to make a contribution in support of the Co-operatives and Private Security Act Amendment Bill. The purpose of the bill is to improve the regulatory environment in which cooperatives operate and to facilitate the expansion of cooperatives by introducing an additional method of capital funding. The bill also extends by 12 months to 1 June 2009 the period for the ministerial review of the Private Security Act 2004.

The bill will amend the Co-operatives Act 1996 by introducing cooperative capital units as an additional form of capital fundraising to support the traditional operations of cooperatives. In 2002 the Ministerial Council on Consumer Affairs agreed to the inclusion of cooperative capital units and mutual recognition provisions in the core consistent provisions for cooperative legislation. The provisions of this bill are consistent with the proposed national codes, and the passage of this bill will provide the benefits of those provisions to Victoria in a more timely manner than the national process. In December 2007 the Ministerial Council on Consumer Affairs circulated an out-of-sessions paper on the proposed national cooperative agreement, and the paper included a recommendation that the ministerial council approve jurisdictions enacting model provisions for cooperative capital units and mutual recognition in advance of the proposed codes, and that is what we have before us today.

Cooperatives in Victoria have a long and distinguished history, and we have heard opposition members comment in some detail on that history. Cooperatives allow small operators to group together to achieve large and significant projects. In my electorate of Northern Victoria Region we have seen the success of the Murray Goulburn Co-operative as a dairy cooperative. Mr Drum and Mr Guy spoke at some length on the success of the community banking cooperative model set up in conjunction with the Bendigo Bank. That has allowed banking to be undertaken in communities that larger banks have abandoned. As has already been pointed out by both previous contributors, they have been very successful.

Up in northern Victoria, SPC operated as a cooperative for many years prior to being floated on the stock market. Cooperatives have been used to enable schools and other community organisations to fundraise for community benefit and to create larger capital projects. There are some 750 cooperatives registered in Victoria, and 275 of those are school cooperatives.

Cooperatives are very significant, as I have already pointed out, in primary production. Not only is there the Murray Goulburn dairy cooperative, but we see cooperatives being used in the primary production

sector in the tobacco, egg and fishing industries as well as in water and irrigation. We also see cooperatives being used widely right across metropolitan and regional areas for child-care, housing and taxi services as well as for community radio stations.

The second thing the bill does is simplify the ability of cooperatives registered in other jurisdictions to operate in Victoria. This is particularly important in those areas in my electorate along the Murray River, where a lot of work takes place, because the cooperatives that are operating across the border and close to border towns need recognition in this state, as do the cooperatives that are recognised and registered further afield. The bill provides for those registered organisations to be recognised in Victoria.

The bill also provides the registrar of cooperatives with discretion to exempt small cooperatives from specific financial reporting and auditing requirements. The proposed discretionary exemption by the registrar will be available on a case-by-case basis upon application by a cooperative. It may be exercised only upon the registrar being satisfied that specific standard requirements are being reached. The registrar would make a decision about whether it is a reasonable or unreasonable burden on a particular cooperative to comply with the requirements. It is recognised that it is quite a burden for many small organisations and cooperatives to meet those requirements.

The bill amends the Private Security Act 2004 to extend by one year to 1 June 2009 the time frame for completion of a statutory review of the act. This will enable the review to respond to proposals of national minimum standards for the private securities industry to be developed for the Council of Australian Governments. Other contributors have already mentioned that the Department of Justice commenced the review in 2007, which was consistent with that statutory requirement. PricewaterhouseCoopers has been appointed to conduct the review. The review is well under way, with consultations being undertaken through the Victorian Security Industry Advisory Council and directly with private security operators. The review will include a process for wider public consultation. The time frame for completion of the review and the tabling of the report is being extended, as I said, to 1 June 2009 to enable the work that has been undertaken at the national level to inform that review.

As has already been pointed out by previous speakers, the bill is not being opposed by The Nationals and it is being supported by the Greens and the Liberal Party. I, too, support this bill and wish it a speedy passage.

Mr THORNLEY (Southern Metropolitan) — I rise to speak in favour of the Co-operatives and Private Security Acts Amendment Bill 2008. I will be brief because I think most of the matters have been covered by my colleague Ms Darveniza. I think this is an important bill. There is a long and very proud tradition in the cooperatives and mutuals movements of organisations that are owned by their members and perform a range of commercial functions. Disappointingly, in my view, quite a number of those organisations have been demutualised over the years, largely, I suspect, because the people managing them thought that they might get paid a lot more if they ran public companies than if they ran mutual societies.

One of the challenges that faces cooperatives, because they are owned by their members — —

Mr Rich-Phillips — On a point of order, President, there is no minister present in the chamber.

The PRESIDENT — Order! The minister is in fact at the doorway here. By way of clarification, the Leader of the Government informed me that he would be standing in the doorway before he went.

Mr THORNLEY — The challenges faced by cooperatives because they are owned by their members include that they do not always have access to the scale of capital they may require to finance the operational growth of the enterprise. The amendment that is provided in this legislation to introduce an additional capacity to do that — to raise additional capital through the creation of cooperative capital units — is a very positive initiative that will strengthen the opportunities of existing cooperatives to expand their capital base and continue to move forward by doing what many of them do so well. Many people have reminded me of the success of some of the world's great cooperatives such as Mondragon in Spain and elsewhere, and if these changes can help furnish more examples of that type of economic activity, I think they should be commended. I support the bill.

Motion agreed to.

Read second time.

Third reading

Motion agreed to.

Read third time.

ESSENTIAL SERVICES COMMISSION AMENDMENT BILL

Second reading

Debate resumed from 10 April; motion of Mr JENNINGS (Minister for Environment and Climate Change).

Mr RICH-PHILLIPS (South Eastern Metropolitan) — The Essential Services Commission (ESC) was established in 2001 and came into operation in 2002 as an economic regulator of regulated and essential services, such as the electricity, water and sewerage, ports, rail and freight industries. It was a successor body to the Office of the Regulator-General. This bill before the house this afternoon arises from a review of the Essential Services Commission which was undertaken by Roger Beale in late 2006. This review was required by the enabling legislation, the Essential Services Commission Act of 2001. It required that a review be undertaken five years after the establishment of the Essential Services Commission, and the bill before the house today inserts a new requirement for a second review of the Essential Services Commission to be undertaken in 2016, being 10 years after the Beale review.

The bill provides a new and simplified purpose and objectives for the Essential Services Commission Act. It gives the commission the capacity to make legally binding codes of practice for regulated industries. Currently the commission has the capacity to make codes of practice, but they do not have legal force. This bill will provide those codes with legal force and also make them subject to disallowance by either house of Parliament at any time. So if the commission makes a code of practice with respect to a regulated industry, the minister has to ensure that those codes are laid before both houses of Parliament and will be subject to disallowance. It is certainly the Liberal Party's view that that is a positive step forward in providing that level of parliamentary oversight to the codes of practice. It is obviously something that is not available with respect to many regulations that are made under statute, so the codes of practice are in that sense a positive development.

Accompanying the codes of practice is the capacity for the Essential Services Commission to issue civil penalties for breaches of codes of practice and also breaches of other determinations and orders made by the Essential Services Commission. This is also a useful progression of the legislation. Currently the only sanction available to the Essential Services Commission is to remove a licence from a regulated utility, which is a very blunt penalty to apply for minor infractions against codes of practice and the like. A regime of civil penalties gives the Essential Services Commission a broader range of tools with which to send signals to regulated industries without the need to resort to the ultimate sanction available under the legislation.

The bill also broadens the power of the commission to inquire into any matter referred to it by the relevant minister, being the Minister for Finance, WorkCover and the Transport Accident Commission, and changes the current provision to clarify that only the finance minister can make referrals to the Essential Services Commission. Currently under the various industry regulation acts relating to water, power, rail and so forth the relevant portfolio minister has the capacity to make references to the Essential Services Commission. We were advised in the departmental briefing that this has led to problems with managing the workload of the ESC with different ministers making referrals without necessarily having coordination across relevant ministers, so the revised Essential Services Commission Act will provide that only the finance minister will have the capacity to make those referrals to the ESC, and other relevant portfolio ministers looking after regulated industries will need to refer their inquiries via the finance minister so there will be a gatekeeper with respect to the work flow that is passed onto the ESC for investigation.

The bill provides the commission with additional powers to access information from regulated and related third parties, and clarifies processes and decisions on the release of commercial-in-confidence information. This is a new section of the act in terms of the capacity to gather and require the presentation of information, and in certain areas the minister has discretion as to whether those powers will be available to the ESC to exercise, particularly in relation to inquiries beyond those laid down as basic functions of the ESC. The bill also, in tidying up, removes the specific provisions with respect to the insurance industry, such as the capacity to inquire and report on certain aspects of the insurance industry — WorkCover and the Transport Accident Commission in particular — in the setting of premiums by those bodies. As stated earlier, it introduces a regime of civil penalties to deal with breaches of determinations and it also introduces a new third-party access regime provision for regulated industries.

As I said, this bill arises largely from recommendations that were made by the Beale inquiry. That inquiry was by Roger Beale, a former senior commonwealth public servant, and not, as the member for Burwood in the

other place, suggested, a former federal member of Parliament — the wrong Mr Beale. Roger Beale produced his report in early 2007, which made a number of recommendations as to how the ESC act should be amended. It is worth noting one of the comments that Mr Beale made in the foreword to his report:

> In recent years regulation has received a bad press. It is important to acknowledge that poor regulatory interventions can reduce incentives for investment and productivity improvement in essential services. But sound regulation of these key sectors has underpinned much of the capacity for non-inflationary growth Australia has achieved over the past 15 years.

I think that remark in the foreword to Mr Beale's report is a significant one. It is one that I am sure the Treasurer and the finance minister should keep in mind when considering the various regulatory frameworks that they manage and introduce in this state because in essence what Mr Beale has said is absolutely central to the way in which industries should be regulated in this state. The Liberal Party has taken a position of not opposing this legislation. The majority of the recommendations that are in the Beale report are adopted in this bill and will be carried forward.

However, there are a couple of departures that I will comment on briefly between the bill and the Beale report. The most significant of those is arguably the third-party access regime with respect to which the bill will provide the ESC with power to make determinations. This matter that arose subsequent to the Beale report of 2006–07. It arose from a Council of Australian Governments agreement. Appendix E to the agreement of the COAG meeting of 10 February 2006, entitled 'Competition and infrastructure reform agreement', lays out the requirements imposed on the states and territories with respect to the regulation of significant infrastructure.

Paragraphs 2.1 to 2.4 of that agreement in particular specify the third-party access regulatory framework that the states and territories are required to introduce. As I said, although this did not arise from the Beale report, that COAG agreement will be implemented by virtue of the bill before the house this afternoon. The bill accurately reproduces the requirements of the COAG agreement.

I note in passing that obviously third-party access regimes have been a challenge in other jurisdictions, and we have seen the unedifying issues between Telstra and the Australian Competition and Consumer Commission in respect of telecommunications third-party access. The way in which the ESC uses these new third-party access provisions in this act is something that we will watch closely, because the COAG agreement leaves a lot of scope for the interpretation and judgement of the ESC, and it is an area where potentially there can be problems, as we have seen in the federal sphere.

The main area of the bill that I would like to comment on and record the Liberal Party's views on relates to a principal purpose of the bill described in the second-reading speech as being to clarify that the commission is able to inquire into any matter referred by the minister for finance in consultation with relevant ministers.

This is an area where the Liberal Party has some concerns. It has been the role of the Essential Services Commission to act as an economic regulator for essential services and regulated industries — that is, as I pointed out before, the utilities of power, water, rail, grain handling et cetera. One of Roger Beale's recommendations suggests that the scope of the ESC should be enlarged to give the capacity for the ESC to inquire into all industries. Recommendation 6 of the Beale report states:

> Repeal part 6 and sections 10A and 10B of the ESC act and broaden section 41(1) to enable the commission to provide advice to any minister, after that minister has obtained the written agreement of the minister for finance, and clarify that there is no restriction on industries or services on which the commission may be required to give advice.

This is not a recommendation from the Beale report that the Liberal Party endorses. It is our view that the ESC should perform its functions with respect to regulated and essential services, that broader industry review capability already resides within the Victorian Competition and Efficiency Commission, and that that is the appropriate place for those types of reviews. Accordingly the Liberal Party will seek to amend this provision of the bill in the committee stage. I ask that the proposed amendment be circulated.

Opposition amendment circulated by Mr RICH-PHILLIPS (South Eastern Metropolitan) pursuant to standing orders.

Mr RICH-PHILLIPS — What the Liberal Party is seeking to do by this amendment is preserve the existing objective of the Essential Services Commission Act. Clause 5 of the bill inserts into the primary act a new objective which is in two parts. The primary provision is contained in new section 8(1), as follows:

> In performing its functions and exercising its powers, the objective of the Commission is to promote the long term interests of Victorian consumers.

It is only in proposed subsection (2) that the objective then makes specific reference to essential services, having regard to price, quality and reliability of essential services.

It is the Liberal Party's view that the way in which proposed section 8 is written will enable, as the minister's second-reading speech suggests and as the Beale report recommends, broader investigatory powers above and beyond the current regulated and essential services. It is therefore the Liberal Party's proposal that proposed section 8 as substituted by clause 5 of the bill be omitted with a view to inserting an alternate section that would read:

> In performing its functions and exercising its powers, the objective of the commission is to promote the long term interests of Victorian consumers with regard to the price, quality and reliability of essential services.

This proposed form of wording preserves the existing objectives of the Essential Services Commission Act and is consistent with the Beale report at recommendation 1:

> Amend the primary objective in the ESC act:
>
> > To promote efficient investment in, and efficient operation and use of, resources utilised by regulated industries for the long-term interests of consumers with respect to price, quality, safety, reliability and security of supply
>
> to bring it into harmony with provisions proposed for the national gas and electricity laws.

It was clearly the intention of the Beale report that the provisions the Liberal Party is seeking to have reinserted — that is to say, the price, quality and reliability of essential services — be preserved in the act. What the government is doing with clause 5 is at odds with what was recommended by the Beale review.

The amendment that the Liberal Party is proposing will preserve the existing objectives of the act and its position that the ESC's function should be with respect to regulated and essential services and not to broader industry inquiries which can now properly be undertaken by the Victorian Competition and Efficiency Commission. In saying that, I note that we have concerns with respect to the capacity that the government's proposed amendments would give the ESC in requiring documents and calling for documents. Admittedly that power is constrained by a capacity for the minister for finance to limit the ESC's use of those powers, but there is certainly a very broad power proposed in this bill that the ESC could use with respect to inquiries into any industry beyond its current capacity of essential and regulated sectors.

