

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

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

Wednesday, 27 February 2008

(Extract from book 2)

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By authority of the Victorian Government Printer

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The Lieutenant-Governor

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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 Elasmarr 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 Elasmarr, Mr Guy and Ms Hartland. (*Assembly*): Ms Green, Mr Hodgett, Mr Nardella, Mr Seitz and Mr K. Smith.

Public Accounts and Estimates Committee — (*Council*): Mr Barber, Mr Dalla-Riva, Mr Pakula and Mr Rich-Phillips. (*Assembly*): Ms 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

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FIFTY-SIXTH PARLIAMENT — FIRST SESSION

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Mr DAMIAN DRUM

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Darveniza, Ms Kaye Mary	Northern Victoria	ALP	Pakula, Mr Martin Philip	Western Metropolitan	ALP
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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
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Finn, Mr Bernard Thomas C.	Western Metropolitan	LP	Scheffer, Mr Johan Emiel	Eastern Victoria	ALP
Guy, Mr Matthew Jason	Northern Metropolitan	LP	Smith, Hon. Robert Frederick	South Eastern Metropolitan	ALP
Hall, Mr Peter Ronald	Eastern Victoria	Nats	Somyurek, Mr Adem	South Eastern Metropolitan	ALP
Hartland, Ms Colleen Mildred	Western Metropolitan	Greens	Tee, Mr Brian Lennox	Eastern Metropolitan	ALP
Jennings, Mr Gavin Wayne	South Eastern Metropolitan	ALP	Theophanous, Hon. Theo Charles	Northern Metropolitan	ALP
Kavanagh, Mr Peter Damian	Western Victoria	DLP	Thornley, Mr Evan William	Southern Metropolitan	ALP
Koch, Mr David Frank	Western Victoria	LP	Tierney, Ms Gayle Anne	Western Victoria	ALP
Kronberg, Mrs Janice Susan	Eastern Metropolitan	LP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP
Leane, Mr Shaun Leo	Eastern Metropolitan	ALP	Vogels, Mr John Adrian	Western Victoria	LP

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Wednesday, 27 February 2008

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

**CLASSIFICATION (PUBLICATIONS,
FILMS AND COMPUTER GAMES)
(ENFORCEMENT) AMENDMENT BILL**

Introduction and first reading

Received from Assembly.

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

**VICTORIAN COMPETITION AND
EFFICIENCY COMMISSION**

*Simplifying the Menu — Food Regulation in
Victoria*

Mr **LENDERS** (Treasurer), by leave, presented report of September 2007 and government response.

Laid on table.

PAPERS

Laid on table by Clerk:

Auditor-General — Report on Agricultural Research Investment, Monitoring and Review, February 2008.

EastLink Project Act 2004 —

Variation Statement Nos. 10 to 28, pursuant to section 21(3) of the Act (19 papers).

EastLink Concession Deed, First Amending Deed, 28 June 2007.

Project Development and Construction Management Act 1994 — Nomination order, application order and statement of reasons for making a nomination order, 19 February 2008.

Statutory Rules under the following Acts of Parliament:

Rail Safety Act 2006 — No. 9.

Subdivision Act 1988 — Transfer of Land Act 1958 — No. 8.

Veterinary Practice Act 1997 — No. 7.

Subordinate Legislation Act 1994 — Minister's exemption certificate under section 9(6) in respect of Statutory Rule No. 8.

BUSINESS OF THE HOUSE

General business

Mr **D. DAVIS** (Southern Metropolitan) — By leave, I move:

That general business on Wednesday, 27 February 2008, be taken in the following order:

- (1) the order of the day for the resumption of debate on the Port Services Amendment (Public Disclosure) Bill 2008;
- (2) notice of motion no. 27 standing in the name of Ms Pennicuik relating to a reference to the Standing Committee on Finance and Public Administration;
- (3) notice of motion no. 24 standing in the name of Mr Guy relating to the 75th anniversary of the great Ukrainian famine — Holodomor; and
- (4) notice of motion no. 35 relating to a reference to the Family and Community Development Committee.

Motion agreed to.

MEMBERS STATEMENTS

Port Phillip Bay: channel deepening

Mr **KOCH** (Western Victoria) — The Port of Melbourne Corporation has declared it is not prepared to compensate the diving industry, claiming that if operators are affected by dredging they should use the legal system. This is despite it acknowledging that dive operators will experience revenue losses of over \$4 million while Port Phillip Bay is being dredged.

Dive operators in Geelong are telling me that dredging has already reduced underwater visibility off Queenscliff from an average of 20 metres before dredging commenced to as little as 1.6 metres during ebb tides. The grey, murky water caused by the silt plume is not just confined to the bay but extends some 8 kilometres beyond the Heads, reducing visibility for diving operators and recreational dive fishermen who are now confined to areas away from the Heads. This has had a ripple-down effect for Geelong diving businesses, which are reporting a drop in business of up to 60 per cent. With an expected two years of turbidity forecast as a result of dredging the impact of diminished returns has the potential to send these businesses to the wall.

The Brumby government needs to be more generous in spirit — something it is not big on — for these small dive business operators and compensate them while dredging works are under way, as their association has

not got the financial capacity to take on the legal might of the Port of Melbourne Corporation.

Gaming: poker machines

Ms HARTLAND (Western Metropolitan) — On Monday night Melton Shire Council approved an application from the Hawthorn Football Club and Tattersall's to stab 80 pokie machines into the heart of Caroline Springs. While I understand how hard it is for councils to win at the Victorian Civil and Administrative Tribunal against pokie machines, more people like those at Macedon Ranges and Ocean Grove need to take a stand.

The applicant offered the shire \$155 000 in community funding in return for allowing the machines, but on my calculation, the machines will suck about \$10 million out of the community each year. That is not a great deal for the community. Collingwood Football Club is at the front entrance of Caroline Springs, and the club has 60 machines. Ten Victorian Australian Football League clubs operate 18 venues with 1191 pokie machines between them; now it will be 1271 pokie machines. Do football fans really want their clubs to be funded by family breakdown, crime, lost homes and ruined dreams?

The residents of Edgewater in Maribyrnong have banded together to fight a proposal for a licence which will operate from 7.00 a.m. to 3.00 a.m. This licence is for the Western Bulldogs. I give the residents group my full support. I am fairly certain that the Maribyrnong City Council will stand up and say no to this proposal. I do not care if a team wins the grand final; it is a loser if its pay packets come from pokies.

Transport Accident Commission: advertising campaign

Mr LEANE (Eastern Metropolitan) — It was an emotional experience to attend the launch of Pictures of You, the TAC (Transport Accident Commission) advertising campaign which features real people who have lost family members in speeding-related crashes.

I congratulate everyone involved in creating this very powerful message about the lasting pain created by speeding on our roads. I congratulate the Minister for Finance, WorkCover and the Transport Accident Commission in another place, the TAC and Grey Worldwide advertising, and I particularly congratulate the 10 families that made themselves available for the campaign in their hope that motorists will get the message that speeding drivers are the biggest killers on Victorian roads and in their hope that in the future more

families will not have to go through the grief they go through every day.

The launch was held at Parkwood Secondary College, because one of the children depicted in the campaign was a student at the college at time of his death. This is a further message that speeding fatalities affect the whole community.

Multicultural affairs: community events

Mr LEANE — On a further matter, I would like to congratulate the 14 multicultural community groups in the Knox area that were recently presented with grants for festivals and events by the Minister for Sport, Recreation and Youth Affairs in another place, at the Temple Society in Bayswater. The principal of Heathmont East Primary School explained to me on the day that its grant will be used to host a multicultural day for the government's annual Celebrate Our Cultural Diversity Week, with activities designed to broaden the students' knowledge of cultures through cooking, games, crafts dance and music.