Also, I note that while the funding of the Essential Services Commission is currently through appropriation from the Department of Treasury and Finance, it is not a coincidence that the licence fees collected by the Essential Services Commission are also proportional to the budget that is paid to the Essential Services Commission.

In layman's terms, in effect the licence fees collected by the ESC for regulated and essential services pay for the functions of the Essential Services Commission, and in that sense the Liberal Party has concerns that in broadening the capacity of the ESC to make inquiries into any industry, you will have the regulated and essential sectors utilities effectively subsidising inquiries into other areas to which the minister sees fit to make referrals. Obviously that will flow through to Victorian consumers. It is our position that it is untenable to have an agency that is essentially funded through the utilities it regulates passing on costs of third-party unrelated inquiries to the consumers that it serves. Accordingly, that reinforces our view that such inquiries are more appropriately undertaken by the Victorian Competition and Efficiency Commission (VCEC) than by the Essential Services Commission.

The final point I would make on that issue is that we have the spectre of two different investigatory bodies being created — one under the auspices of the Treasurer in the Victorian Competition and Efficiency Commission and the other under the auspices of the Minister for Finance — both with the capacity to undertake inquiries into a broad range of industry areas. There is the prospect of an unedifying situation where the Treasurer is seeking advice and inquiry from VCEC, the Minister for Finance is seeking advice from the Essential Services Commission, and there are competing inquiries by the two relevant Department of Treasury and Finance ministers, each relying upon its own separate investigatory body rather than using the single body, VCEC, which is the most appropriate agency for such matters.

When the ESC was established on 1 January 2002 it followed an election commitment by the government in 1999 that it would set up an ESC. The Bracks opposition had complained about the reliability of supply of essential services, particularly electricity, in Victoria and the ESC was to be the solution to that. We have since seen, particularly over the past four years, a decline in the reliability of supply of electricity in this state — something for which the ESC is primarily responsible in its regulatory role. With the power outages just two weeks ago there were enormous delays for a number of Victorians in gaining reconnections to electricity services. It is very much the view of the

Liberal Party that addressing those reliability of supply issues is the core business of and is what the government set up the Essential Services Commission to deal with, and it should be focusing its attention on correcting those problems and ensuring that we do not have the prolonged disruption to supply that we saw most recently two weeks ago or the associated long delays in reconnecting supply every other time there have been major weather disruptions. It is our view that the ESC should be focusing on those areas and not broadening its inquiries to include other non-regulated industries. Accordingly, we will pursue the amendments outlined and urge the house to support them.

Mr BARBER (Northern Metropolitan) — The Greens will be supporting this bill. We have also looked at the Liberal Party's amendments and given some consideration to the arguments it is putting forward. The main concern in its arguments seems to be that it would give the ESC excessive power. I am sure if this was essential services strikebreaking legislation the Liberal Party would not be too concerned about the body having too wide or too deep a power.

Mr Rich-Phillips — But alas, it's not.

Mr BARBER — I hope Hansard got that one: 'Alas, that this is not strikebreaking legislation', Mr Rich-Phillips says! The Greens do not share those concerns. The Liberal Party is obviously going through a bit of a small government phase today. Tomorrow the neocons will be back getting their sticky fingers into every aspect of our personal lives, but today they are against government intervention. The Greens think this is a fairly modest change and do not see any real cause for concern.

Ms PULFORD (Western Victoria) — In 1999 the Labor Party went to the election with a platform that undertook to establish a commission with powers to impose tough penalties, including fines, on utilities that cannot guarantee supply, quality services, environmentally safe practices and safe workplaces. In this place we often talk about rights — about rights for workers, about rights for businesses, about rights for all parts of our society in different contexts, but we are all consumers of essential services and so this is an area that affects all Victorians.

The Essential Services Commission was built on the foundations that were laid by the Office of the Regulator General (ORG), which it replaced. The Essential Services Commission Act extended and broadened the reach of economic regulation in Victoria. It included provision for broader regulation of essential services and a greater emphasis on consumers. The act made provision for more transparency in economic regulation, and the role of the ESC in the regulation of water was extended beyond the ORG's role of monitoring metropolitan water authorities' compliance. The ESC act also provided for a commission structure, with a full-time chair and additional commissioners depending on the various commitments of members. In addition to the ESC being established and having tough powers, it was also properly resourced by the Bracks Labor government.

The Essential Services Commission does a great job. The purpose of this bill is to clarify some aspects of its powers. This bill is the result of recommendations made by an inquiry which was commissioned by the government in August 2006 and concluded by the end of that year and which, as earlier speakers have indicated, was headed by Roger Beale, AO. The review undertook a great deal of work and made 28 recommendations to government. This bill, in whole or in part, adopts 27 of those.

When we talk about essential services, obviously gas, electricity and water spring to mind first and foremost. But the work of the ESC in recent times has also included issues like access to gas services, port planning and taxi fares, among other things.

The review was required under section 66 of the Essential Services Commission Act. Its purpose was to assess the effectiveness of the operation of the act and to recommend changes as appropriate. The principal purposes of the bill are to introduce a simpler legislative framework; to refine and clarify the current objective; and to provide the commission with the power to make codes and impose appropriate penalties for their breach. The bill also seeks to clarify that the commission is able to inquire into any matter referred by the Minister for Finance in consultation with relevant ministers. It will standardise the powers and penalties available to the commission across the ESC act to reduce the regulatory burden and increase regulatory certainty. It will provide the commission with powers to access information from regulated entities and related third parties, and clarify processes and decisions on the release of commercial-in-confidence information. The bill seeks to introduce a proportional penalty framework and also introduce new provisions relating to access regimes that are part of agreements made at the Council of Australian Governments about regulation and make sure that Victorian regimes are consistent with that nationally agreed approach taken by COAG.

The current objective of the act is to protect the long-term interests of Victorian consumers with regard

to the price, quality and reliability of essential services. The government is seeking to broaden the scope of the objective because it currently relates only to essential services. However, the scope of the Essential Services Commission's functions is broader than just essential services. When the ESC is conducting an inquiry into an industry that is not an essential service, as it does from time to time, such as in the area of taxi fares, the Essential Services Commission does not have to consider the long-term interests of Victorian consumers, so it applies a different test from that which it applies for its other work. In that situation, for non-essential services there is no overarching objective to assist the commission in guiding its inquiry.

The proposed objective clause only ensures that the ESC's objective, when performing all of its functions and exercising all of its powers, is the promotion of the long-term interests of Victorian consumers, regardless of whether the industry is or is not an essential service, so it is providing some clarification and some certainty to consumers, and some consistency across different types of inquiry.

The proposed objective in only a minimal way broadens the scope of the Essential Services Commission's role and clarifies for the lay person that the commission is able to inquire into areas that are not essential services. It is a modest change, but it is important in terms of the way the commission will function. It is a power that it already has, but it will certainly be clarified by the amendments proposed in this bill.

The new objective is broken into two parts to acknowledge when the commission is performing its functions and exercising its powers specifically in relation to essential services and also in circumstances where it undertakes an inquiry into an industry that is not an essential service, where it is not required to focus on the factors that it does in circumstances where it is inquiring into essential services where there is an obligation on the commission to have regard to price, quality and reliability of those services.

The Essential Services Commission has considerable expertise in the area of regulation, inefficient markets and pricing methodologies. These factors, combined with its significant information-gathering powers, makes it ideally suited to investigate industries where the interests of Victorian consumers are at stake, essential services or non-essential services being industries that have some characteristics of a monopoly. The ESC's information-gathering powers assist it, and in doing so ensure the protection of the long-term interests of Victorian consumers. That is an essential feature of the work it does and the benefit its work provides to Victorian consumers.

To ensure the information-gathering powers of the Essential Services Commission are fit for purpose, the minister will be able to determine the information-gathering powers available to the ESC when it is conducting an inquiry into an industry that is not an essential service, thereby placing an additional check and providing the commission with some framework to work within in conducting an inquiry into a non-essential area.

It is proposed that the objective of the Essential Services Commission be to concentrate solely on promoting the long-term interests of Victorian consumers, and the bill will reword provisions relating to consumer interests to provide the Essential Services Commission with more robust guidance.

The Essential Services Commission will need to consider the benefits and costs of regulation, including externalities and the gains from competition and efficiency for consumers and users of products and services in that industry, including of course paying regard to low-income or particularly vulnerable consumers. This will require the Essential Services Commission to identify impacts on vulnerable consumers and draw the government's attention to the matter so that the full consideration of any social implications and any need that may arise in terms of a policy response by government can be determined appropriately.

By standardising the powers and processes of the ESC across its various functions and across a variety of industries it makes inquiries into, the bill will provide for greater regulatory certainty and will contribute to reducing the regulatory burden. This is entirely consistent with the government's ongoing commitment to always work towards further reducing the regulatory burden on business.

The Essential Services Commission is currently investigating regulatory reforms that, combined with the amendments we are debating today, are intended to significantly reduce the regulatory burden. There are two reviews. The first is focusing on the regulatory burden associated with consumer protection and metering frameworks for energy retail businesses. The second review is to look more broadly at the administrative burden across a number of areas of the ESC's regulatory activities. Both of these reviews will involve considerable engagement and consultation with regulated businesses.

The bill also provides the ESC with formal code-making powers to allow for increased standardisation of the ESC's regulatory functions and to give the ESC the flexibility to regulate industries that are not the subject of their own act of Parliament, as are many essential industries. The code-making power will be accompanied by parliamentary oversight. The chair of the Essential Services Commission will be required to attest to the thoroughness of the evaluation process in a document that is to be tabled in this place.

The new code-making powers will operate alongside the commission's existing powers to create codes. As industry acts are reviewed from time to time, it is expected that consideration will be given to repealing their code-making provisions and referencing the Essential Services Commission Act's code-making framework to further streamline and provide additional consistency across different industries.

The bill will enable the commission to impose a civil penalty in circumstances where an entity is in breach of a licence condition, code or determination. A civil penalty, it is envisaged, will be invoked only in circumstances where an essential service provider breaches its legal obligations to the community and then consistently refuses to rectify its breach. Whilst it is a significant penalty, it is entirely appropriate in the fairly extreme circumstances I have outlined. Appeal rights will exist and, as is entirely appropriate, parties will have the right to seek legal remedies available under the law. This is not something that we expect to occur. This clause is really designed to avoid costly and lengthy court proceedings; it is very much to act as a deterrent.

The bill creates a universally applicable set of information-gathering powers and penalty provisions within the act to standardise and further simplify the information-gathering powers of the commission. In order to ensure that the commission uses its strong information-gathering powers only when necessary and always appropriately, the commission is to give consideration to the relevance of the information it is obtaining, and, as I said, the minister will determine the powers available when a research inquiry is being undertaken in circumstances where the industry is not separately regulated as an essential service.

The amendment proposed by my colleague Mr Rich-Phillips is, in our view, ineffective for what the Liberal Party says it is seeking to achieve. We believe that that amendment would narrow the Essential Services Commission's capacity. It is currently the case that the authority that the ESC has, and its head of power, come not specifically from the objective but from the functions. What we are seeking to do with the objective is to clarify rather than substantially change it. We will be opposing the Liberal Party's amendment.

The Essential Services Commission does a great job. We are aiming to further clarify its powers. We hope that the further amendments in this bill as a result of the review and the good work done by Roger Beale in 2006 further enhance and support the important work that it is doing. We believe that those amendments will further safeguard rights for Victorian consumers. The Brumby Labor government is proud to support this bill and proud to support the ongoing work of the Essential Services Commission. I commend the bill to the house.

Mrs KRONBERG (Eastern Metropolitan) — In rising to speak on this bill I say from the outset that whilst I am not planning to oppose the bill, the Liberal Party has an eminently sensible amendment before the house. I acknowledge with some chagrin that the Greens cannot accommodate that amendment. I found it ironic, listening to Ms Pulford's contribution today, that she made repeated references to Victorian consumers. This amendment goes to the heart of underpinning the long-term interests of Victorian consumers.

If we look at the mechanics of the bill, we see that it amends the regulatory framework of the Essential Services Commission by simplifying the purpose and objectives of the principal act and providing the commission with the power to make codes of practice and to impose civil penalties for any breach of such codes. Furthermore, the bill broadens the power of the commission to inquire into any matter referred to it by the finance minister. However, only the minister will be empowered to make such a referral. In addition it provides the commission with powers to access information from both regulated and related third parties, along with the power to clarify processes and decisions on the release of commercial-in-confidence information. The bill also ushers in the introduction of civil penalties for breaching the commission's determinations.

The government has drawn upon the recommendations of the Beale review of 2006 into the Essential Services Commission. The provisions for the third-party access regime stem from the Council of Australian Governments agreement of 2006 on the competition and infrastructure reform component. We are concerned about the coercive powers in relation to document access that this framework ushers in because the coercive powers would allow the state government to conduct possible witch-hunts, under the guise of

reviews of industries, for their own political purposes. Clearly this bill opens up the potential for duplication of work likely to be undertaken by the Victorian Competition and Efficiency Commission.

Reforms of this nature obviously go to ensuring that the Victorian government provides a reliable supply of power, and whilst we realise that the storms of 2 April were acts of God and the damage inflicted by those near hurricane-force winds was not the fault of the Victorian government, responsibility for the delays in rescuing the citizens of Victoria from the effects of these storms lies squarely at the feet of the government and its approach to ensuring reliability of power supply across the state. Many people had their power interrupted as these storms raged across the state, and we have heard a lot of accounts of the suffering and frustration of those who were denied their electricity. This was also exacerbated by the fact that the communications systems of the actual providers of the power supply failed, going into meltdown, because they were ill equipped to manage the torrent of inquiries.

People could not report the loss of power, nor could they ascertain when their power would be restored. I understand that some of these power suppliers relied very heavily on information on their websites. I find that a bit ironic in that you have to ask in the first instance how many lonely older ladies and gentlemen in Victoria might have thought of accessing the internet as the first port of call to find out when their power might be restored. In fact how would anybody access the internet when they have no power supply at all? We urge the government to do whatever it can to encourage these bodies to provide a better mechanism for keeping the public informed than they did in the last series of power outages.