Crime: assaults

Mrs KRONBERG (Eastern Metropolitan) — Those who are not expressing concern about the fearsome level of violence in the streets of Melbourne and its suburbs must not move around at night. The problem is seeping into every corner of activity.

Just last Saturday night my son saw some of this violence firsthand. At one of the McDonald's restaurants in the city, a queue developed in the baby change room. Why a queue there, you might ask. Apparently heroin addicts have taken over the two upstairs toilets in the past, so the restaurant has had to resort to corralling its patrons in the baby change facility — too bad if you had a baby to change! You would have had to wait in the long queue, which erupted into violence when a young woman was inadvertently locked in. Apparently an entire restaurant with some 50 patrons witnessed this and there was a real possibility of this powder keg environment erupting into a full-scale brawl. It seems that everyone was working on a hair-trigger mechanism.

You do not have to be a patron of a large, boozy club filled with drug-hazed teenagers to experience violence; all you need is a desire for fast food. Already too many people have been seriously or fatally injured. Lawless rampages by binge-drinking hordes confront our courageous but undermanned police. When is this government going to beef up our police force and stop

attacks like the savage tomahawk attack in Kealba last Friday and return the streets to citizens?

Gang violence is now at such a level that we are compared to New York before it introduced its zero tolerance policy. My message for this government is that we have racially or criminally based gang violence — an expression the government cannot tolerate and cannot use — and we have thousands of young binge drinkers out of control on any night right across Melbourne.

National Sorry Day

Mr EIDEH (Western Metropolitan) — On 13 February in the federal Parliament the Prime Minister of Australia, Mr Kevin Rudd, on behalf of the Australian people offered a sincere apology to the stolen generations. Members would be aware that the Minister for Aboriginal Affairs in the other place attended this memorable occasion as a representative of the Victorian government.

National Sorry Day was a significant event for all Australians as it recognised the pain suffered by indigenous Australians and showed empathy and compassion to those Australians who were deeply affected by the policies and actions of past governments. Many workplaces and schools in Victoria showed their support by watching on television and listening to radio broadcasts of the Prime Minister's Sorry Day apology.

This house should also remember that on 17 September 1997 the then opposition leader, now the Premier, John Brumby, supported the Victorian Parliament's apology for the past policies that caused deep and sad pain to many Aboriginal families. I praise and thank the Premier for doing that and for inviting all members of the Victorian Parliament to work towards healing past wounds. We can do so by planning and providing improved education and health services for indigenous Australians. We can all take the time and interest needed to listen to their stories and to better understand what is required to create a better future for all Australians.

Freshwater Hole Road, The Heart: timber bridge

Mr HALL (Eastern Victoria) — This morning I bring the house's attention to the plight of one of my constituents, Mr Colin Guest of the Heart via Sale. Mr Guest is a primary producer, and his property is on either side of The Heart morass, a noted wetland area around the city of Sale. Access to either side of his

property is via a bridge called Freshwater Hole Road bridge.

The bridge, an old timber structure, has fallen into a state of disrepair, forcing the Shire of Wellington to close it for public safety reasons as it is on a government road. Mr Guest has approached the shire for funding to make repairs for the bridge, but the funding program for timber bridges in country Victoria is very limited. The council has indicated it could be 10 to 20 years before it has the funding to undertake repairs to that bridge. Meanwhile Mr Guest's property is divided, and he does not have access to one side of it.

This highlights the need for state governments to contribute more to dedicated funding to assist local government in the maintenance and construction of timber bridges. In my electorate the East Gippsland and Wellington shires are two municipalities that have many of them. I call on the government today to assist people like Mr Guest and provide some dedicated funding to local government to assist in the maintenance and repair of timber bridges.

Happy Valley school: redevelopment

Ms PULFORD (Western Victoria) — Last Friday, 22 February, I had the privilege of representing the Minister for Regional and Rural Development in the other place at the opening of stage 2 of the Happy Valley old school building improvement project. The Brumby Labor government has funded this \$80 000 project with a \$53 000 contribution from the small towns development fund.

The Happy Valley school was closed in 1940. However, about 20 years ago the Happy Valley school restoration group transformed this derelict building into a valued community asset that has become the hub of community activity in Happy Valley.

At Happy Valley I was joined by new mayor of the Shire of Golden Plains, Des Guinane, and chief executive officer, Rod Nicholls. The shire contributed \$16 000 towards the project, and the remaining \$10 500 was provided in kind by the Happy Valley school restoration group.

The facility's improvements include repairs to external rendering, insulation and installation of a new false ceiling, replacement of roof sheeting, installation of a new kitchen floor, installation of fly screens on doors and windows, and the rebuilding of the chimney.

The Happy Valley project is another example of the government's commitment to local communities in regional Victoria. I congratulate Ian Getsom and the

Happy Valley school restoration group. At the opening Ian told some stories about the hall's long and rich history and the role it has played in the community. I hope this grant will enable the hall to enjoy the next chapter in its life.

Youth: alcohol abuse

Mrs PEULICH (South Eastern Metropolitan) — The habit of imbibing alcohol has been a long-standing practice in our civilisation, especially in the celebration of important events. However, the epidemic of binge drinking has now reached significant proportions. I commend all members of Parliament who took part in FebFast as a way of drawing attention to it.

Binge drinking has often been highlighted in relation to road safety, but my personal concern also relates to the number of young people who may be exposing themselves to alcohol-related brain impairment (ARBI). Every year more than 2500 Australians are treated for ARBI, with approximately 200 000 Australians being undiagnosed. Around 2 million Australians are potentially at risk of developing ARBI due to their drinking habits. It affects memory, cognitive-related abilities and physical coordination. Few organisations provide the specialist services that are required.

Currently much of the emphasis has been on road safety. I believe the government needs to do more to raise awareness of the risk of permanent brain impairment that young people are exposing themselves to as a result of binge drinking. The government needs to invest more in preventing as well as supporting the organisations that are offering those specialist services.

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

International Women's Day

Ms MIKAKOS (Northern Metropolitan) — On 8 March we celebrate International Women's Day, on which we remember the struggle of generations of women for social, economic and political rights — from the right to vote to the right to own property, to have an education, to earn equal pay and to live free from violence. This year there is the added celebration of the centenary of women's suffrage. I want to pay tribute to all the women and men who campaigned to allow Victorian women the right to vote. The suffragists came from a wide variety of backgrounds, including the Labor Party, trade unions and the Woman's Christian Temperance Union. The first bill was introduced in 1889, and it took 19 bills until the Adult Suffrage Bill was passed by this house on

18 November 1908. Sadly Victoria was the last state to introduce women's suffrage.

Recently I had the honour to meet some of the descendants of the suffragists at the launch of the centenary events at Federation Square. I think they have a lot to be proud of. I note that there are still areas where women have not yet achieved equality. I congratulate Prime Minister Kevin Rudd on referring to the Productivity Commission the issue of paid maternity and paternity leave. I note that Australia and the United States remain the only countries in the Organisation for Economic Cooperation and Development not to have yet introduced a system of paid maternity or paternity leave. I hope when the Productivity Commission makes its recommendations this issue can be rectified. I take this opportunity to congratulate all the women's organisations for their participation in the recent event at Federation Square.