We need to remember that the circumstances surrounding these power outages prevailed for more than a week after the storms, and there were many frightened people who had to endure darkness night after night. They had to watch and smell their perishable foods as they mouldered and thawed into a stinking mass which required specialised disposal. Others could not use medical equipment, such as asthma pumps. Elderly women were forced to leave their homes because their sense of security was completely wiped out. Dislocation and suffering from these power failures reached into every corner of the state and affected every demographic. Just to give the situation some dimension I draw upon the ABC news report that was posted on Friday, 4 April, two days after the event, which says:

> The calls were flooding into talkback radio this morning — and I have to insert my own comment here: thank goodness for talkback radio as a means of people being able to find out what is going on —
>
> as 25 000 people left without power since early Wednesday afternoon threw out fridges full of food, and worse.

One of the residents who rang into talkback radio is quoted as saying:

> We've still got live wires across driveways in our street …

How would you feel if you were on the home side of your driveway which had had live powerlines lying across it for several days, a high brick fence which meant that you could not avoid these powerlines under any circumstances and no rear form of egress from your property? What would you do if you were being besieged by live powerlines across your property for several days? This was an extreme situation. One person was so disturbed by this they are reported in the same ABC news report as saying:

> I just feel that we're going to uncover tragedies soon — why hasn't somebody asked the army to help?

This was the level of distress that people felt at this time, and it is not so long ago. I hope the passage of the last couple of weeks has not blurred the memory of these images in the government's mind.

An article in the *Age* of 3 April also describes the situation:

> A spokesman for Alinta and United Energy said about 20 000 customers, mainly in the eastern suburbs, were yet to be reconnected after powerlines and transformers were damaged in the gale-force gusts.
>
> … crews were stretched to the limit repairing interrupted supplies and some customers could be waiting until tomorrow morning to get reconnected.

There we have the suppliers admitting that it would be something approaching 48 hours before those 20 000 people in the eastern suburbs could have their power reconnected. Interestingly enough the distinction was made by the spokesperson for one of the power companies:

> … those still disconnected were mostly individual houses or streets, rather than large areas.

Now that is quite frightening. If you live in an area that is blacked out you can look to your area and draw some comfort from the fact that the whole street, the whole hillside, the whole suburb, everywhere from this intersection to that intersection is blacked out, and because we are such a large area of course there is going to be a response, and that response will come soon. But when this happens in isolated areas and

people are completely cut off and have no means of finding out what is going on that only exacerbates their feelings and fears, making them feel even more isolated and left out of the equation in the management of the emergency. I do not think that is any excuse at all, and it is by no means any measure for the performance on these reconnection issues. The fact that power companies could leapfrog over properties and just look at large areas and leave individuals — perhaps lots of frightened, elderly or disabled people — and a whole lot of people absolutely marooned and isolated is an indictment of those managing this situation. It was a disgraceful outcome.

On 3 April SP AusNet, the company responsible for providing power supplies in eastern and northern metropolitan areas, still had 18 000 customers without power, so it is fitting to ask about the state of preparedness Victoria was in at that time. The Essential Services Commission and the state government have to be castigated for their lack of preparedness. The examples that have been recorded in this house are again stark and undeniable examples of the failure by this government to provide a reliable power supply to its citizens and to the customers of these power supply bodies.

Mr SCHEFFER (Eastern Victoria) — The purpose of this bill is to amend the Essential Services Commission Act in response to the findings of the 2006 review of the act. The Essential Services Commission Act requires that the act itself be reviewed periodically to ensure that its objectives are being met, and to implement this requirement the previous Treasurer, now the Premier, commissioned Mr Roger Beale to conduct a review.

The review was not required to take account of those government policies that arose from commitments made during the 2006 Victorian election. The review was asked to look at the future appropriateness of the objectives of the act, the range of regulatory issues and the regulated sectors that fall under the purview of the commission, the commission's powers to undertake various investigations, the implications of developments such as the national reform agenda and the work of the Council of Australian Governments, and matters relating to regulatory reform in general.

The Essential Services Commission (ESC), as members know, plays a critical role in maintaining the efficiency of the Victorian economy. It provides ongoing support to the government's micro-economic reform program, which in turn aims to improve economic efficiency and competitiveness in Victoria through the reform of the electricity, gas and water industries and other government enterprises. The commission plays a critical role in ensuring that the benefits of these enterprises are effectively distributed across the community on an equitable basis. The commission's role is to protect consumer interests by keeping an eye on the quality and reliability of these services.

Essential services such as water, rail, energy, ports and grain handling facilities form natural monopolies and are generally considered best provided by a single provider within a given area. But this unique positioning also gives the single provider considerable economic power over its customers and over other businesses and industries that operate on an interdependent basis with the single provider.

The essential services that these operators provide are basic to modern living, and the quality and reliability of the delivery of water and electricity, for example, has a profound impact on the wellbeing of the community and on the performance of the economy. It is critical that these essential services are effectively regulated so that they function in the public interest and continue to improve their productivity and efficiency.

The ongoing productivity of public infrastructure and essential services has been a key component of the larger economic reform agenda that has underpinned Victoria's prosperity since the 1980s. All the matters I have just canvassed are raised in the very useful introduction to Roger Beale's report. In Victoria the Essential Services Commission provides this regulation under the Essential Services Commission Act, so the act is an important piece of legislation.

The Treasurer's second-reading speech indicates that not all of the recommendations arising from the review will warrant amending legislation being introduced and that the government will act on these recommendations in due course. The amendments contained in the bill aim to simplify the legislative framework, sharpen its objectives and provide it with additional powers to make codes and impose penalties. The amendments also make sure that the commission is better able to inquire into matters referred to it by the minister.

Since the introduction of the Essential Services Commission Act in 2001 the government has complemented its institutional capability to undertake economic reform with the establishment of the Victorian Competition and Efficiency Commission. The proposed amendments to the Essential Services Commission Act do not impact on the VCEC, and a question that has been raised in debate is how the inquiry functions of the Essential Services Commission differ from those of the Victorian Competition and

Efficiency Commission. The VCEC was established to 'maintain and improve competition and efficiency in the Victorian economy' and is the state's foremost independent advisory body on business regulation reform and identifying opportunities for improving Victoria's competitive position.

The VCEC has no formal information-gathering or decision-making powers in relation to its inquiries. Its broad skill base means it is ideally suited for general public policy inquiries where open consultation is required and where an appropriate level of information is publicly available. The VCEC's lack of information-gathering powers means that it is not suited to inquiring into industries where there is significant market power, the use of which may compromise the interests of Victorian consumers.

By contrast with that, the ESC has considerable expertise in the area of regulation, inefficient markets and pricing methodologies. This, combined with its significant information-gathering powers, makes it ideally suited for investigating industries where the interests of Victorian consumers are at stake, such as essential services or industries that exhibit some characteristics of natural monopoly or oligopoly.

In these industries the Essential Services Commission's information-gathering powers are required to address the information imbalances that often exist between service providers and the government, and by so doing ensure that the long-term interests of Victorian consumers are protected. To ensure the information-gathering powers of the Essential Services Commission are fit for that purpose, the minister will be able to determine the information-gathering powers available to the commission when it is conducting an inquiry into an industry that is not an essential service.

It has been put that the government has reduced consumer protection provisions, but that is not the case. The government has not reduced protection for consumers through this legislation. On the contrary, one of the objectives of the Essential Services Commission is proposed to concentrate solely on promoting the long-term interests of Victorian consumers.

The facilitating objectives are to be recast as matters the Essential Services Commission is to have regard to when pursuing its objective. This will clarify that while these matters provide an important reference point for the Essential Services Commission they are secondary to the long-term interests of Victorian consumers. The provisions relating to consumer interests are going to be reworded to provide the Essential Services Commission with more robust guidance.

Specifically the Essential Services Commission will need to consider the benefits and costs of regulation, including externalities and gains from competition and efficiency, for consumers and users of products and services, including low-income and vulnerable consumers, as Ms Pulford has pointed out in her contribution.

The last point I want to turn to is the regulatory burden on business. The amendments clearly will not increase the regulatory burden. The government has a clear policy to reduce regulatory burdens and to reduce red tape for business in Victoria, and I understand that the Victorian Competition and Efficiency Commission has identified all the regulatory arrangements in Victoria. That gives us a very sound picture of the overall position and some of the issues that need to be tackled. The amendments contained in the bill are not expected to increase the regulatory burden.

By standardising the powers and processes of the Essential Services Commission right across its functions and the industries it regulates, the amendments will have the effect of increasing regulatory certainty and contributing to lifting the regulatory burden. When the commission introduces new codes and amends existing codes, it will need to apply, as I said earlier, best-fit regulatory development procedures. This means that the commission will be required to evaluate the costs and benefits of its proposals, and it will have to look at options when it consults with industry and consumers. The process will apply to all codes or when the commission seeks to amend codes.

The legislation builds on the government's successful competition reform agenda in which Victoria has played a leading role in this country. This is good regulation and a good amendment to the act, and I commend the bill to the house.

Mrs PEULICH (South Eastern Metropolitan) — I wish to make a few comments in relation to the Essential Services Commission Amendment Bill 2008 and endorse the comments made by the lead speaker, Gordon Rich-Phillips.

The comments I wish to make pertain to one specific part of the bill — that is, clause 21, which inserts part 6, codes of practice, proposed section 47, 'Power to make codes of practice'. I welcome the further development of the codes of practice to include civil penalties but would have thought that the Essential Services Commission already had the power to develop the codes of practice. In relation to regulated industries, such as electricity, water, sewerage, freight and rail, I

imagine the commission would have been attentive to the detail of the codes of practice if they were in place and if, indeed, there was at least some moral enforcement or validation.

The reason I have risen to make these comments is the recent outages involving electricity. I am sure most of us would have received numerous complaints as a result of some of their constituents' experiences during those outages. I would like to recount four.

One was a constituent who was widowed, lived on her own, and her house had lost its electricity. She was uncertain whether that would somehow cause a shortage, whether there was a live wire anywhere around the house, and whether it had affected only her house or perhaps others as well. She called me at my office and asked me what to do. I endeavoured to call AGL to find out whether there was an indicative framework and what the arrangements were, but AGL's number was constantly busy. Obviously it is going to be busy in the instance of such an outage caused by bad weather, so that was not a surprise. However, it was a surprise that AGL had not gone on to some sort of answering system to provide customers who were not able to get through with at least some information about the breadth and scope of the outage's effects and what to do about it. That, to me, should have been in a code of practice put out by the Essential Services Commission and should have been basic good business practice, and it was not. I am not sure that you would necessarily need the civil penalties to make companies do those types of things, but if the civil penalties improve the way that customers are dealt with, especially in these situations of emergency, then I welcome that provision.

Another example involved quite a few of the suburbs of my electorate around Seaford and Frankston with people being without electricity for several days, not really knowing what was going on, suffering significant losses in terms of the effect on their electrical appliances and the loss of foodstuffs. This applied in particular to people on low incomes and pensions, who cannot afford to lose the contents of their fridge and who were inconvenienced by not being able to have a shower or a bath or warm themselves or, indeed, to make sure that their food was kept refrigerated. There ought to be a better system for keeping customers informed.

When the outage occurred one of my local constituents, Margaret Larkins, who is very community minded and involved in various community organisations including the local Red Cross, which organises a system of volunteers to assist people who have to cope with emergencies and who are either displaced out of their homes or inconvenienced for whatever reason, came to tell me a few days later that the volunteers assisting at the Red Cross centre were all sent home because they did not receive any information about the outage, about the arrangements, about the impacts or about the expectations, and there was clearly a lot of confusion and a failure to communicate. I do not know whether this was also a failure to put an effective Displan in place, but these matters do not require civil penalties to apply. I certainly welcome the protocols. They should have been in place, and the Essential Services Commission should have been onto it a long time ago to make sure that these protocols are in place.

Another example was the case of a man who was waiting for an organ transplant and who contacted my office. He was most irate, and I have no doubt that he probably contacted my other upper house colleagues. He was on an oxygen tank. Of course when you do not have electricity, that makes it very hard. When you rely on portable oxygen tanks, that makes it a lot more expensive. He could not find out what was happening with the emergency list for reconnections, where he was going to be and how long he had to wait. Unfortunately he was left quite distressed and angry that these protocols were not in place.

The codes of practice should have been there, they should have been implemented; you do not necessarily need the hammer to crack the nut, because when you are a regulated industry the voice of the Essential Services Commission should be ringing very loudly in your ears. Eventually my constituent relocated to the other side of town and stayed with his sister. He was very fortunate that he had someone whose place he could relocate to, but many others would not have been in that situation.

A lot of things could have been done better, and the Essential Services Commission already had the powers to make sure that all of the protocols and codes of practice were there and to make sure that these mishaps, some with very serious implications, did not happen. The current regime has failed, and not because of the legislative shortcomings. If the imposition of civil penalties is to be enabled by this new provision, I certainly welcome it.

My other concern is the fact that this new regime will not be reviewed until 2016. I would like to see the review a lot earlier than that. I want to be confident that those codes of practice are actually in place and are working effectively and well.

With those few words, again, I am suspicious about the reasons why the outages were so badly handled, and I certainly hope that the community is not inconvenienced by poor administration, poor execution of the responsibilities of our statutory authorities and regulators as well as by Mother Nature in this instance. I commend the amendment and look forward to a better system and better regime.

Ms TIERNEY (Western Victoria) — I rise to make a contribution in respect of the Essential Services Commission Amendment Bill 2008, which is the government's final response to the review of the Essential Services Commission Act 2001. The review, commonly known as the Beale review, was charged with the responsibility to determine whether the objectives of the act were being achieved and whether further finetuning was required. The review came to about 15 conclusions, which were the basis of its 29 recommendations. The review presented its report to the government on 22 December 2006.

The government's response to the review and the review report was tabled in the Parliament in March last year. The overwhelming majority of the recommendations have been picked up and supported by the government. The government by and large supported the recommendations that went to a number of areas. Firstly, it supported recommendations that made the legislative framework so much simpler. It also supported recommendations that refined the current objectives. It also supported the commission having powers to make codes and impose the appropriate penalties in the case of breaches.

It also supported recommendations that have made it easier for the commission to be able to inquire into matters referred to it by the relevant minister. Consultation will occur with other ministers where it is relevant. It also supported recommendations for the regulatory burden to be reduced and to have the standardised power and penalties increased. The commission will also have power to access information, as we have heard from previous speakers, from regulated entities and related third parties in respect of commercial-in-confidence information.

It also supported recommendations that introduced a proportional penalty framework as well as introducing new provisions relating to an access regime as agreed to at the Council of Australian Governments, which substantially is about the regulation of Victorian regimes being more consistent with nationally agreed approaches.

The bill also recognises the importance of legislative review. As a result, as we have heard from previous speakers, the next review will be held by 31 December 2016. That is a commitment by the government to be aware of the need to have pieces of the legislation under constant review, and I think that provides some certainty and stability about the way we approach governing this fine state.

It is pleasing to note that it was the Labor Party leading up to the 1999 election that called for the setting-up of an Essential Services Commission. The Labor Party platform was for a commission:

> with powers to impose tough penalties, including fines, on utilities that cannot guarantee supply, quality services, environmentally safe practices and safe workplaces.

With the subsequent election of the Labor government, it then set about creating the Essential Services Commission. This is an extremely important organisation. It provides this state with an independent economic regulator in respect of electricity, gas, ports, rail freight and grain-handling industries and, more recently, water. Now it has also been given the task of renewable energy target schemes as well.

Many essential services touch our daily lives and determine the stability, growth, cost and standards of our social and economic development. I am sure that everybody in this chamber would agree that a proper, efficient and more streamlined regulatory framework is vital, particularly in the area of essential services.

I wish to put on the record that we will be opposing the amendment. I wish this bill a speedy passage through Parliament, and I commend the bill to the house.

Motion agreed to.

Read second time.

Committed.

Committee

Clauses 1 to 4 agreed to.

Clause 5

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I move:

> Clause 5 page 2, lines 28 to 34, and page 3, lines 1 to 4, omit all words and expressions on these lines and insert —
>
> > "In performing its functions and exercising its powers, the objective of the Commission is to promote the long term interests of Victorian consumers with regard to the price, quality and reliability of essential services.".

The purpose of this amendment is to restate the objective of the commission as a single clause which includes reference to the price, quality and reliability of essential services. The reason for moving this amendment has been outlined during the second-reading debate. It is the Liberal Party's view that the Essential Services Commission should be focused on those matters — price, quality and reliability of essential services — rather than a broader remit, which would include undertaking inquiries into any industry the minister sees fit to refer to the ESC. Accordingly we are seeking via this amendment to restrict the objective of the commission to one that covers only essential services, as described, and which is consistent with the current objective of the Essential Services Commission Act.

Mr LENDERS (Treasurer) — The government does not support the amendment moved by Mr Rich-Phillips. I will reiterate some of the argument that has already been used during the second-reading debate, although I will not go over all of it again. Essentially the government is of the view that the formulation in the bill is a better and more flexible formulation. Also, the opposition's amendment proposes to restore part of the original definition without the secondary part of the definition that unduly narrows the scope from the current act. We have heard the argument that Mr Gordon Rich-Phillips has made, but the government will not support the amendment. It was not recommended by Mr Beale, and we think it would diminish the capacity of the ESC to do its work in protection of consumers that our proposed clause would allow us to do.

Mr RICH-PHILLIPS (South Eastern Metropolitan) — The Liberal Party does not agree with the government's view that this is a narrowing amendment. We are firmly of the view that it is consistent with the current Essential Services Act and we will pursue the amendment.

Committee divided on amendment:

Ayes, 17

Atkinson, Mr	Koch, Mr
Coote, Mrs	Kronberg, Mrs (*Teller*)
Dalla-Riva, Mr	Lovell, Ms
Davis, Mr D.	O'Donohue, Mr (*Teller*)
Davis, Mr P.	Petrovich, Mrs
Drum, Mr	Peulich, Mrs
Finn, Mr	Rich-Phillips, Mr
Guy, Mr	Vogels, Mr
Kavanagh, Mr	

Noes, 20

Barber, Mr	Pakula, Mr
Broad, Ms	Pennicuik, Ms
Darveniza, Ms	Pulford, Ms (*Teller*)
Eideh, Mr	Scheffer, Mr
Elasmar, Mr	Smith, Mr
Hartland, Ms	Somyurek, Mr
Leane, Mr	Theophanous, Mr
Lenders, Mr	Thornley, Mr (*Teller*)
Madden, Mr	Tierney, Ms
Mikakos, Ms	Viney, Mr

Pair

Hall, Mr	Tee, Mr

Amendment negatived.

Clause agreed to; clauses 6 to 29 agreed to.

Reported to house without amendment.

Third reading

Motion agreed to.

Read third time.

ENVIRONMENT PROTECTION AMENDMENT (LANDFILL LEVIES) BILL

Introduction and first reading

Received from Assembly.

Read first time for Mr JENNINGS (Minister for Environment and Climate Change) on motion of Mr Lenders.

Statement of compatibility

For Mr JENNINGS (Minister for Environment and Climate Change), 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 Environment Protection Amendment (Landfill Levies) Bill 2008 (the proposed bill).

In my opinion, the proposed 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 proposed bill increases the landfill levies for categories B and C prescribed industrial waste from 1 July 2008. It also makes some minor and administrative amendments to remove anomalies and improve the operation of the act.

Human rights issues

Section 6(1) of the charter sets out that only human beings, and not corporations, have human rights. Prescribed industrial

waste producers are all corporations or other such entities, as by definition, prescribed industrial waste arises from industrial, commercial or trade activities, or from laboratories or hospitals.

The administrative amendments are to sections of the Environment Protection Act 1970 which also apply only to corporations.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities because it does not affect private individuals.

GAVIN JENNINGS, MLC
Minister for Environment and Climate Change

Second reading

Ordered that second-reading speech be incorporated on motion of Mr LENDERS (Treasurer).

Mr LENDERS (Treasurer) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

I am very pleased to present the Environment Protection Amendment (Landfill Levies) Bill to the house today. This bill represents an important next step in achieving the government's vision for a resource-efficient society: a society that understands that the waste that ends up in our landfills not only presents potential hazards to our environment and our health, but that it represents wasted energy, wasted water and wasted materials; a society in which hazardous waste is no longer sent to landfill; a society that values the innovation, ingenuity and creativity required to turn waste into a resource. That is the society we aspire to.

Prescribed industrial waste is not merely the problem of industry. Each one of us contributes to the production of prescribed industrial waste through the products and services we use on a day-to-day basis: the phones we carry with us; the computers we use daily. The manufacture of these and many more of the products and services we all use produce prescribed industrial waste. Through this bill, and other initiatives of the Brumby government, we are now helping solve this collective problem.

This government committed to follow the decision of an independent panel of experts examining the proposed Nowingi long-term containment facility. When the panel recommended against construction of the facility, this government stood by its commitment and on 9 January 2007 announced that there would be no new long-term waste containment facility in Victoria.

With no long-term containment facility and a finite amount of space available in the two remaining landfills licensed to accept high-hazard waste, this government has committed to eliminating the disposal of high-hazard waste to landfills by 2020.

This government has a three-pronged strategy to achieving this:

1. tighter controls on wastes accepted at landfills and banning some wastes from landfill;

2. substantially increasing the cost of sending waste to landfill through landfill levy increases; and

3. supporting industry through reinvesting levy funds in technologies to reduce wastes.

On 1 July 2007 the government introduced a prescribed industrial waste classification system, which will drive better segregation, treatment and recovery of waste. The classification system divides prescribed industrial waste into three categories, A, B and C. Category A, the highest hazard waste, is banned from landfill and must be treated before disposal, while categories B and C have differential levies to promote hazard reduction and alternatives to disposal.

The Environment Protection Authority has helped companies make a smooth transition to the new hazard classification system by providing guidance and expertise, and by funding the classification of certain waste streams. Now, more than ever before, industry is aware of the chemistry of their hazardous waste.

In the six months since the hazard classification system was introduced, this system, in combination with levies and reinvestment of moneys into industry support programs, has delivered significant success. Already our preliminary data suggests we are on target to reduce high-hazard waste from 85 000 tonnes to about 60 000 tonnes this year. This is a reduction of 30 per cent.

To accelerate the drive for zero high-hazard waste by 2020, this bill will fulfil the government's commitment to increase the landfill levies from 1 July 2008:

category B waste will increase from $130 to $250 per tonne;

category C waste will increase from $50 to $70 per tonne.

Importantly, the Environment Protection Authority, in partnership with industry, will continue to reinvest the revenue from these additional levies to help eliminate prescribed industrial waste. The Environment Protection Authority is currently advertising for investment opportunities in new technologies, research and development and upgrades, which improve the reuse, recycling, reprocessing and recovery of prescribed industrial waste. Government has a priority to reduce large volumes and high-hazard waste streams, having regard to payback periods, likelihood of success and the transferability of outcomes.

In an example of the type of project funded from the landfill levies, the Environment Protection Authority committed $2 million to a partnership with Veolia Environment Services. Veolia will bring forward the completion of a major upgrade of its Brooklyn waste treatment facility. The project will reduce an estimated 32 000 tonnes of high-hazard waste going to landfill over the next five years.

In another example the Environment Protection Authority committed $1 million to the Australian Sustainability Industry Research Centre to work with the three key waste treatment

companies in Victoria. These three companies together dispose of more than 50 per cent of all hazardous waste sent to landfill. Investing in innovative technologies and promoting access to new markets from products made from wastes is expected to drive further significant reductions.

The combination of increasing landfill levies through this bill, the hazard classification system, and reinvestment in industry, sees Victoria leading the world in managing hazardous waste.

Finally, the bill provides for a couple of 'housekeeping' amendments to remove minor inconsistencies and anomalies to improve the operation of the act.

This bill demonstrates the Brumby government's genuine commitment to moving Victoria towards a resource-efficient future.

I commend the bill to the house.

Debate adjourned for Mr D. DAVIS (Southern Metropolitan) on motion of Mr Koch.

Debate adjourned until Thursday, 24 April.

LAND (REVOCATION OF RESERVATIONS) BILL

Introduction and first reading

Received from Assembly.

Read first time for Mr JENNINGS (Minister for Environment and Climate Change) on motion of Mr Lenders.

Statement of compatibility

For Mr JENNINGS (Minister for Environment and Climate Change), 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 Land (Revocation of Reservations) Bill 2008.

In my opinion, the Land (Revocation of Reservations) 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 purposes of this bill are to:

revoke the permanent reservation of land at Yarrawonga, Marlo, Boorhaman and Brimin (to allow the government to sell surplus land)

revoke the permanent reservation and related Crown grant of land occupied by the Talbot Free Library (to update the legal status of the land and allow new management arrangements to be put in place)

revoke the permanent reservation of land occupied by Mount Duneed primary school (to update the legal status of the land and allow new management arrangements to be put in place).

Human rights issues

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

Section 20 of the charter, which protects against deprivation of property other than according to law is relevant to this bill. This is because clause 13 provides that, on removal of reservations, land is deemed to be unalienated land of the Crown, freed and discharged from all trusts, limitations, reservations, restrictions, encumbrances, estates and interests.

However, the only proprietary interest in the affected land that is held by an individual is explicitly preserved in clause 6 of the bill. This interest is a lease between the Minister for Environment and Climate Change and the owner of a private property that is adjacent to the land.

As this bill will not deprive any person of property rights, I consider that it does not limit the right protected under section 20.

The bill may be perceived to limit section 12 of the charter, which protects the right to freedom of movement, because it revokes permanent reservations of Crown land. However, these revocations will make no material difference to the current level of public access to the land. I therefore consider that the bill does not limit the right protected under section 12.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities because it does not limit any rights protected by the charter.

GAVIN JENNINGS, MLC
Minister for Environment and Climate Change

Second reading

Ordered that second-reading speech be incorporated on motion of Mr LENDERS (Treasurer).

Mr LENDERS (Treasurer) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

The purpose of this bill is to change the status of six portions of land which are permanently reserved under the Crown Land (Reserves) Act 1978.

Bills of this nature are often needed to provide changes in land status to support government and community projects. The status of Crown land that is permanently reserved can in most cases only be changed by legislation.

The land included in this bill is located at Yarrawonga, Talbot, Marlo, Boorhaman, Brimin and Mount Duneed.

In some cases the bill will allow government to sell surplus land. In other cases the bill simply removes historic land arrangements to update the status of the land and allow more appropriate management arrangements to be put in place. This will give community groups that use the land better security of tenure so they can continue to provide and improve their services with enhanced certainty.

The land at Yarrawonga is currently occupied by a police residence that will no longer be needed, as a new police station is being built in Yarrawonga. The land and buildings cannot be sold and put to better use in future unless the permanent reservation is removed by this bill.

The Talbot Free Library is currently used as a local community hall. The original trustees and beneficiaries of the free library services are long deceased — the last one passed away when the state of Victoria was still a colony. This bill will allow the status of the land to be updated and a suitable committee of management appointed. Under these new arrangements, the ongoing use of the hall for community activities will be preserved.

Removing the reservations of land at Marlo, Boorhaman and Brimin will give the owners of properties that are adjacent to the land the opportunity to purchase it from the Crown in order to rectify minor boundary anomalies.

Removing the reservation of land occupied by Mount Duneed primary school will allow the status of the land to be updated to reflect its current use for education purposes. The Department of Education and Early Childhood Development will be appointed as the new committee of management.

I commend the bill to the house.

Debate adjourned for Mr D. DAVIS (Southern Metropolitan) on motion of Mr Koch.

Debate adjourned until Thursday, 24 April.

EDUCATION AND TRAINING REFORM AMENDMENT BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Mr LENDERS (Treasurer).

Statement of compatibility

Mr LENDERS (Treasurer) 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 (the charter), I make this statement of compatibility with respect to the Education and Training Reform Amendment Bill 2008 (the bill).

In my opinion 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 the bill

The purpose of the bill is to amend the Education and Training Reform Act 2006 (the principal act).

The bill modifies the statutory responsibilities and functions of the Victorian Curriculum and Assessment Authority (the authority). The authority will now be required to perform functions in relation to early childhood development and will be able to conduct assessments of students against 'national standards' for measuring and reporting on student performance. In addition, a new provision will be inserted into the principal act to enable the chief executive officer of the authority to issue a written reprimand in respect of a suspected minor contravention of the examination rules. Provision is also made for the student to seek review of that decision.

The bill also introduces a unique student identifier, referred to as the Victorian student number, and establishes the Victorian student register which operates as the central repository for student information that is collected through the allocation of Victorian student numbers to all students.

Human rights issues

The Victorian student number and the Victorian student register — right to privacy (s 13 of the charter)

Clause 11 of the bill (new part 5.3A) creates a mandatory requirement that a student in a course or program of study or training or a student receiving home-schooling be allocated a Victorian student number. This clause engages the right to privacy, because the process of allocating a Victorian student number to a student requires the provision of the student's personal information to the secretary. The secretary then holds that information in the Victorian student register. The information is held by the secretary for the purpose of monitoring student movement across the education and training sectors, which is anticipated to lead to more effective program evaluation and improved delivery of education and training services, consequently leading to the reduction in underperformance and premature departure of students from schools. As a consequence, higher retention rates will lead to an increasingly skilled and educated workforce.