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

Schools: Investing in Our Schools program

Mr FINN (Western Metropolitan) — Is it any wonder politicians are held in such low regard in this country? Then opposition leader Kevin Rudd traversed the length and breadth of Australia throughout the course of last year extolling the virtues of his so-called education revolution. Apart from guaranteeing a laptop for every child's desk, he was a little short on specifics. Now we know why! Opposition leader Rudd told us before the election that he supported the \$1.2 billion Investing in Our Schools program, designed by the Howard government to support schools neglected by state Labor governments. In my region of Western Metropolitan a number of principals have shown me, with considerable excitement, some of the improvements that federal funding has provided for their schools — new toilet blocks and upgraded ovals and sports facilities, among other things.

Now, as Prime Minister, what has Kevin Rudd done as the first act of his education revolution? He has scrapped the Investing in Our Schools program — ripping \$1.2 billion from our schools and throwing them to the mercy of his state Labor colleagues. It is a despicable and dishonest act that deserves the contempt of every student, teacher and school community in this nation. If this is a sign of things to come from the Rudd government, then God help us all!

Mental health: employment strategy

Mr TEE (Eastern Metropolitan) — Today I wish to raise in the house the issue of mental health. One in five Australians experiences some form of mental illness each year, which represents about 100 000 constituents within my electorate. Issues around mental health have been fully canvassed in a report by the Mental Health Council of Australia called *Let's Get to Work — A National Mental Health Employment Strategy for Australia*, which makes for compelling reading. People with a mental health illness have a 71 per cent unemployment rate. This is of concern for a nation in the midst of an economic boom. With unemployment levels at record lows, now is the time to tap into this underutilised source of labour skills.

I fully support the mental health council's target of trying to reduce the unemployment level of people with mental illness to 53 per cent by 2015. This will require some changes to the Howard government's welfare-to-work regime, a regime which the chief executive officer of the mental health council recently said made it difficult for people with a mental illness to enter into the workforce and retain ongoing employment.

It is important that the new Rudd government give careful consideration to the mental health council's report and adopt a national mental health employment strategy.

Doncaster East: liquor outlet

Mr ATKINSON (Eastern Metropolitan) — I note with dismay that the director of liquor licensing has granted a liquor licence to Woolworths for a Dan Murphy's liquor outlet at East Doncaster, despite considerable objection from the local community and opposition from the Manningham City Council. The reasons for the grant of this licence have yet to be published, and I look forward with some interest to reading them. I also look forward to some sort of confirmation that the director, Sue Maclellan, actually visited the site and had a look at what residents are concerned about in this area.

The duplicity of this government is amazing: it talks about the problems of alcohol abuse, which is clearly behind a current campaign to attack alcohol usage in a range of venues across Melbourne and to suggest that there are too many licences issued — most of them under this and previous Labor administration policy — while at the same time issuing this licence to Dan Murphy's in a shopping centre where there is already

an outlet for Nicks Wine Merchants, a sizeable liquor retailer, trading. This is outrageous!

Nagambie on Water Festival

Ms DARVENIZA (Northern Victoria) — Last week I was very pleased to announce a \$10 000 grant to the Nagambie on Water Festival. This is the first event of its kind in Nagambie, and the three-day event will be held between 7 and 9 March. The festival will run around the township of Nagambie and is designed to showcase the township, its very picturesque lake and the produce of its hinterland. The extensive program will focus on water sport and water-based activities, including the inaugural pub-to-the-park swim, waterskiing and skydiving. There will also be craft markets, memorabilia displays, a Battle of the Bands competition and an outdoor cinema. I encourage all members to have a look at this program, and I encourage them to attend the festival.

I would like to congratulate the organisers, particularly the Strathbogie council, for putting together a fantastic program. I know it will be a great event.

PORT SERVICES AMENDMENT (PUBLIC DISCLOSURE) BILL

Second reading

Debate resumed from 6 February; motion of Mr D. DAVIS (Southern Metropolitan).

Mr PAKULA (Western Metropolitan) — I am pleased to rise to speak in opposition to the bill moved by the Leader of the Opposition, because it is fundamentally flawed. This bill is principally not about disclosure of information about the channel deepening project, because the vast majority of the information the bill seeks is already available. The bill is really about a fairly sad, transparent attempt by the Leader of the Opposition in the other place to continue to have two bob each way on this project.

No doubt debate on this bill will be fairly wide ranging, but whatever other parties might say about the government's position on channel deepening, one thing that nobody can deny is that its position has been both consistent and unambiguous: we support the project.

In supporting the project we are in good company. The project is also supported by the Victorian Trades Hall Council, the National Union of Workers, the Transport Workers Union of Australia, the Maritime Union of Australia, VECCI (the Victorian Employers Chamber of Commerce and Industry), the Australian Industry

Group, the Victorian Freight and Logistics Council, the Victorian Farmers Federation and the Committee for Melbourne, amongst others.

Mr Hall — What about us?

Mr PAKULA — We will come to The Nationals, Mr Hall, because I am not quite sure of your position any more.

I think it is worth indicating why the government supports the project. We support it because it is essential to the ongoing economic development of the state of Victoria. It will create jobs in Victoria, but as importantly it will protect jobs in Victoria. Members should reflect on this: if major global shipping lines cannot get their ships through the Heads or up the river, what do members think those shipping lines will do? Do we think they will say, 'That's all right, we'll just send one of our small old ships'? No, they will say to companies, 'We will pick up your stuff or we will drop off your stuff at Brisbane or Sydney and you can get it there, or you can drop it off there'.

I have personally spoken to two of the major users of the port of Melbourne, one of them a major importer and one of them a major exporter. I asked them simply what would happen to their distribution centres if the shipping lines could not get their new generation ships into the port. The answer from both of them has been unambiguous. They have said, 'Eventually we will leave Melbourne'. I think members should imagine what would happen if the major distribution centres that are currently in Melbourne moved to New South Wales or Queensland. If just one of those companies moved its distribution centre out of Melbourne, a couple of thousand jobs would be gone overnight. Also the product would have to be transported hundreds of kilometres down to Melbourne rather than 20 or 40 kilometres, and that is worse for the environment.

It is all right for Ms Jenny Warfe and the rest of the Blue Wedges coalition, who are primarily down on the Mornington Peninsula, to want to trade away the jobs of truck drivers, storemen and process workers who work in the northern and western suburbs of Melbourne. It is all right for them; it does not affect them.

I want to give the house a couple of quotes — because I do not want people to think I am making this stuff up — from the submission by VECCI —

Mr D. Davis — You live on the same side of the bay as Ms Warfe.

Mr PAKULA — That is hardly the point, Mr Davis.

VECCI made a submission to the panel. I will not name the companies, because I do not think it is appropriate, but the first one is a precision equipment distributor whose trade volume through the port of Melbourne last year was 132 containers, worth \$100 million. That company wrote:

An efficient Melbourne port is essential to our operation. If the Melbourne channel is not deepened and Sydney, Brisbane and Adelaide benefit from greater frequency of service and cheaper freight rates, we would seriously consider relocating our national logistics hub to Brisbane. This would move 72 jobs.

The other quote is from a major service and distribution group which sends 30 000 containers, worth \$750 million, through the port. It says that would rise by 15 per cent if channel deepening were completed. It says that over 2000 logistics jobs rely on efficient port services. It wrote:

The Melbourne port is a major artery for our business. If the channel is not deepened, we expect service to decline and costs to rise. This would most likely force us to shift our logistics operations to Sydney within five to 10 years as our major competitor uses Sydney and would enjoy a growing advantage over us.

So the threats to jobs and the state economy are very real.

However, the opponents of the project say, 'Aha, but you cannot bugger the bay. No economic argument justifies bugging the bay'.