While the collection, maintenance and use of a student's personal information raises the right to privacy, it does not limit the right to privacy because the provision and use of the information is lawful and not arbitrary. The personal information that is required to be provided to the secretary is confined to the student's full name, date of birth and gender as well as their date of enrolment or cancellation of enrolment.

Furthermore, the use and maintenance of the information is protected by numerous safeguards including the Information Privacy Act 2000 and an offence provision. For example, only authorised persons and bodies such as the secretary, the Victorian Curriculum and Assessment Authority and the Victorian Registration and Qualifications Authority can access the Victorian student numbers and a student's related information. If the secretary authorises another person or body to access the information it can only be used for one or

any of the purposes specified under clause 5.3A.9(2) of the bill, which is limited to the purposes of: monitoring and ensuring student enrolment and attendance; ensuring education or training providers and students receive appropriate resources; statistical purposes relating to education or training; research purposes relating to education or training; and ensuring students' educational records are accurately maintained.

The restrictions imposed on the type of information that must be provided in order for a student to be allocated a Victorian student number, coupled with the safeguards surrounding the maintenance and use of that information in the Victorian student register, clearly show that any interference with the right to privacy, in the context of the operation of this bill, is reasonable and not arbitrary. In addition, there are clear and reasonable policy objectives behind the collection, maintenance and use of such information — namely, for the overall purpose of more effective program evaluation and improved delivery of education and training services in order to increase retention rates to lead to a more highly skilled and educated workforce. Accordingly, the right to privacy is not limited by this bill.

Application of the Victorian student number regime to students aged under 25 years — right to equality (s 8 of the charter)

The application of the Victorian student number regime to students under the age of 25 years (as provided by new section 5.3A.2 of the bill) does not raise the right to equal protection of the law without discrimination under section 8 of the charter. This is because the requirement to provide personal information, which is imposed on students under the age of 25 years, does not adversely affect those students so as to cause them disadvantage in comparison to students over 25 years who are not required to provide such information.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities because to the extent that some provisions do raise human rights issues, these provisions do not limit human rights.

Hon. John Lenders, MP
Treasurer

Second reading

Ordered that second-reading speech be incorporated on motion of Mr LENDERS (Treasurer).

Mr LENDERS (Treasurer) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

The Education and Training Reform Act 2006 has introduced significant reforms to the education sector since it came into operation on 1 July 2007. It has amalgamated, updated and streamlined 12 separate acts. A number of amendments are required to further improve its operation and broaden its scope in line with government policy.

The purpose of this bill is to modify the statutory responsibilities and functions of the Victorian Curriculum and Assessment Authority (the authority); to introduce a unique student identifier, referred to as the Victorian student number; to establish the Victorian student register which operates as the central repository for student information that is collected through the allocation of Victorian student numbers to all students; and to make a number of statute law revision changes and technical amendments to improve the operation of the act.

As the provisions of the bill are grouped under these main purposes, I propose to deal with them in that order.

The bill will expand the functions of the Victorian Curriculum and Assessment Authority to enable it to develop policies, criteria and standards for learning, development and assessments which relate to early childhood. This will empower the authority to contribute its expertise to the integration of education and early childhood development, supporting the government's commitment to giving Victorian children the best start in life, and ensuring they establish firm foundations for learning and development.

The bill will also provide the authority with the capacity to implement the national literacy and numeracy testing arrangements agreed upon by state, territory and commonwealth governments for primary and secondary school children in years 3, 5, 7 and 9.

The Victorian Curriculum and Assessment Authority delivers a quality Victorian certificate of education examination process to Victorian students, parents and schools each year. Part of this process involves administration of examination rules. The bill will make an amendment to the way the Victorian Curriculum and Assessment Authority deals with minor infringements of examination rules, to enable a less formal response (a reprimand letter from the chief executive officer) to be implemented where appropriate.

In 2004–05 extensive work undertaken by my department determined that there is a strong case for the implementation of a unique student identifier. The department undertook multiple rounds of consultation with all key stakeholder groups across the school and vocational education and training sectors in Victoria, and an examination of unique student identifier initiatives across all Australian and leading international jurisdictions.

To support the initiative it was proposed that a Victorian student register be established to store, for each learner, minimum identifying information and an enrolment history.

The bill provides for the implementation of these commitments.

The introduction of the Victorian student number and Victorian student register is supportive of the Victorian government's goal of having 90 per cent of young Victorians complete year 12 or its educational equivalent by 2010. It will assist in achieving this target by identifying students at risk of 'dropping out' of the education and training system prior to completion of year 12 or an equivalent qualification. This will aid the provision of targeted, timely and appropriate support and services for those 'at-risk students'.

The bill will make provision for the introduction of a unique student identifier through the requirement that all students in Victoria from prep up to and including age 24 being educated

by registered education and training providers are allocated a Victorian student number.

It establishes a Victorian student register as a repository for Victorian student numbers and associated information and provides the Secretary of the Department of Education and Early Childhood Development with responsibility for administering the allocation of Victorian student numbers, the collection of information and the monitoring and maintenance of the Victorian student register. The secretary will have the capacity to delegate this responsibility to a statutory authority such as the Victorian Curriculum and Assessment Authority or the Victorian Registration and Qualifications Authority.

Importantly, the bill only allows for specific persons or bodies to access and use the Victorian student number and specifies the purposes for use of the identifier and any related information. These will be limited to monitoring student enrolment and attendance; ensuring students' educational records are accurately maintained, and for statistical and research purposes.

The bill also creates offences for unauthorised use or disclosure of a Victorian student number or information contained in the Victorian student register.

The bill provides for a staggered 'rollout' of the Victorian student number scheme to ensure it is successfully implemented across a large and diverse range of education and training providers.

The Office of the Chief Parliamentary Counsel has requested a number of statute law revisions. These are not considered to change existing policies or procedures or remove existing rights.

The government is committed to ensuring that the Victorian education system is constantly improving and its goal is to build a cohesive education system that ensures smooth transitions through each phase of early development and education. Within this context, the amendments proposed in this bill will serve to further strengthen the already significant reforms to the education sector.

I commend the bill to the house.

Debate adjourned for Mr HALL (Eastern Victoria) on motion of Mr Koch.

Debate adjourned until Thursday, 24 April.

ADJOURNMENT

Mr LENDERS (Treasurer) — I move:

That the house do now adjourn.

Rail: Werribee line

Mr FINN (Western Metropolitan) — I wish to raise a matter for the attention of the Minister for Public Transport in another place. I refer the minister to new arrangements for peak-hour trains on the Werribee line, where those trains are now travelling directly to Flinders Street and bypassing the city loop. Many thousands of travellers on the Werribee line are currently, as a result of these changes, being inconvenienced, and to say that they are not happy would be a considerable understatement. In the unlikely event of the minister deciding to visit Werribee, could I suggest to her that she might like to think again, because the welcome she will receive from the people of Werribee and surrounds will not be at all warm. There is very real anger from commuters on the Werribee line, and we do not have to imagine why.

I ask the house to think what the average punter showing up to the railway station at Werribee or Hoppers Crossing or anywhere along this line has to contend with. If the train is not cancelled, they climb on board a, generally speaking, already crowded carriage. Maybe they find a seat. If so, they make arrangements to buy a Tattslotto ticket because they know it is indeed their lucky day.

Mr Pakula thinks this is highly amusing. He obviously does not catch the train from Werribee. In fact he probably does not even know where Werribee is. More likely the commuters stand cheek to jowl for the entire journey into the city. If they want to access a city loop station, they have to get off at North Melbourne station, which because of the number of people resembles the lawn at Flemington on Melbourne Cup Day. They then have to fight their way onto another train, packed to the rafters, to reach their final destination. This is not a good way to start any day. It is a deplorable situation, and my constituents should not be subject to this shabby treatment.

I ask the minister to intervene as a matter of urgency to ensure that Werribee line trains are redirected through the city loop at peak hour as they have always been in the past. Such an action would make the lives of thousands of people from the west of Melbourne just that little bit more bearable.

Child care: police record checks

Ms HARTLAND (Western Metropolitan) — My adjournment matter is for the Minister for Children and Early Childhood Development in the other place. Children's centres have to supply police record checks for the staff they wish to have included as nominees. Under the new regulations they will also have to apply for working-with-children checks. Police checks are obviously a good thing, but my attention has been drawn to two children's centres at the University of Melbourne where the centres will have to make and pay for both applications one month apart. This is because their licence is due on 1 June 2008 and their staff working-with-children checks are due on 1 July 2008.

This is a very expensive practice. According to the centres it will cost them about $4000 and it will be in place for one year until the new children's services regulations take effect. It is obviously going to affect a number of children's centres whose licences come up for renewal at roughly this time.

Brian Newman, the manager of children's services at Melbourne University, has made these points to me. He says that if the new working-with-children check is an accurate assessment of a person's suitability to work with children, then the police record check becomes superfluous. My action for the minister is to suspend the requirement for the police record checks for those who are required to have working-with-children checks.

Victorian Farmers Markets Association: government assistance

Ms PULFORD (Western Victoria) — My adjournment matter this evening is for the Minister for Regional and Rural Development in the other place. I seek that the minister act on the commitment made in September last year of a package of support measures for the Victorian Farmers Markets Association. A $2 million package over four years has been conceived for the growth and support of all farmers markets across the state and was part of the government's election commitments in 2006. It is eight years now since the first farmers markets opened across provincial and metropolitan Victoria, and it is an opportunity for producers to find an alternative and very direct path to the market. It is an opportunity for producers to promote and sell their produce from the farm gate straight to the customer.

Farmers markets, as many members will be aware, have grown and blossomed in that time and are now part of the rich fabric of life in provincial Victoria. However, there remain many challenges for these markets, including the challenge of how they manage their growth. There are many farmers markets in my electorate of Western Victoria. The Glenelg, Southern Grampians, Colac Otway, Corangamite, Moyne and Warrnambool councils have established the Great South Coast feasibility study, which will assist them to determine future locations for farmers markets. Consumers throughout Western Victoria enjoy local produce and enjoy being able to buy it direct.

Victoria has led the way in developing farmers markets, and now there are over 30 operating on a regular basis throughout the state. This opportunity to contribute to economic development in many regional communities and to provide primary producers with an opportunity to enhance — —

The DEPUTY PRESIDENT — Order! I am little concerned about the direction of Ms Pulford's matter, in that it seems to be more of a statement than contextual information outlining what she is asking of the minister. I guess what I am doing is providing guidance to the member in the sense that there is about a minute left and I would hope she can frame a request that is within the minister's province and able to be delivered and is not simply, as the member said at the outset, a request to implement a program that was announced last year. Presumably that has already been implemented, so unless Ms Pulford is able to convince me that there has been no action and she is rapping the minister over the knuckles, I need her to request an action and I need it to be a bit different from what the member said in her introduction.

Ms PULFORD — Thank you for your guidance, Deputy President. As I was saying, these markets are an essential part of the fabric of regional Victoria. The minister is aware of the value they bring to regional economies, so my request of the minister is that funding of this program be continued.

The DEPUTY PRESIDENT — Order! I will rule that matter out because it is simply asking for the continuation of something that is already happening. I brought to Ms Pulford's attention that that would be a matter of concern. I do not believe there is a request there where the minister has been asked to do something different.

Croajingolong National Park: Shipwreck Creek camping ground

Mr P. DAVIS (Eastern Victoria) — I raise a matter for the attention of the Minister for Environment and Climate Change. Recently, prior to a visit to the Croajingolong National Park a constituent raised with me the lack of support by Parks Victoria at the designated major camping grounds in that park, especially at Shipwreck Creek. Therefore I undertook my own investigation. While this is a relatively remote location about 500 road kilometres from Melbourne, there is a Parks Victoria office only 20 to 30 minutes away at Mallacoota. What I found in fact was a quite attractive, well-established camping ground, with an area for day visitors and five well-set-out overnight sites. But, let there be no doubt, there are no services other than pit toilets. A fee of approximately $15 per night is payable. The camping permit reminds campers that:

> This permit is issued on the understanding that the holder and party will abide by the provisions of the National Parks Act (1975) and regulations —

et cetera. However, while Parks Victoria promotes this camping ground, including in its Croajingolong National Park visitor guide, and suggests that this Shipwreck Creek camping ground has five camping sites, has fire places, picnic tables, pit toilets and firewood, there is not one stick of firewood available to campers other than that found by illegally foraging in the adjoining forest. You would need to travel a very long way into the adjoining bush, and obviously this is a regular problem and practice for campers as no forest litter or small logs are evident in proximity to the camping ground. Parks Victoria confirmed that campers would be guilty of an offence if detected collecting firewood in the national park. I therefore ask the minister to ensure Parks Victoria discharges its proper job of supplying firewood for campers at the Shipwreck Creek camping grounds.

Rail: Brighton level crossing

Ms PENNICUIK (Southern Metropolitan) — My adjournment matter is for the Minister for Public Transport in the other place. It concerns the closure by Connex of the manually operated railway gates at New Street, Hampton, and the consequent closure of New Street itself, causing unnecessary traffic hazards and congestion in surrounding streets.

The gates were closed on 10 September 2007 after a slow-moving train collided with the gates. While this was a potentially serious incident, the only result was damage to the gates. The gates have remained closed since then. Six months later Connex requested the Bayside City Council to consent to the closure. On 25 March 2008 the council voted unanimously to reject that request.

I am concerned that Connex, a private company, has unilaterally closed the gates on a public road. The Bayside City Council commissioned GHD to conduct a review of the safety implications of level crossing enhancement works at New Street. The report considers in detail the different types of crossing proposed by Connex and concludes, among other things:

> The existing assessments are inadequate to support closure of the road or provision of —

boom gates —

> as the best option.
>
> The benefit of the existing operation at New Street is that the crossing is continuously monitored, providing protection to road users — that is, the gates cannot be closed if there is an obstruction on the line.
>
> …
>
> The installation of —

boom gates —

> will not eliminate all risks associated with the crossing, including incidents of misuse.
>
> Interlocking the gates with the signalling system will improve performance and reliability of the system and level crossing safety. However, it will not eliminate personal risk to the crossing keeper from physical or verbal abuse, or near misses from road users.
>
> …
>
> Best practice in the UK recognises that manually operated crossings are safer than unmonitored automatic crossings.

Members might be interested to know that there are 245 manually controlled gates and 249 manually controlled barriers in the UK as well as 364 manually controlled barriers protected by closed-circuit television. Maybe they are not directly comparable to the New Street gates, but the number of crossings that are monitored by people on site in the UK is striking.

The report states that the current assessments are incomplete and, if they are to be relied upon to justify closure or alternatively the provision of boom gates, further study is required to establish the risk profile of similar automatic level crossings in a metropolitan environment, to understand the effect of potential risk for users and to investigate the feasibility of modifying the existing signalling system to provide boom gates.

While it is probably impossible to eliminate all risk from any level crossing, the New Street gates have had a very good safety record over many decades. My request to the minister is that she ensure that the railway safety systems are upgraded at the earliest date so the manual gate operation can be safely resumed in order to allow the reopening of New Street to full use.

The DEPUTY PRESIDENT — Order! Mr Pakula privately sought clarification of my previous ruling. I want to assure him and other members that, had Ms Pulford's request been for additional funding or funding for some new element of a program, then it would have been quite consistent with standing orders governing the adjournment debate. The problem with the item she raised — and I alerted her to this before she completed her contribution to give her an opportunity to frame it in a way that would have been acceptable — was that the member was simply seeking a continuation of something that is already in place.

There are a number of precedents in the rulings — most recently, I think, one made by former President Gould — that establish the point that simply seeking the continuation of an activity is not a legitimate adjournment request. I have expressed that by way of clarification for members so that they understand where we are as we go forward.

Golden Plains: sporting facilities

Ms TIERNEY (Western Victoria) — My adjournment matter is for the Minister for Sport, Recreation and Youth Affairs in the other place and it concerns drought relief for sporting grounds. All members are well aware of the impact that the drought is having, particularly in country Victoria, and how it affects farming communities for whom, by and large, a large part of their recreational activity relies on sporting grounds, not just in terms of playing sport but in terms of the members of the community having an opportunity to get together on weekends to support their teams, chat about what is going on in their local community and also swap experiences of how they are coping with the drought. As we know, the farmers themselves are experiencing enormous fatigue environmentally and the animals are also doing it tough, but the sporting grounds are being affected to the point where there are many grounds that are judged to be simply too dangerous for people to play on.

The Golden Plains Shire Council has applied for $100 000 funding for water irrigation, catchment and storage at three sporting locations: the first is the Inverleigh Sporting Complex, the second is the Linton Recreation Reserve, and the third is the Woady Yaloak recreation reserve. I commend a number of initiatives that this government is taking in trying to alleviate the effects of drought on communities. I urge the minister to fund these applications submitted by the Golden Plains Shire Council so that those communities can at least have an opportunity to be active and enjoy some part of their weekends.

Nepean Highway–Bay Road, Cheltenham: red light camera

Mrs COOTE (Southern Metropolitan) — My adjournment issue this evening is for the Minister for Police and Emergency Services in the other place. I hope that this time I get an answer, because the minister is notoriously bad at giving answers to anything. I know that the Treasurer will ensure I get a very good answer to my question, which is to do with red light cameras in the Bayside area. In particular it is to do with a malfunctioning red light camera on the corner of Bay Road and Nepean Highway in Cheltenham, which is in the Sandringham electorate in the Legislative Assembly. I know my colleague Murray Thompson, the member for Sandringham in that house, has been vigilant in bringing up this issue with the local press. In fact he has had over 417 individual complaints from local constituents who say that they have been unfairly fined.

This has been going on for some time, and I will put it in the context of the results of a survey that the *Herald Sun* published this week, which stated that 70 per cent of police believe speed and red light cameras are primarily for revenue raising rather than for road safety. This particular camera has been malfunctioning for some time. It has not been looked at, so it has not been fixed. We have 417 individuals paying a fine of, let's say, $50 or $55. Mr Lenders is the Treasurer; he can add it up. The reality is that there is a lot of revenue coming in from the residents of Sandringham and Cheltenham from this camera, and it is very unfair.

It is important that the government, as a point of good faith, address this issue, have a good look at it and do something about it as a matter of urgency. Why should Bayside residents have to suffer as a result of this? The action I seek tonight is for the minister to investigate as a matter of urgency the red light camera on the corner of Bay Road and Nepean Highway, Cheltenham, and ensure it is functioning correctly.

Children: early childhood funding

Mr PAKULA (Western Metropolitan) — My adjournment matter is for the Minister for Children and Early Childhood Development in the other place and relates to the provision of maternal and child health care services in Western Metropolitan Region. Western Melbourne is undergoing a population explosion, and it is not just as a result of net migration from other parts of Melbourne or other parts of Victoria. There is in fact a baby boom occurring in Western Metropolitan Region.

In 2002–03 the number of births increased by 3.2 per cent; in 2003–04, by 3.8 per cent; in 2004–05, by 3.9 per cent; in 2005–06, by 5.8 per cent; and in 2006–07, by a whopping 9.1 per cent. In fact over the six years from 2000–01 to 2006–07 there was a net increase in births in Western Metropolitan Region of 25.5 per cent compared to a statewide average of 15 per cent over the same period. Western Metropolitan Region had the biggest net increase in births in the state over that period. That baby boom creates an enormous demand for maternal and child health services in the region.

As I said in my contribution to debate on the statement of legislative intentions yesterday, the maternal and child health service is an outstanding one. It can pick up all kinds of problems, both in a child's first year of life and at the age of three and a half, whether they be physical problems, general health problems, problems with speech, problems with hearing or behavioural issues and the like.

The action I seek from the minister is that Victoria's excellent children's services, including maternal and child health services, be supported with sufficient additional funding to meet the demands which are being created by the baby boom in Western Metropolitan Region.

Doctors: Dandenongs

Mr O'DONOHUE (Eastern Victoria) — My matter is for the Minister for Health in the other place. The hills area has a chronic shortage of general practitioners. In fact, it has one of the lowest ratios of general practitioners to population in Victoria. Currently there is approximately 1 general practitioner per 2400 residents. I imagine this is partly a result of the RRMA (rural, remote and metropolitan areas) system that provides incentives for general practitioners to move to country areas but does not provide incentives to those in the urban fringe or interface areas, such as the hills area.

Recently the Upwey clinic closed and the Tecoma clinic has closed its books to new patients. The next closest option for people in those towns is to travel down to Boronia, which, although is not that far away, is not always available for everyone. Not everyone has a car, and public transport services are limited; some people who are incapacitated or disabled have trouble travelling that sort of distance.

Therefore the action I seek from the minister is that he develop a strategy to attract more general practitioners to the hills so that people in those areas can access appropriate medical care. I would encourage the minister, in developing such a strategy, to work closely with the Shire of Yarra Ranges and the Shire of Cardinia to ensure that the state government is working together with local government to attract more general practitioners.

The DEPUTY PRESIDENT — Order! I will ask the minister to comment on that, but I am concerned about the fact that that matter applies principally to the federal government. The member has 56 seconds left; perhaps he might sharpen up his request a little in terms of state jurisdiction.

Mr O'DONOHUE — I gave that in the context of the RRMA system. Obviously that is the federal system, but the reality is that the state is responsible for the provision of medical services, and there is a real deficiency in the hills area. The state government has promised super-clinics and other medical facilities for general practitioners in other areas, such as Lilydale, and I think the minister needs to develop a similar strategy to attract medical practitioners to the hills region.

Eastern Palliative Care: funding

Mrs KRONBERG (Eastern Metropolitan) — My adjournment matter is directed to the Minister for Health in the other place. It centres on issues of great concern raised by Eastern Palliative Care, which is a not-for-profit, home-based palliative care service. Through its range of support services, EPC improves the quality of life of individuals, caregivers and families of people suffering from terminal or life-limiting illnesses.

EPC receives referrals from doctors, local hospitals, treating specialists, allied health professionals and through the family and friends of sufferers. The EPC is funded by the state government, but it also relies very heavily on community fundraising and donations. Currently EPC is facing a range of challenges to its capacity to retain its nurses, social workers, psychologists, pastoral care workers and administration staff, and to provide an appropriate working environment. Salary parity with the public sector for EPC is essential to ensure retention of such staff.

In a recently negotiated enterprise bargaining agreement, increases to nurses salaries were more than the annual increase in the Department of Human Services grant to EPC of 2.9 per cent. Nurses account for 50 per cent of the salary costs of EPC, leaving an unfunded shortfall of $70 000 per annum. I now ask that the minister, in recognising the important work of EPC, undertake across seven municipalities in Melbourne's east a review of the current grant with a view to providing an increase this year of 4.3 per cent, instead of 2.9 per cent, to ensure the shortfall is adequately covered.

Rail: Seymour line

Mrs PETROVICH (Northern Victoria) — My adjournment matter is for the Minister for Public Transport in the other place. Last week I was contacted by a constituent who lives in Wallan, who has recently resumed commuting to Melbourne via train. He is dismayed at how poor the service is, and he contacted

me because he has had no positive assistance from the member for Seymour in the other place.

Mr Finn — Who is that?

Mrs PETROVICH — Mr Hardman is the member for Seymour. Mr Hardman passes on the letters of complaint to V/Line with no follow-up and no reply to his constituent's questions. Not surprisingly, this person has now joined the chorus from commuters who want to know why the trains are unable to keep to their timetables. Another constituent has provided me with a lengthy summary of all the delays and cancellations that have occurred on the train service to and from Southern Cross station. I will not bore the house with every detail but I will at least provide it with some snippets of information.

On 25 February the train from Wallan stopped at Craigieburn because of an apparent signal fault. The commuters then waited for 20 minutes to get on a bus before they were told to get on a train to go to Melbourne. On the same day, the 4.32 p.m. train from Southern Cross was delayed due to a broken-down train between Broadmeadows and Craigieburn. The commuters did not get to Wallan until 6 o'clock that night. On 29 February the same train was delayed by 15 minutes due to a defective locomotive. On 3 March there was a power failure at Broadmeadows, so everyone had to sit and wait.

Unfortunately the pattern is repetitive. Every week, if not every day, the train service to and from one of the fastest growing corridors is failing. This government has spent too much time locked in the walls of the city of Melbourne. Last week the government announced a so-called major revamp of the train services — but there was not one mention of the Seymour line. The action I seek is that the constant delays on the Seymour line be investigated and addressed as a matter of urgency.

Bendigo Chamber of Commerce and Industries: executive officer

Mr D. DAVIS (Southern Metropolitan) — My adjournment matter tonight is for the attention of the Treasurer in his capacity as Leader of the Government. It concerns a probity issue across a number of portfolios. In particular it concerns the Premier's mate and former staffer, Fabian Reid, who, as the house will remember, was until recently the chair of Coliban Water — a position from which he resigned in disgrace when it was revealed that he is a recent bankrupt. As this chamber will also remember, as a result of questions in this chamber the Treasurer was shown to have not undertaken the probity checks in the *Guidelines for the Appointment and Remuneration of Part-time Non-executive Directors of State Government Boards and Members of Statutory Authorities and Advisory Committees* at the time.

Mr Lenders — On a point of order, Deputy President, I seek clarification. This is clearly an adjournment matter for the Premier.

An honourable member interjected.

Mr Lenders — It is an adjournment matter for the Premier, so I am a bit puzzled about in what capacity the Leader of the Government in this house has to deal with an adjournment matter, when an individual member can refer it directly to the person who has the portfolio responsibility, which is the Premier.

Mr D. DAVIS — On the point of order, Deputy President, the Leader of the Government has a responsibility in a sense across a number of portfolios, and I am outlining the scope of this, but particularly to — —

Mr Lenders — The Premier has all the portfolios.

Mr D. DAVIS — And so does the Leader.

The DEPUTY PRESIDENT — Order! The member is entitled to direct the matter to the minister whom he believes is responsible. It is within the minister's capacity to discharge the matter if he believes it has been wrongly directed, particularly given that he has provided some warning to the member that perhaps an alternative minister in the other place might well have been the person the matter should have been raised with. I will let Mr Davis continue, and perhaps he will be mindful of the suggestion the minister has made in the context of his further remarks — and it must be directed to one minister. As we know, with adjournment matters there can be only one item, and only one minister can be called upon to take some action.

Mr D. DAVIS — The matter is directed to the Premier through the minister present in the chamber tonight. As I said, it concerns Mr Fabian Reid, the Premier's former staffer, who has now been appointed as a staffer of the federal member for Bendigo, Steve Gibbons, but who still holds a part-time position as the executive officer at the Bendigo Chamber of Commerce and Industries.

I make the point that state government money from a number of angles goes into the Bendigo Chamber of Commerce and Industries or bodies with which it is

affiliated. One of those bodies, the Central Victoria Area Consultative Committee, has federal money, and that is significant. The Central Victorian Business Network, of which the Bendigo Chamber of Commerce and Industries is a gold sponsor according to its website, is supported by the Victorian government. Mr Reid, in his position as executive director of the Bendigo Chamber of Commerce and Industries, will have a direct effect and impact on the Central Victorian Business Network, which is supported by Victorian state government money, according to a printout from the website.

I note also that state government money has gone into the Bendigo Chamber of Commerce and Industries from the StreetLife program, according to a news release dated 26 July 2004. Mr Reid also holds a position at the Goldfields Local Learning and Employment Network, which, as I understand it, from time to time has received both state and federal money. There are merger talks, I hasten to add, between the Central Victorian Business Network, a direct recipient of regular state money, and the Bendigo Chamber of Commerce and Industries.

Now we have the friend and former staffer of the Premier, the same man who was dismissed from Coliban Water, working for Steve Gibbons and working at the Bendigo Chamber of Commerce and Industries. I ask the Premier to intervene and to ensure there are no probity issues.

The DEPUTY PRESIDENT — Order! I rule out of order the item raised by Mrs Kronberg on the basis of rulings that have been applied in the Parliament, most recently by an Acting President in 1994. The item of concern in this matter is that the issue raised by Mrs Kronberg concerning Eastern Palliative Care was also raised by another member, who happens to have been me, last week, when the request was exactly the same. The ruling I refer to in October 1994 was that:

> A member may not speak to, or raise, a matter already raised by another member during the adjournment debate even if their particular issue relates to separate questions or matters within the main issue.

That ruling probably took up a provision within the standing orders. Regrettably, I must rule this one out as well.

Responses

Mr LENDERS (Treasurer) — Mr Finn, Ms Hartland, Ms Pennicuik, Ms Tierney and Mrs Petrovich raised matters for various ministers, and I will refer those to the ministers without comment.