The PRESIDENT — Order! It may seem almost borderline, but the comment Mr Pakula made really is not parliamentary in my view — not in the strict sense of parliamentary terminology. I remind the member to look behind him and up.

Mr PAKULA — I do apologise, President.

The PRESIDENT — And Mr Pakula is withdrawing that particular remark?

Mr PAKULA — I do withdraw that remark. The stickers I have seen around town have obviously worked into my brain.

The first point to make about the argument that you cannot wreck the bay no matter what the economic argument may be, is that this is not the first time the channel has been deepened. It is not the first time the bay has been dredged. In fact since 1900 the bay has been dredged six times. The draft at the Rip has been increased by more than 4 metres since the turn of the

20th century. Every time the bay has been dredged, there has been some short-term impact on the bay, and every time the bay has recovered. None of the previous dredging exercises has had one-tenth of the environmental protections put in place that this project has. Up until the 1980s, when the bay had to be deepened at the Heads explosives were used. It is important for members to recognise that the dredging that has taken place in the bay over the last 100 years is the very process that has allowed the port of Melbourne to be Australia's biggest container port. It is the very process that has meant that the port of Melbourne can currently handle \$75 billion worth of trade each year.

When that argument is shot down, the next argument we hear is, 'But we should do what Lindsay Fox has suggested and move it all down to Hastings'. Quite apart from the fact that the bay at Hastings also needs to be dredged, quite apart from the fact that Hastings has ecological issues at least as sensitive as Port Phillip Bay and quite apart from the fact that Western Port has its own coalition that will oppose a port down there at least as vigorously as Blue Wedges has opposed the deepening of the port of Melbourne shipping channel, there is the simple fact that it will take years for Hastings to be anywhere like up to scratch. It does not have the road links, it does not have the rail links and it does not have the port infrastructure, and to bring Hastings up to speed will cost at least 10 times more than the bay dredging project currently on foot.

That is why the Labor Party supports the project. I think by comparison it is worth reflecting on the positions of the other parties in this chamber. In advance I will apologise to Mr Kavanagh, because I do not know what the Democratic Labor Party's position is. No doubt we will hear during the course of the debate.

I want to start with the Greens. Unsurprisingly yesterday Ms Hartland indicated that the Greens position, particularly in the inner west, lines up with the Maribyrnong Truck Action Group position, and the Greens, through Ms Pennicuik's comments, have been fairly consistently opposed to the project in Parliament. It appears, as Ms Hartland I think indicated, that there is an ongoing, emerging and mutually beneficial relationship between the Greens and MTAG, but frankly, repeating MTAG's claims that dredging will mean four times more trucks in the inner west is just nonsense, and I suspect Ms Hartland knows it. Ms Hartland is relying on figures that refer to container movements by the year 2035 and is trying to paint the picture that those sorts of outcomes will occur by the time the deepening of the channel is concluded.

In any case, what is the solution proposed by groups like the Maribyrnong Truck Action Group? I have read the letters of Mr Peter Knight in the local paper, and he has said, 'We agree with Lindsay Fox. Send the trucks down to Hastings. Send the port down to Hastings and send the goods back to Melbourne by rail'. I think it is important to point out that there is a community group down at Western Port that opposes both the port at Hastings and a railway line. It is called the Southern Victoria Community Action Group, and it is led by a woman by the name of Catherine Manning.

Mr Finn — Which ones do you represent? Do you represent the west or the south?

Mr PAKULA — Listen to me, Mr Finn, and you will hear what I have to say.

In late November or early December the Southern Victoria Community Action Group held a meeting at Glen Huntly Park. Let us see who was at that meeting. According to the *Glen Eira Leader*, Margaret Esakoff, the mayor of Glen Eira, was there, as were Helen Shardey, the Liberal member for Caulfield in another place and Ms Pennicuik. Given Ms Hartland's stance in support of the Maribyrnong Truck Action Group — 'Send it down to Hastings and truck it back by rail' — I think I am entitled to assume that Ms Pennicuik's contribution to the Southern Victoria Community Action Group would have been, 'No, you are wrong; the Greens support a port at Hastings and support a rail line to Hastings, and you should cop both the port and the railway line' if the Greens position were consistent. Or did Ms Pennicuik tell that meeting something else? Is it just another example of the Greens opportunistically attaching themselves to any community group to capitalise on community disquiet, even if the interests of one community group are absolutely contrary to the interests of another group? I think the Greens have to explain whether they support the position of the Maribyrnong Truck Action Group or the group down at Western Port, because they cannot support both.

Then we move to The Nationals. To give them their due, members of The Nationals have been good on this issue, but I think in light of the recent coalition agreement this is their first real test. On 31 January AAP reported that the Leader of The Nationals, Mr Ryan, had said that The Nationals strongly supported the project. The Nationals have in the past recognised that for country Victorians in particular, and more particularly those in the dairy industry, this project is not just necessary, but crucial. The Murray Goulburn Co-operative, the biggest dairy exporter in

the state, is unambiguous in its support, as is the Victorian Farmers Federation.

The Nationals know that the environmental approval process has been both thorough and exacting. The Nationals federal leader, Warren Truss, was quoted in the *Age* of 2 November last year as saying that the government should just get on with it. The question for members of The Nationals is: what are they going to do now? Are they going to do what they know is right — what both their hearts and heads tell them to do and what is unequivocally in the interests of the people whom they claim to represent? Are they going to listen to their own voice — the one that is saying, ‘Get on with it!’, or are they going to vote for more expense, more delay and more red tape, because the leader of the Liberals wants to represent a phoney picture to a constituency that has no time for The Nationals’ constituency. That is the challenge for The Nationals.

Then we come to the Liberal Party. This is a pretty sad and sorry effort from the Liberal Party. This is the one issue that encapsulates the essential truth of Phil Davis’s lament that no-one understands what the Liberal Party stands for. On this issue it is simply because the Liberals are trying to be all things to all people. Channel deepening really ought to be a no-brainer for the Liberal Party. It is a major infrastructure project, supported by the business community as well as by the Trades Hall, and is economically imperative for the state’s future. The Leader of the Opposition has spent the last six months trying to convince the business community that he is all for the project, but at the same time he is dog whistling to every fringe enviro-activist group and saying, ‘Really, I am with you guys’. Quite frankly, it is the sort of approach that fools absolutely nobody. The business community is awake up to him, and the greens in their heart of hearts know that if the Liberals were in government they would be deepening the channel. It really is a position without principle and substance that does not fool anyone. The Victorian people can pick a phoney a mile off. It is why the polls are the way they are. The position of the Liberal Party has been all over the place.

I want to go through some of the contradictions. Bear in mind this is a party that says, ‘We support dredging’. The shadow ports minister, Dr Napthine, the member for South-West Coast in the other house, has expressed support for the idea of dredging the Heads but not the Yarra mouth. This is what we call the ‘Webb Dock or bust’ plan. That proposal misses one vital element: who will pay for that? We know that under the current plan, port users will pay the lion’s share of the cost of dredging. Why? Because they are based at Swanson

Dock and Appleton Dock, and they will benefit from the project. Who is located at Webb Dock? No-one is at Webb Dock! If you only dredge the river as far as Webb Dock, who does the Liberal Party think will pay for the project? The port users sure as hell will not!

Then Dr Napthine has said, ‘Don’t put the dredged material into the bay; take it to a land-based dump’. Perhaps David Davis could tell the house which land-based dump should be used and how the Liberal Party proposes to pay triple the cost, the \$3 billion it would cost to do it that way.

Some of the Liberal candidates at the last election commented about the project. Alan Evers Buckland, the Liberal candidate for Williamstown in the 2006 election, was quoted in the *Hobsons Bay Leader* last week as opposing the project outright, as did Martin Dixon, the shadow Minister for Education in the other place, and Stephen Hartney, the Liberal candidate for Mordialloc at the last election. Yet then the Liberal Party runs along to meetings of VECCI and the Australian Industry Group and says, ‘We support it’.

There is no need for me to reinvent the wheel over this project, so I will again read from the fabulous journal www.hewhostandsfornothing.blogspot.com, which I think will become a great source of material in parliamentary debates as we move forward. This is what that site states:

Ted Baillieu has radically missed the mark in a misguided attempt to score political points against the government by tapping into ‘community’ outrage on the issue. The problem is he has confused apples with oranges and missed the undeniable fact that vocal minority groups of enviro-crusaders and reform Luddites do not constitute the broader community.

I do not need to say any more than that, because as the website says, ‘He who stands for nothing, falls for everything’. I have to say the only Liberal member in this place who has any credibility on this issue is Mr Atkinson. I do not agree with Mr Atkinson’s position on channel deepening — in fact I oppose it entirely — but at least he has adopted a coherent position. He came into this place and said he opposes it. He is the only person on the Liberal side of the house who has a coherent position, even though it is one I disagree with. At least he has the courage to say he opposes it, rather than all the rest who say, ‘No, really we support it, but we want to tell this other group that we do not’.

Mr Atkinson interjected.

Mr PAKULA — He is. It brings to mind the question: why are the Liberals so all over the place on

this issue? I wonder whether they have been spooked by some of the fantastic claims made about the project. My mind boggled as I read some of these claims. I give a snapshot for the benefit of the house.

The *Mornington Peninsula Leader* of 22 January says, 'The peninsula has seen its last good summer'. The *Port Phillip Leader* of the same date says, 'The Penguin colony could be wiped out'. The *Moorabbin Leader* of 6 February states that what is on the line is the 'very existence of the bay as we know it'. The *Age* of 10 January states, 'The dolphins are doomed'. Ms Pennicuik stated in the house that 'bayside beaches will be inundated'. The very temperate warnings of the Blue Wedges campaigner Jo Samuel King were that channel deepening may lead to — get this! — 'cancers, birth defects and learning difficulties in children'.

This sort of stuff is just hysterical nonsense. As I pointed out, the bay has been dredged six times since 1900 and, as the *Herald Sun* indicated yesterday, the first independent test of water quality in Port Phillip Bay since dredging started showed water is now clearer at Rosebud than before the \$1 billion project began. That is hardly the sort of catastrophe we have been led to believe would result from the dredging.

The other thing that I imagine might be bringing on this sort of policy schizophrenia in the Liberal Party is the campaign that has been waged against channel deepening by the *Age* newspaper. A lot of people do not like the *Age*. I am frankly not one of them. I have been a subscriber to the *Age* for 20 years. I consider it a journal of record, and it could be again. What is so disappointing and so unexpected is to see it descend to the level it has in this campaign. There has been a regretful incredulity that has been building up amongst Melburnians. You cannot run into anyone now and talk about the news without someone saying, 'What the hell has happened to the *Age*?'. Those comments have never been louder than in the last few months since it started this campaign against the channel deepening project. It is a campaign — let no-one be under any misapprehension about that — that has been characterised by unbalanced reporting on the issue, by shocking headlines that are not supported by the story that they are attached to, by individuals having their views misrepresented and by negative comment not just being reported but being actively sought.

It is not unusual for a newspaper to run a campaign, but it should be badged as a campaign and not dressed up as balanced or dispassionate reporting. It is not me that says so. The Australian Press Council statement of principle 5 says:

Publications are free to advocate their own views and publish the views of others on controversial topics, as long as readers are readily able to recognise what is fact and what is opinion.

I do not think the *Age* measures up to that principle in regard to channel deepening.

Mr Finn — Never has — on anything!

Mr PAKULA — That might be your view, Mr Finn, but I will confine my comments to the dredging debate.

The question is: who is driving the campaign? Is it the journalists? It seems unlikely, since a number of them are so unhappy at what they have been told to do that they are openly complaining about it. It seems far more likely to me that this campaign is the brainchild of the editor-in-chief, Mr Jaspan. Why would I say that? If the nine staff who have been assigned to this project full time were not enough evidence, one only has to look at the fact that Mr Jaspan is so proud of his stance on this project that he is really quite unable to restrain himself from telling people what his views are. From reports I have had, his view is that the project is stupid, and that if people do not like the way it is being covered, they have not seen anything yet. I, for one, am curious as to what drives that view.

Ms Warfe from Blue Wedges let the cat out of the bag in one of her opinion pieces, where she said:

What seems most unrealistic is to continue to expect the Yarra River to accommodate Australia's largest container port.

She described portside land as 'highly desirable as a residential location'. The objection from Blue Wedges is not so much to the channel deepening project as it is to the existence and location of the port of Melbourne itself. I suspect Mr Jaspan's vision is not dissimilar — that is, do away with the port and, by extension, the refineries and all the other industry down on the Yarra, and make the whole riverside a residential hub. That sounds great until you recognise that the jobs would start disappearing just as quickly as the apartments went up.

How has the campaign by the *Age* manifested itself? Firstly, it has been the unrelenting negative headlines and stories. The views of absolutely minor participants have been portrayed and elevated, so long as they oppose the project. Industry figures have had their comments misrepresented. Llew Russell from Shipping Australia was forced to write to the *Age* to complain about his comments being misrepresented. I spoke to another senior executive of a major Australian company who complained bitterly that his comments

had been misrepresented. Union officials and former politicians have been called and it has been quite obvious to them that the journalist on the other end of the line was only interested in soliciting negative comments. We have had some examples of some really lowbrow, disgraceful stuff.

An article published on 18 February was headed 'Victim's mother slams dredging'. This was quite exploitative. This was the mother of a young woman who had been killed at a level crossing accident. The mother of the victim, Ms Bates, said that the government should not spend its \$1 billion on dredging the bay, but instead should make level crossings safer. I absolutely accept that she believed the government was spending \$1 billion on dredging the bay, but the journalist who wrote the article would have known that that was not the case. Did that fact appear anywhere in the story? Absolutely not. The journalist in question should be ashamed of himself.

Mr Finn — Who was he?

Mr PAKULA — I am not going to name him, Mr Finn; you can find the article yourself. But the journalist in question should be ashamed of himself for writing an exploitative article like that.

The next day, 19 February, the *Age* published warnings of a previously unconsidered catastrophe coming out of channel deepening — big ships speeding through the bay. Yes, I suppose you could cancel a project that is crucial to the economic future of the state, or you could get the ships to slow down. I am not sure where the balance of convenience lies.

If that was not bad enough, then we have had the offerings every Saturday morning from the self-described 'broadcaster, writer and Mornington Peninsula resident', Tracee Hutchison. Ms Hutchison has been getting more shrill and more offensive every week. It started with her criticism of the project from the perspective of a lover of the bay — fair enough. Then on 19 January we were treated to an article entitled 'Big, ugly, smelly: that's Melbourne'. In that article Ms Hutchison got stuck into both the Liberal and Labor parties, so in case anyone gets too smug, we both got a whack from her over that. But we really got an insight into Ms Hutchison's fairly comfy world view in this paragraph:

Truth is, Melburnians have never valued the bay as an asset. Still don't.

Really? Apparently, love of the bay is confined to *Age* journalists and Mornington Peninsula residents. She went on to say:

... Melbourne is a port city and port cities aren't about aesthetics. They're about business and infrastructure and Melburnians — in their silent complicity in backing this project — have turned back the clock 100 years. Forget about Melbourne being a dynamic, forward-looking aesthetic city rich in culture. It's a fantasy. It's a big, ugly, smelly port that is about to get bigger, uglier and smellier.