In addition Philip Davis raised an issue for the Minister for Environment and Climate Change regarding the supply of firewood at Shipwreck Creek. He asked the minister to act. I am not sure whether this is the work of a very keen bushwalker who discovered this, whether it is the residue of the former parliamentary secretary for natural resources and the environment who had unfulfilled work or whether it is the aspiration of Philip Davis to become shadow parliamentary secretary for natural resources and the environment. I am tempted to say that the matter is discharged, but I will refer the matter to my colleague the Minister for Environment and Climate Change so as to get a decent supply of firewood to the camping ground at Shipwreck Creek. I urge Philip Davis to give us more information, because it sounds like a great place to go bushwalking.

Mr Pakula raised for the Minister for Children and Early Childhood Development an issue regarding child health services and he sought greater funding. I have listened carefully to a number of the adjournment matters tonight where people have been seeking funding. Where they concern, like Ms Tierney's matter, a grant at the discretion of a minister, I will certainly pass them on to the ministers. On this one I am convinced there is actually a budget bid, so I will reply to Mr Pakula that the government will consider all these matters, but I regard the matter as discharged. However, I will advise my colleague the minister that Mr Pakula has raised the issue in the house.

Mr O'Donohue raised an issue for the Minister for Health in the other place regarding a strategy for general practitioners in the hills. Certainly I am conscious that you, Deputy President, alerted him to the fact that this could be a federal issue and could be discharged. I will certainly discharge the matter, because I regard it as a federal issue, but in the spirit that Mr O'Donohue — —

Mr D. Davis interjected.

Mr LENDERS — I will not take up the interjection about where they are registered. The request was about where they were funded. In the spirit of Mr O'Donohue's having raised the issue — I will not formally refer it because I regard the matter as discharged — I will let my colleague the Minister for Health know about it, because he, like Mr O'Donohue, has a concern about the issue of GPs, on which we need to do all we can.

Mrs Coote raised an issue for the Minister for Police and Emergency Services in the other place regarding a traffic light malfunction in her electorate. She also made comment about revenue raising, which is the one

I will refer to most. We have had a bipartisan position in this community for a long time on road safety, so I cannot let it go through to the keeper without commenting that speed cameras are designed to save lives. She is correct, there is some community perception that they are for other things, but we cannot do anything other than put on the record that this has been a strong bipartisan position — they are there to save lives.

Any revenue from them is hypothecated for road safety issues, but I will take it in the spirit that that is undoubtedly what some of her constituents have said and it is an issue she wishes to have referred on. I will regard the issue as having been discharged, because the maintenance of a traffic light camera is clearly an issue for the road authorities rather than the police minister. I will advise the police minister that Mrs Coote has raised this as an issue, and I will personally advise the road authorities that there is a malfunctioning camera. That is something Mrs Coote and I can do, advise them that that ought to be fixed, because clearly we do not want malfunctioning cameras.

I have lost some of my notes, but I think the final adjournment matter is the one from David Davis. I will comment on it. The matter is directed to the Premier, and as the minister representing the Premier I will certainly respond to it. It is not a question of not responding to it. A number of issues arise from this. Clearly probity issues are ones that the government always takes into consideration, and it does not hurt to be vigilant and to remind government to take probity matters into consideration with the appointments of any boards.

However, there are some major issues that David Davis has raised. If it were an issue of a Victorian government board, I would without hesitation refer it to the Premier, because it should be referred — —

Mr D. Davis interjected.

Mr LENDERS — And whatever that should be, it should be discharged. But the second issue here is that this man is an electorate officer for a federal member of Parliament. That is outside this government's jurisdiction, but I will take it a few steps further. If what the Leader of the Opposition is saying is that because grant money is given to an organisation it cannot employ people whom the Leader of the Opposition does not like politically, then it starts raising questions.

Mr D. Davis interjected.

The DEPUTY PRESIDENT — Order! Mr Davis!

Mr LENDERS — The Australian Industry Group receives government funding and the Liberal Party receives government money through public funding, so if David Davis is suggesting the government should start vetting employment by the Liberal Party —

Mr D. Davis interjected.

Mr LENDERS — because it receives government funding, then bring on the debate. In addition the Victorian Employers Chamber of Commerce and Industry (VECCI) receives money from the Victorian government through grants — —

Mr D. Davis interjected.

The DEPUTY PRESIDENT — Order! Mr Davis will desist. He has put his request and has also, by way of interjection, made a number of other points, which I have tolerated, but I ask that he desist now and allow the minister to conclude his remarks on this matter.

Mr LENDERS — There are a number of bodies that receive money in one form or another from the state government. If the issue here is that because a body receives money from the state government — whether it be the Liberal Party, whether it be VECCI, or the Australian Industry Group or the Victorian Farmers Federation or catchment management authorities or any of the numerous other bodies that receive grants from the state government — its employment should be vetted, then let us have the debate on that.

What I will say on the issue of probity — and I will regard this matter as discharged — is that the Premier is well aware of the probity issues. They were clearly a matter of public record for the man David Davis is attacking in this Parliament. I have no reason to defend Fabian Reid, and I am not going into the business of doing that, but if the proposition David Davis is putting is that no discharged bankrupt can hold a job in the state of Victoria, we might as well stretch it to anyone who has served a prison sentence or anyone who has done any of these things. If the premise is that because you have broken the law you should have the book thrown at you, no-one will dispute that for one moment, but the presumption here is that it is reasonable to hound a person or organisation forever.

The probity issue has been addressed with government boards. But there is a broader issue that has been raised, and that is what a government should be doing about an employee of another government and what a government should be doing about an employee of an industry group or an organisation that receives the bulk of its funds from elsewhere. We should have the

debate — I am happy to have the debate — but I will discharge this issue tonight because I think it is nothing but a political attack on a member of the Labor Party with the sole purpose of trying to damage the Premier's reputation. On that basis I will discharge the matter.

The DEPUTY PRESIDENT — Order! The house stands adjourned.

House adjourned 5.29 p.m. until Wednesday, 7 May.

WRITTEN ADJOURNMENT RESPONSES

Responses have been incorporated in the form supplied by the departments on behalf of the appropriate ministers

Tuesday, 15 April 2008

Ovarian cancer: awareness

Raised with: **Health**

Raised by: **Ms Hartland**

Raised on: **5 February 2008**

REPLY:

I am aware of the devastating impact that ovarian cancer can have on women, and the need for better screening and treatment to improve the outcomes for women with this condition.

As you may be aware, our Government has a significant commitment to improving cancer services for all Victorians, and has embarked on a wide-ranging statewide reform program to improve access to treatment, expand and upgrade services and support research into cancer.

This includes:

- Development of patient management frameworks which delineate the optimal treatment pathways for each of the ten major tumour streams, including gynaecological cancer which covers ovarian cancer. These are available at www.health.vic.gov.au/cancer
- Funding of $630,000 to support the Victorian Cancer Outcomes Network trial at the Royal Women's Hospital, with the aim of collecting a nationally agreed dataset on Victorian gynaecological cancer patients, including patients with ovarian cancer. This project will significantly extend the capacity of the Cancer Council Victoria to link diagnosis with treatment and outcomes, providing a much more detailed picture of how patients are treated across the state and what their outcomes are.
- Funding of $500,000 per annum to support the BreaCan program. BreaCan is a state-wide service providing information and support to people with breast cancer and their families. Since August 2006 BreaCan has also been required to meet the support and information needs of people affected by all gynaecological cancers.
- Activities undertaken by BreaCan include provision of information and support for people affected by breast and gynaecological cancers statewide, development and conduct of a range of group activities, supporting and training volunteers. These activities have previously involved OvCa, and it is expected OvCa will have an ongoing role in facilitating the development of appropriate programs for patients with ovarian cancer through BreaCan.
- I recently announced $5.8 million in grant funding through the Victorian Cancer Agency for research into cancer. A number of projects have been funded around ovarian cancer, including a project to look at the effect of chemotherapy on immune cells in patients with ovarian cancer, and a project to assess ovarian reserve in premenopausal women with breast cancer following chemotherapy.

Prevention, treatment and research into cancer are priorities for this Government. The Government acknowledges the excellent work that groups such as OvCa are doing to support cancer patients, and will continue to work with them to ensure that treatment and outcomes continue to improve.

Police: St Kilda triangle development

Raised with: **Police and Emergency Services**

Raised by: **Mrs Coote**

Raised on: **5 February 2008**

REPLY:

The Brumby Government is committed to providing safe streets and homes for Victorians by ensuring Victoria Police is highly professional and well resourced.

Since coming to office, the State Government has increased the number of police by over 1,400. Further we have increased funding to Victoria Police to a record budget of more than $1.6 billion in 2007-08 and funded the construction and refurbishment of 149 police stations across the state.

The Government's additional support to Victoria Police is showing good results. Victoria's crime rate has fallen 23.5 per cent since 2000-01 with Victoria now having the lowest crime rate in Australia.

However, the fight against crime is ongoing. That is why at the last election the Government committed to a further increase of 350 sworn police by 2010, as well as an additional 50 forensic and specialist investigators. In addition to this, the Government committed to providing additional resources and equipment to assist police in their work, including an extra 100 police cars.

Decisions on the placement of police throughout the state are operational matters and are made by police command on the basis of assessed need. It is important that this process is not subject to political interference. I am assured by the Chief Commissioner of Police that the level of policing across Victoria is continuously monitored by the respective Regional Command Officers, with a view to maintaining optimum policing effectiveness.

Victoria Police deploys first response police across its 56 Police Service Areas using a sophisticated resource allocation model incorporating 12 characteristics of the local community that are used to predict levels of crime and road trauma; the population of an area is just one of these. Victoria Police uses this model to ensure that police resources are distributed equitably and according to demonstrated operational need. It should be noted that, since 1999, the number of first response officers has increased in all police regions across Victoria.

Police: Wangaratta

Raised with: **Police and Emergency Services**

Raised by: **Ms Lovell**

Raised on: **6 February 2008**

REPLY:

The Brumby Government is committed to providing safe streets and homes for Victorians by ensuring Victoria Police is highly professional and well resourced.

Since coming to office, the State Government has increased the number of police by over 1,400. Further, we have increased funding to Victoria Police to a record budget of more than $1.6 billion in 2007-08 and funded the construction and refurbishment of 149 police stations across the state.

The Government's additional support to Victoria Police is showing good results. Victoria's crime rate has fallen 23.5 per cent since 2000-01 and in Wangaratta the crime rate has fallen 7.9 per cent since 2000-01.

However, the fight against crime is ongoing. That is why at the last election the Government committed to a further increase of 350 sworn police by 2010, as well as an additional 50 forensic and specialist investigators. In addition to this, the Government committed to providing additional resources and equipment to assist police in their work, including an extra 100 police cars.

I note your suggestion that there has been a reduction in the number of police personnel working in regional communities. This is not true. Victoria Police deploys first response police across its 56 Police Service Areas using a sophisticated resource allocation model incorporating 12 characteristics of the local community that are used to predict levels of crime and road trauma; the population of an area is just one of these. Victoria Police uses this model to ensure that police resources are distributed equitably and according to demonstrated operational need. It should be noted that, since 1999, the number of first response officers has increased in all police regions within Victoria.

Decisions on the placement of police throughout the state are operational matters and are made by police command on the basis of assessed need. It is important that this process is not subject to political interference. I am assured by the Chief Commissioner of Police that the level of policing across Victoria is continuously monitored by the respective Regional Command Officers, with a view to maintaining optimum policing effectiveness.

The Chief Commissioner of Police has recently launched *The Way Ahead* 2008-2013 as the Victoria Police strategic plan for the next five years. *The Way Ahead* acknowledges the future challenges for police in keeping the community safe and tackling crime. The strategy will focus on a 12 per cent reduction in crime by prioritising the response to high volume crimes including burglary, theft, drink-driving and assault. In addition, police will examine alternative methods of crime prevention in consultation with government, business and the community.

Equal Opportunity Act: review

Raised with: **Attorney-General**

Raised by: **Mr Tee**

Raised on: **7 February 2008**

REPLY:

I refer to your statement in Parliament on 7 February 2008 in relation to the review of the *Victorian Equal Opportunity Act* 1995 (the Act).

In that statement you called for the Equal Opportunity Review to consider incorporating the best aspects of the equal opportunity regimes in other Australian and international jurisdictions. You also asked me to communicate with other States and Territories with a view to working towards national uniform standards for modern equal opportunity legislation, to the greatest possible extent.

I appointed Mr Julian Gardner in August 2007, to undertake an independent review of the Act. The Terms of Reference for the Review require any proposals for reform to take into consideration the different models for anti-discrimination legislation in Australian and relevant overseas jurisdictions. While there are many innovations in overseas jurisdictions, the Terms of Reference also require the Reviewer to bear in mind the Victorian context and government's aim to reduce the regulatory burden on business.

The Equal Opportunity Review Options Paper is due to be released in mid-March 2008. The Options Paper raises various options for reform to the *Equal Opportunity Act* 1995 for public consultation. Several of the options draw upon innovations in equal opportunity legislation in other Australian and international jurisdictions.

It is desirable for business and citizens to have uniform standards to the greatest possible extent, to provide certainty and consistency and to reduce the regulatory burden upon business. Clearer and consistent laws also help to improve compliance with the law and make the law more accessible for victims of discrimination.

At the March 2008 Standing Committee of Attorneys-General (SCAG) meeting, Attorneys-General propose to discuss the possible harmonisation of anti-discrimination laws. The outcome of Mr Gardner's review, expected in June 2008, could inform any consideration of harmonisation of anti-discrimination laws by SCAG.

Thank you for raising these important issues.

Water: fluoridation

Raised with: **Health**

Raised by: **Ms Pulford**

Raised on: **28 February 2008**

REPLY:

I thank the Member for Western Victoria, Ms Jaala Pulford, for her adjournment debate on 28 February 2008, regarding the extension of water fluoridation to western Victoria.

Water fluoridation is the adjustment of the level of fluoride in drinking water to around 1 part per million, the level that helps to protect teeth against decay. This has been practised for more than 50 years in Australia and 60 years worldwide.

Water fluoridation is supported by well-recognised organisations including: WHO; Australia's National Health and Medical Research Council; the Australian Dental Association and Australian Medical Association; Cancer Council of Victoria; Kidney Health Australia; Australian Centre for Human Health Risk Assessment; Public Health Association of Australia; Osteoporosis Australia and Arthritis Australia; Dental Health Services Victoria; the Dental Therapists' Association; University of Melbourne School of Dental Science; Royal Children's Hospital Department of Dentistry and VicHealth.

Currently, approximately 77 per cent of Victorians have access to fluoridated drinking water supplies.

Ms Pulford mentioned the disparity in dental health between those living in fluoridated and non-fluoridated communities, and quite rightly pointed out that six year old children living in fluoridated areas of Victoria experience 36 per cent less tooth decay in their baby teeth than those in non-fluoridated areas.