It is the big, ugly, smelly port, it is the businesses and it is the infrastructure that allow us to indulge ourselves in the aesthetics in the cafes, the bars and the restaurants that Ms Hutchinson seems to think are all we need. I thought that was the worst of it, but then came the piece that appeared on 16 February entitled 'Running out of time to save our great bay'. I am not going to overly editorialise Ms Hutchinson's comments, because they speak for themselves. She described the *Queen of the Netherlands* as 'a presence so menacing it took my breath away'.

Anyone would think we are looking at a stealth bomber. Then we go to the location of the dredge in Rosebud, which Ms Hutchinson says is where she lives. She 'wondered if it was personal' because of her previous writings on the dredging. Someone needs to point out to her that it is in Rosebud because that is where the Federal Court orders allowed the dredging to take place. Then she described proponents of the project as:

... men in suits who do not give a damn about anything other than money; men who do not live here; men who can think of nothing better to achieve in a day's work than the wilful abuse of the environment.

When she refers to 'men who do not live here', is she talking about the Mornington Peninsula or is she talking about Melbourne? Does she think that only peninsula residents are entitled to have a view? Every proponent of the project whom I have spoken to is a Melburnian, is passionate about the state and supports the project not because they are wilful abusers of the environment but because they care deeply about the state's economy and the employment prospects of the families whose livelihoods depend on the port. Ms Hutchinson said in her big, ugly, smelly article that she thinks we are living in cloud-cuckoo-land, and I am starting to wonder whether she could not give us directions.

Members might be wondering why I am focusing so much on the *Age*. It is because I think this is the sort of stuff that the Leader of the Opposition is trying to tap into with his bill. It is what happens to your political direction when your internal compass is on the blink. It is why three Liberal MPs indicated to the *Herald Sun* in January that, frankly, they did not know what the

party's position on channel deepening was. Now we have a better idea because we have got this bill.

As I said at the outset, it is a lazy and opportunistic bill. The Leader of the Opposition has said here, and other members opposite have said, that there needs to be independent environmental monitoring and a big, red stop button on the project. But who should monitor the project other than the independent environmental monitor? Who should have the power to stop the project? What would the trigger be? The Leader of the Opposition has answered none of these questions, and neither has his bill. None of that is in his bill. The Leader of the Opposition is clearly unaware of the massive amount of data which is already slated for release — comprehensive, detailed information and analysis being provided by the independent environmental monitor and commentary that fully explains the implications of the data so that it actually means something to the people reading it.

That will be work that is done by independent and properly qualified scientists. The bill that the Leader of the Opposition has introduced would compel the port to publish information which is already available and, what is worse, to provide raw data without analysis, and that would lay open the independent monitoring to even more fearmongering and even more sensationalism and would mean that extremely technical information would be provided in a way that would be totally unintelligible to 99 per cent of the population.

The bill calls for information to be published on the internet immediately. What does that mean? As soon as the scientists get off the boat? The bill has a one-year sunset clause. Why? No-one in the government proposes that this project will be finished within 12 months, so what is the point of the one-year sunset clause? I want to take the house through some of the information that has been released and is already in place. It has already been provided, without the bill put forward by the Leader of the Opposition.

Mrs Peulich interjected.

Mr PAKULA — This is the stuff that does not need the bill. This is the stuff that has already been released. We have always said that the environmental management plan would be released prior to the project taking place, and it has been. Any revisions to the plan will be released. Any report by an auditor about the environmental management plan will be released.

Already any direction by the minister to the port will be gazetted. The port will hold a project news conference each morning to advise on dredging activities over the

last 24 hours and activities planned for the next 24 hours; issue daily internet updates on vessel activity and location, along with ongoing facts about activities; issue regular project newsletters to stakeholders in the community; post a monthly dredge schedule; issue fact sheets and put frequently asked questions on the website; run a 1800 toll-free number for access to community liaison officers; issue quarterly public summary reports on the project; run a community liaison group and hold diving industry liaison group meetings to allow for information to be passed through to the community around the bay; provide feedback from community groups on issues surrounding the channel deepening project; and run community information evenings around the bay where project representatives, engineers and scientists will attend to discuss issues around the project. All of that is being done without the Leader of the Opposition's bill.

Every knowledgeable observer of this process has said that it has had and will in an ongoing sense have the most stringent and rigorous environmental protection regime of any dredging project ever conducted anywhere in the world. There has been \$120 million spent on environment effects statements, 15 000 pages of scientific study, and four years of consultation, and it is time to get on with it. This bill adds nothing of value. There are already numerous protections in place to which this bill adds absolutely nothing.

Before I finish I want to pay tribute to some of the ordinary Victorians who managed to see through the hysteria and emotional blackmail of the debate and have committed their support for the project to paper via the letter pages of the dailies and local papers. Dick Van Teullingen of Jan Juc, Fred Niemann of Newcomb, Wayne Hammersley of Seabrook, Paul Drakeford of Kew, Jonathan Bolton of North Balwyn, who wrote a fantastic letter — —

Mr Atkinson interjected.

Mr PAKULA — I do not know any of these people, Mr Atkinson.

Mrs Peulich interjected.

Mr PAKULA — No, they are in all sorts of papers. My favourite, which I will read — —

Mrs Peulich interjected.

Mr PAKULA — I can assure Mrs Peulich that I have never heard of any of these people. My favourite — —

Mrs Peulich interjected.

Mr PAKULA — I think Mrs Peulich is reflecting on a member. My favourite letter is from Adrian Zwagerman of Moe, and I think it is worth reading it into the record. This is in the *Herald Sun* of 18 February and it is headed ‘Sky won’t fall in’:

With the debate about the — —

Mr O’Donohue interjected.

Mr PAKULA — I thought Mr O’Donohue supported the project. The letter states:

With the debate about the dredging of the channel in Port Phillip Bay, it seems a little like the Chicken Little story all over again.

Having read some of the comments, one would think the *Queen of the Netherlands* was weaving indiscriminately in all directions, dredging the entire bay unchecked.

This is simply a channel deepening exercise conducted routinely all around the world, nothing more and nothing less.

And no, the sky is not going to fall in.

That is it in a nutshell. This is an important project for the future of the state. The environmental protections are both extensive and sufficient. The bill introduced by the Leader of the Opposition adds nothing. It is a sham designed to capitalise on some community disquiet, but all it really does is expose the hideous lack of direction which exists within the Liberal Party and the hideous internal contradictions which exist within the Liberal Party — and, by extension, within the new coalition. I oppose the bill, and the house should vote against it.

Mr HALL (Eastern Victoria) — Mr Pakula suggested that this was going to be a broad-ranging debate. I suggest to the house that there is no need for it to be a broad-ranging debate. Indeed the bill deals with a very narrow topic, and I think the Chair was fairly lenient in allowing Mr Pakula to speak as broadly as he did on the whole project. I know lead speakers are given some leniency to cover a broad range, but the President was extra generous as Mr Pakula’s comments were largely focused on the debate on the merits or otherwise of channel deepening.

I do not propose to accept Mr Pakula’s invitation to enter into that broad-ranging debate because, as far as I am concerned the project has commenced, and no matter what anybody says, it is unlikely to be stopped. Yes, some legal action is being sought by some. They have every right; that is part of the democratic system we have in this country. People have got a legal right to pursue their concerns through the courts, but I know that no matter what this Parliament does, we are not going to change the government’s mind. It is pushing

ahead with this project, so let us look at making sure that it is done properly.

Let me say this in response to a couple of Mr Pakula’s comments. Members of The Nationals are on record as being strongly supportive of this project, but all along we have said it has got to be done properly. There are measures that I think this Parliament can put in place to give extra assurances to the people of Victoria that the project will be done properly. This bill goes to one of those aspects, which is why we welcome it, and we will be supporting it.

I think the most important thing the Parliament can do now is go as far as it can to address the concerns that have been rightly expressed by the people of Victoria. Those concerns about the project have mainly fallen into a couple of categories: environmental and economic. I guess the house will be debating both of those fairly extensively in a couple of business items Parliament is addressing today. This one addresses the environmental concerns.

I also want to remind Mr Pakula that Port Phillip Bay is not just a commercial shipping route. It has far more value than just being a route for commercial shipping to get in and out of the port of Melbourne. I say to Mr Pakula that we need to give due regard to a whole range of other attributes of Port Phillip Bay as well, not the least being the recreational values that it provides for the people of Victoria, whether they be beach-related activities, water-based recreational activities like boating or angling or commercial-related activities like fishing or aquaculture or other forms of commercial boating or recreational diving.

We also need to be concerned about the living amenity that is provided by Port Phillip Bay and the whole range of environmental issues associated with the bay — that is, having some concern for the biodiversity attributes it brings to marine life, bird life and the associated wetlands. We need to have regard to all of those as well as having regard to Port Phillip Bay being commercial fishing grounds. Yes, it is true that The Nationals have supported this project. We have said it is necessary, but it must be done properly, and part of the proper process needs to address the environmental concerns that have been rightly expressed by many in the community.

Mr Pakula was right in saying that this project has been the subject of some extensive environmental monitoring processes already in place. Yes, we have gone through processes such as environment effects statements and the like; indeed while some expressed the inadequacy of some of those processes, it has gone

through this process, and a range of reporting mechanisms is required as part of the approval process for this project.

However, I would point out that as part of those environmental reporting projects, in some cases quarterly reports must be made to the people of Victoria. An annual report will be presented to Parliament, then ultimately to the people of Victoria. So it appears that the reports to Victorians on how the project is affecting the environment will be no more frequent than quarterly.

With respect to this particular project, what has the government got to hide in its opposition to this bill? To my knowledge the bill does not require any additional environmental monitoring other than what exists now. That is an important point that needs to be mentioned. The difference is that the bill requires online, real-time reporting of the environmental issues associated with this project. Why would the government be concerned for that to occur? The people of Victoria deserve greater scrutiny of this particular project, and if this government is truly committed to being transparent, as it claims to be, it would not object to having real-time, online monitoring of all the environmental issues.

This is a major project for Victoria. According to the government, it is a \$969 million project, but I think most of us realistically expect it will be a far greater cost than that. The Victorian government is contributing \$150 million to the project, so there is a contribution from the general public of Victoria beyond that which will be contributed by the users. Therefore the people of Victoria have every right to have a detailed interest in this project.

In response to Mr Pakula, this is a very narrow subject, and there is no need for the Parliament today to enter into a wide-ranging debate about or to comment on what people and commentators have said in the past about this project. The important thing is that the job be done properly. Part of that proper process is for adequate environmental monitoring of the project. If it is going to be done properly — and I know we have appointed an independent person to monitor the environmental issues — there is no reason why online, real-time reporting on those environmental matters would have any impact on the work the environmental monitor does. Indeed, if anything, it might have a positive impact and provide greater scrutiny so the independent environmental monitor can ensure his job is done properly.

It is a simple concept, and I am not going to delay the house's time much more beyond what I have said

already. The concept simply requires the environmental monitoring that is currently being undertaken and ultimately reported on on a quarterly basis to be reported on a real-time, online basis.

To that extent I do not know what the government has got to hide. The only reason I picked up from Mr Pakula's contribution was that the government thinks this is going to hold up the project. The only way it is going to hold up the project is if the environmental conditions attached to the project approval are not met, and surely the government's own interests would be to ensure that the approval conditions for this project are met in a timely fashion.

The bill provides greater scrutiny for environmental monitoring of this project. In that regard it is not significantly different, but the difference is important for the people of Victoria, to ensure that those environmental monitors do their job properly. It is important for the government to support this, because if it is fair dinkum about transparency, it will accept that the bill will provide the people of Victoria that opportunity to have early and timely access to environmental reports associated with this project. So I think it is a welcome addition to making sure that the whole job of channel deepening is done properly. For those reasons I am prepared to add the support of my colleagues of The Nationals in coalition in Victoria.

Ms PENNICUIK (Southern Metropolitan) — I will begin my contribution by responding to some of the points made by Mr Pakula this morning in his contribution to the debate. Mr Pakula took 30 minutes of his 37-minute speech to get to the actual point of the bill. I will not take 30 minutes to respond to the point that he made, but for a person who is the Parliamentary Secretary for Roads and Ports his knowledge of the subject does not seem to be very deep. He said he spoke to two importers and exporters, which surprises me. You would have thought he would have spoken to a lot more people about this project. He made the same claim that he has made before in the Parliament that if the project does not go ahead, jobs will be lost. That is just not true. The Port of Melbourne Corporation stated to the inquiry that if channel deepening does not go ahead, trade through the port will continue to grow and no jobs will be lost. Mr Pakula's argument was done away with three years ago. To again raise that in this chamber is just disingenuous. It is not the case.

Mr Pakula also tried to make the argument that this project will have no impact on the bay because it has already been dredged over the last 100 years. That is not a tenable position because this project is four times bigger than any other dredging project undertaken

anywhere in the world. The first independent panel that looked at the first environment effects statement (EES) described it as a mega project; the panel could not identify any other project that compared in scale. Whatever has gone on in the bay over 100 years is not comparable to this project. Mr Pakula, as Parliamentary Secretary for Roads and Ports, must know that. He should not make statements like that in Parliament. The Port of Melbourne Corporation has conceded that the potential impacts of this project are significant. To say that this project is somehow comparable to any previous dredging is not a tenable argument; Mr Pakula should not be running with it.

Mr Pakula also had something to say about the gripes and ongoing and totally justifiable complaints of the Maribyrnong Truck Action Group about the amount of truck traffic that goes from the port through the streets of Maribyrnong, particularly Francis Street and Somerville Road. The residents of that area have justifiable complaints about the lack of amenity of the area due to noise, congestion, truck fumes and accidents. To ameliorate that problem the Greens suggest that the government should try to reach its target of moving freight onto rail from the port. The government has a target which it is not meeting. The answer is to move freight onto rail from the port. That is not happening; it is going backwards.

The Greens do not support the expansion of the port at Hastings, because it also has significant ecological problems which have been identified over the last 30 years.

Mr Pakula — That is not the position of MTAG!

Ms PENNICUIK — I am telling Mr Pakula and members of the house, through the Chair, what the Greens position is. The government has a target of moving freight onto rail which it is not meeting; it is going backwards. Hastings and Western Port bay are also highly significant ecological areas which will not accommodate a port expansion. We need to look at other ways of moving freight. I will get to that issue later in my contribution.

Mr Pakula says he has spoken to the Victorian Farmers Federation and the Murray Goulburn Co-Operative, which are supporters of channel deepening. They are big exporters. I wonder if Mr Pakula has spoken to the small exporters who have been saying for years that there is nothing in this project for them. They are saying that more loudly now because their charges to move freight through the port of Melbourne are going to double. They are going to get a double whammy because the charges on shipping lines will double and

also they will be personally charged as cargo-holders. Small exporters are saying to me that there is nothing in this project for them. They do not support channel deepening, because as small exporters they are going to be hit. It might be okay for the Murray Goulburn Co-operatives of the world to say it is okay because they are large corporations. Mr Pakula might be laughing, but he obviously has not spoken to any small exporters. They are certainly not supporting the project.