Victorian School Dental Service data shows that children who live in fluoridated areas in Victoria experience considerably less tooth decay than those in non-fluoridated areas.

Additionally, twelve year old children living in fluoridated areas of Victoria experience 22 per cent less tooth decay in their adult teeth than those in non-fluoridated areas.

People in non-fluoridated areas of Victoria still suffer greater dental health problems than those in fluoridated areas: In 2004-05 across Victoria, there were almost 5,000 children under the age of 10, including 250 two-year olds, who required a general anaesthetic for treatment of their dental decay. In the same year, in non-fluoridated areas of Victoria, three times as many people per capita required a general anaesthetic in hospital for treatment of dental decay than in fluoridated areas.

It is for these reasons that the Government has a policy of extending water fluoridation to those areas of Victoria yet to receive the benefits of this important public health initiative. In the 2004-05 State Budget an extra $97.2 million was allocated to dental health prevention and care initiatives, including $3.8 million to extend water fluoridation throughout rural and regional Victoria. In the 2007-08 State Budget an additional $1.5 million was allocated to fund further water fluoridation extension.
In the last two years, fluoridation of the drinking water supplies has commenced in the towns of Robinvale, Horsham, Moe, Sale, Warragul, Morwell, Traralgon, Wodonga and Wangaratta.

The Secretary of the Department of Human Services, under *Section 5 (1) of the Health (Fluoridation) Act, 1973*, requested Wannon Water to commence water fluoridation in Warrnambool, Allansford and Koroit in July 2007. This request was also made in February 2008 to North East Water for the towns of Yarrawonga, Devenish, Tungamah and St James. At the same time Wannon Water was requested to commence water fluoridation in the towns of Hamilton, Dunkeld and Tarrington. In March 2008 Central Highlands Water was requested to commence water fluoridation of Ballarat's drinking water system and Barwon Water was requested to commence water fluoridation in the Geelong drinking water system. When these fluoridation plants are commissioned, 87% of Victorians will be drinking fluoridated water.

The Department of Human Services is currently engaging with the western Victorian community of Colac about the health benefits of water fluoridation. The Department of Human Services also looks forward to engaging with other Victorian townships in 2008.

Planning: St Helena development

Raised with: **Planning**

Raised by: **Mrs Kronberg**

Raised on: **28 February 2008**

REPLY:

I am informed that:

The release of any reports supplied to the EPA falls within the portfolio of the Minister for Environment.

Police: Port Phillip

Raised with: **Police and Emergency Services**

Raised by: **Mrs Coote**

Raised on: **28 February 2008**

REPLY:

The Brumby Government is committed to providing safe streets and homes for Victorians by ensuring Victoria Police is highly professional and well resourced.

Since coming to office, the State Government has increased the number of police by over 1,400. Further we have increased funding to Victoria Police to a record budget of more than $1.6 billion in 2007-08, and funded the construction and refurbishment of 149 police stations across the state.

The Government's additional support to Victoria Police is showing good results. Victoria's crime rate has fallen 23.5 per cent since 2000-01, with Victoria now having the lowest crime rate in Australia.

However, the fight against crime is ongoing. That is why at the last election the Government committed to a further increase of 350 sworn police by 2010, as well as an additional 50 forensic and specialist investigators. In addition to this, the Government committed to providing additional resources and equipment to assist police in their work, including an extra 100 police cars.

Decisions on the placement of police throughout the state are operational matters and are made by police command on the basis of assessed need. It is important that this process is not subject to political interference. I am assured by the Chief Commissioner of Police that the level of policing across Victoria is continuously monitored by the respective Regional Command Officers, with a view to maintaining optimum policing effectiveness.

Victoria Police deploys first response police across its 56 Police Service Areas using a sophisticated resource allocation model incorporating 12 characteristics of the local community that are used to predict levels of crime and road trauma; the population of an area is just one of these. Victoria Police uses this model to ensure that police resources are distributed equitably and according to demonstrated operational need. It should be noted that, since 1999, the number of first response officers has increased in all police regions within Victoria.

Police: Orbost

Raised with: **Police and Emergency Services**

Raised by: **Mr P. Davis**

Raised on: **12 March 2008**

REPLY:

The Brumby Government is committed to providing safe streets and homes for Victorians by ensuring Victoria Police is highly professional and well resourced.

Since coming to office, the State Government has increased the number of police by over 1,400. Further, we have increased funding to Victoria Police to a record budget of more than $1.6 billion in 2007-08, and funded the construction and refurbishment of 149 police stations across the state.

The Government's additional support to Victoria Police is showing good results. Victoria's crime rate has fallen 23.5 per cent since 2000-01, with Victoria now having the lowest crime rate in Australia.

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Bushfires: prevention

Raised with: **Environment and Climate Change**

Raised by: **Mr P. Davis**

Raised on: **13 March 2008**

REPLY:

– Victoria has approximately 2,700 permanent staff (from DSE, Parks Victoria, DPI, DPCD, Melbourne Water and VicForests) who are available to undertake frontline firefighting, burning and support roles such as incident management team members.

– In addition to permanent staff, Project Fire Fighters (PFFs) are employed under contract for fire suppression and are retained to support the burning program. The length of their contract varies from three to six months.

– DSE continuously reviews and adjusts PFF numbers throughout the fire and burning season to match seasonal conditions and burning requirements. Decisions to review PFF numbers are made on a month by month basis to ensure that the Department maintains flexibility to increase and decrease numbers according to fire danger and planned burns.

- In 2007/08, PFF numbers across the State peaked at 684 during the week of 31 December (205 were in Gippsland–30%) during the high fire danger period and are now at 496 (140 of these in Gippsland–28%).

- Recent plans to downsize PFF numbers in Gippsland were reassessed on the basis of forecast extremely hot weather and the continuing dry conditions. All PFFs who were offered extensions will now continue into the burning period.

- Resources for firefighting (PFF's, aircraft etc.) usually peak during January and February and decline as Autumn approaches. This coincides with the fact that a large number of PFFs are tertiary students and return to studies at this time of year.

- DSE has significant capacity to deploy people around the state at very short notice ensuring a high level of preparedness for fire suppression and burning activity. The current PFF numbers supported by the large number of permanent staff provides a more than adequate resource pool across the state.

- Last season, 97 planned burns were completed in Gippsland, treating 66,644ha. This was in excess of the planned area of 51,149ha and included large burns in far East Gippsland. This large program will continue, weather permitting, this autumn.

WRITTEN ADJOURNMENT RESPONSES

Responses have been incorporated in the form supplied by the departments on behalf of the appropriate ministers

Wednesday, 16 April 2008

Australian Power and Gas: consumer contract

Raised with: **Energy and Resources**

Raised by: **Mr Atkinson**

Raised on: **5 February 2008**

REPLY:

Energy retailers (and their agents) are subject to general consumer laws such as the *Fair Trading Act 1999* (FTA) and the *Trade Practices Act 1974* (TPA). Additionally, retailers are required to comply with applicable codes of conduct such as the Code of Conduct for Marketing Retail Energy in Victoria and the Energy Retail Code.

Energy specific codes require the retailer to secure explicit informed consent from the customer and to take reasonable steps to conduct negotiations with a person who has the authority to enter into a contract for electricity to be supplied to that site.

Australian Power and Gas has advised that it is currently investigating the matters raised by Mr Atkinson and that marketing activity has been suspended in the relevant area until the matter has been fully investigated.

This matter has been brought to the attention of the independent regulator for electricity and gas services in Victoria, the Essential Services Commission, who monitors compliance with the energy-specific retail codes.

Firearms: licensing

Raised with: **Police and Emergency Services**

Raised by: **Mr Vogels**

Raised on: **26 February 2008**

REPLY:

The Firearms Regulations 1997 will sunset on 21 April 2008. The Regulations provide an operational framework to give effect to key elements of the *Firearms Act 1996* (the Act), including the prescription of fees payable for an application for a licence, permit, approval or authority under the Act, and requirements that must be fulfilled before shooting can take place on certain types of land.

Notice of a Regulatory Impact Statement and Exposure Draft of the proposed Firearms Regulations 2008 was published in February 2008. The closing date for submissions was 17 March 2008. The Department received 221 public submissions, which were forwarded to me for consideration. After thorough consideration, I have decided to make the new regulations with the following amendments:

Fees

Fees in the Exposure Draft of the proposed regulations were set on a full cost recovery basis and reflected the total cost of administering each licence. This means that whereas under the previous (1997) regulations, the cost of

administering the more expensive licences was absorbed by the cost of the licences that were less costly to administer, any cross-subsidies between licences were removed.

Removing the cross-subsidies resulted in reductions for the majority of licensees, with substantial increases for a small group of others, for example, the dealer licensees. The firearms industry gave feedback that the cross-subsidies should be retained.

Under the new regulations, each fee under the Schedules will increase by 2.5 per cent, except where this would result in an increase of less than a dollar. This will achieve full recovery of the costs of processing licences, permits and approvals, but will distribute those costs more evenly across the firearms community.

Proposed Regulation 6 - requirements for the suppression of pest animals

The previous regulation imposed several restrictions, including prior notification to a police station where a farmer uses their firearms on another primary producer's property for the purposes of pest suppression.

Stakeholders gave feedback that these requirements were impracticable, and that compliance was low. The regulation now has been aligned with the requirements for the use of firearms in this context with some of the key requirements that apply to sport or target shooting activities on private property. The requirements to inform police of the place and date that the activity will occur were removed, and have been replaced with requirements that the activity does not occur within 250 metres of a dwelling or 100 metres of a public road.

Proposed Regulation 14–cap on dealers' fees for acting as agents

The previous regulations prescribe a maximum fee of $10 that dealers can charge for this function. Stakeholders gave feedback that the fee was too low and should be increased. Based on advice from the Victorian Firearms Consultative Committee, the cap has been increased to a maximum of $25. The regulation gives dealers the discretion to charge less than the maximum.

Proposed Regulation 22–conduct of shooting activity on private property

This regulation applies to sport or target shooting on private property, not approved ranges. However, stakeholders argued its application was unclear and that it purported to regulate the conduct of all shooting activity on private property. In order to clarify its scope, the heading of the regulation has been amended to include a reference to "sport and target shooting".

Regulation 22, of the Firearms Regulations 2008, replicates the former Regulation 18A. I note your concern that this provision will "impact on clubs operating ranges throughout the state", however, the regulation does not apply to approved ranges but to private property, which excludes all approved ranges and crown land.

Although the new regulations have been made, they will not come into operation until 20 April 2008. After this date, they will be available for download from the Victorian legislation and parliamentary documents website at www.legislation.vic.gov.au. Until then, the 1997 regulations and fees will apply.

Electricity: regional and rural supply

Raised with: **Energy and Resources**

Raised by: **Mrs Petrovich**

Raised on: **26 February 2008**

REPLY:

The adjournment comments made on 26 February 2008 by Ms Petrovich upset the good people of Mount Beauty and this was reported in the Border Mail on 1 March 2008:

> "But Mount Beauty Chamber of Commerce president Steve Gardiner said such a short loss of power throughout a whole year was hardly worth worrying about.
>
> The Mount Beauty Holiday Centre and Caravan Park operator said the 2006 figure was misleading as several hours were lost when power was turned off in town for a major electrical job at the town's supermarket.
>
> "There was a major turnoff by the power company because the supermarket had to be put on three phase power," Mr Gardiner said.
>
> "And of course that would have affected a lot of people."
>
> Mr Gardiner said there had not been any concerns raised about power problems in the town.
>
> "Most people are happy," he said.
>
> "Unfortunately we had one situation with the supermarket, but we worked around that and there wasn't a problem."

In her adjournment contribution on the Mount Beauty area, Ms Petrovich failed to mention that there was a significant planned electricity outage in 2006 as part of the upgrade of the local supermarket to three phase power. This upgrade was completed in consultation with those affected and contributed significantly to the total time the town was without power in 2006.

The Essential Services Commission (ESC) actively monitors and publicly reports on electricity distributors' performance and the level of customer complaints. Interested stakeholders can find this information on the ESC's website (www.esc.vic.gov.au), and will be able to track distributors' actual performance over time.

New investment to facilitate improvements in the distributors' reliability of supply performance is encouraged through two mechanisms which 'incentivise' distributors. Firstly, a reliability incentive is built into the distribution price controls determined by the ESC. Distribution businesses that improve their reliability of supply are financially rewarded, but also can be penalised if reliability of supply deteriorates.

The second incentive is more directly applicable to consumers adversely affected by power supply problems. If individual consumers experience service disruptions beyond a certain threshold they are entitled to "Guaranteed Service Level" payments (GSLs). The GSLs differ in amount depending on the frequency and duration of the reliability problem. GSLs are set out in the ESC's Electricity Distribution Code available on ESC's website (www.esc.vic.gov.au).

Further, to ensure Victorians receive a progressively more reliable supply into the future, a substantial enhancement was made in 2006 to the service level incentives and GSLs. It is anticipated these higher rewards, penalties and payments will encourage distributors to deliver a level of service that consumers are willing to pay for.

The distributor responsible for the electricity distribution network in the Marysville area is SP AusNet. SP AusNet has identified that upgrading the main high voltage line to the area will improve the reliability of supply. The company proposes to spend over $40 million over the next two years to upgrade this particular transmission line. In the meantime, SP AusNet has advanced their tree cutting schedule to reduce the number of outages in this location.

Yarra Valley: mining and prospecting licence

Raised with: **Energy and Resources**

Raised by: **Mr O'Donohue**

Raised on: **27 February 2008**

REPLY:

I am advised as follows:

It is wrong for Mr O'Donohue, Member for Eastern Victoria, to claim that the area of exploration licence EL 5072 falls within the Maroondah phylloxera management zone.

The Department of Primary Industries (DPI) has reviewed the area of the licence and determined that the licence area does not cover the Maroondah phylloxera infected zone (PIZ).

When an exploration licence is first granted, the licensee is permitted to undertake non-intrusive activities (i.e. exploration using hand tools, computer modelling and review of data generated by previous explorers in the area). Once a work plan has been approved (typically in the second year of the licence) the licensee is permitted to undertake intrusive activities such as air-core drilling, costeaning, and other limited ground disturbing activities. Once the work plan is approved, DPI attaches stringent conditions addressing operational and environmental management to the approved work plan, which the licensee must adhere to. DPI inspectors regularly check a licensees performance against the stringent conditions applied. During the life of an exploration licence, only minimal impacts will be felt by affected land owners and neighbours.

It is worth noting that an exploration licence does not allow mining.