Mr Pakula also ridiculed the potential problem of the health of the penguins in St Kilda. I know quite a bit about the penguins of St Kilda, having been involved in Earthcare St Kilda over many years. That group has been monitoring that penguin colony for 22 years. What I know, and what Mr Pakula should know if he has read any of the EES documents, submissions or anything to do with the inquiry, is that the health of the penguins is under threat precisely because 90 per cent of their food is anchovy and anchovy spawning will be seriously impacted by dredging in the north of the bay.

Mr Pakula has obviously not read anything about the penguins and has not concerned himself with their welfare. For the information of the house, there are close to 900 or 1000 penguins now living in that colony at the St Kilda breakwater. It is an important community and ecological asset. The health of the penguins is like the canary in the mine: if something is happening to the penguins, then we have a problem with the bay.

Mr Pakula also ridiculed claims that the bay as we know it may change. Even if we accept the supplementary environment effects statement that catastrophic changes to the bay are a low or moderate risk — and others dispute that — the consequences of that happening are serious. The precautionary approach to environmental issues suggests that even if something is a low risk, if the consequences are serious it should be avoided. That is not what is happening. That will bring me to what I will talk about later — that is, the whole approach to the environmental issues around channel deepening, which is a risk assessment or risk management approach that is inappropriate when you are dealing with a complex ecosystem like Port Phillip Bay.

Port Phillip Bay, as I have said before but I again remind the house, is a coastal lagoon. It is a shallow estuary. In many public meetings I have attended I have heard members of the government and representatives of the Port of Melbourne Corporation talk about how channel deepening has occurred at certain places in the United States of America, Europe or the United Kingdom, and there was no problem. It is all

completely irrelevant. We are talking about what will happen in Port Phillip Bay. What happened in another port in the USA, England or even another part of Australia is completely irrelevant to the impact of this massive dredging program, which we know will remove 43 million cubic metres of material from Port Phillip Bay over two years, causing huge turbidity plumes. It will have a massive effect on the seagrass and on the denitrification processes in the bay that keep the bay healthy.

Only last year a report was released to the then Minister for the Environment, Water and Climate Change in the other place, John Thwaites, saying that the nitrogen load in the bay was almost at capacity. We are now about to embark on a mega-dredging project that will threaten the bay's denitrification processes, which are what keeps it clear and clean. That is why scallop dredging was stopped in Port Phillip Bay in 1996, following the CSIRO's report: because the take-home message of the report, the seminal report done on Port Phillip Bay, led by Professor Graham Harris — and later in the debate I will refer to his opinions on the environmental improvement plan that we have before us — was that dredging in Port Phillip Bay should be minimised. That was the take-home message, but it is not the message the government is hearing. It is talking about extending dredging way beyond anything that has been done before.

I will not go to Mr Pakula's comments about the *Age* or anything else. He made his argument on a very superficial level. I do not believe he has read any of the technical documents, because if he had he would not have made the statements he has made today or in previous debates.

Mr Pakula — I am shattered.

Ms PENNICUIK — You are the parliamentary secretary, through the Chair.

Mr Hall said that we should make sure the project is done properly. I would agree with Mr Hall, if that were possible. The problem is that the project cannot be done properly because of the basic problem with the project. It is too big and it contradicts the take-home message of the 1996 CSIRO study — that dredging in Port Phillip Bay should be minimised. That is the problem we have in front of us, and we cannot escape from it.

I agree with Mr Hall that Port Phillip Bay is not just a commercial shipping route. I have said it is not a highway for ships. Unfortunately that is how the Port of Melbourne Corporation sees it, and unfortunately the government, which is the corporation's chief cheer

squad, also seems to see it that way, because it has dismissed all the concerns raised by people on the Mornington Peninsula who operate diving, boating and commercial fishing operations. They were all dismissed by Mr Pakula as fringe environmentalists or something. We know that just last week an *Age* poll found that 43 per cent of people oppose channel deepening and around one in five were undecided, so it is no fringe issue.

Mr Pakula interjected.

Ms PENNICUIK — More people oppose it than support it, Mr Pakula. That is because people are starting to realise the problems that are inherent in the project, and the expense that will be incurred for no benefit.

I now turn my attention to the bill introduced by David Davis. The Greens will be supporting the bill, but this does not imply that we support channel deepening. The Greens remain opposed to channel deepening, firstly, because it is not needed. No evidence has ever been presented to either inquiry that ships are in any significant way prevented from entering or leaving Port Phillip Bay. There are assertions — and they were called 'mere assertions' by the first independent panel — that there is no evidence to back up any of the figures bandied about by the Port of Melbourne Corporation. Those figures have been changing through the several years that I have been involved, but certainly since the first inquiry in 2004 and the one last year they ranged from 25 per cent — and last week Steven Bradford talked about 44 per cent. The government might like to trot them out as much as it likes, but there is no evidence to back them up.

It is not a project that is needed. Ships come in and out of Port Phillip Bay not fully laden because they have dropped things off in Sydney or Fremantle. Ships that come from Europe drop things off in Fremantle and then come to Adelaide and Melbourne, so they never come in fully laden. Ships that come from Asia come down the east coast and drop off cargo in Sydney and then come to Melbourne. Forty per cent of the containers that go out of the port of Melbourne have got fresh air in them, so there is no need for this project. It is not economically sound. The cost — well described by the Treasurer in this house in the last week of sitting — is a moving feast, and it is certainly moving upwards. It is at least five times what it was when the project was first announced in 2001.

As I have said many times, there will be no change from \$1 billion. The port corporation and the government in its own statement of intentions have

admitted a \$969 million cost. If anybody thinks that is the final cost of this project, when, as Mr Hall said, it has only just commenced and the idea is that it will go for two years, taking up 43 million cubic metres of material — —

Mr Pakula — You have doubled it; it is 23.

Ms PENNICUIK — It is 43.

Mr Pakula — Twenty-three.

Ms PENNICUIK — Okay, it is 23 over the first two years and then it is 43 once the maintenance dredging is included. Mr Pakula should know that, if he has read anything. If the government and the Port of Melbourne Corporation think that \$1 billion is the final cost and there will not be any further blow-out or any unforeseen problems or delays — remember that every day the dredger the *Queen of the Netherlands* sits in dock the meter ticks over at \$250 000 a day, so if it is not doing anything for a day, it is not at no cost, it is \$250 000, so four days of it sitting doing nothing is \$1 million — then they believe in the tooth fairy. I believe the cost will at least double, and will probably be more. The thing is that we do not actually know what the cost is, because that \$969 million — and I will speak further about that in a later debate about the economics — is only about digging the hole. It is not about any other indirect cost impacts of the project.

The Greens oppose the project because it poses unacceptable risks to the short and long-term health of Port Phillip Bay that have not been diminished by the supplementary environment effects statement (SEES) or the environmental management plan or any of the ministerial approvals at either state or federal level.

It is an appalling situation at this moment in time when we know that climate change is upon us and our marine environments are under serious threat. Species loss is a worldwide catastrophe, with Australia the world's worst offender — and in that context Port Phillip Bay has a range of species that are found nowhere else in the world, particularly at the Rip and the Heads, where the marine parks are. The house should know that the marine parks really should have included and were intended to include the whole of the Heads and the Rip, but a straight line was drawn through the middle just to accommodate the shipping channels.

Mr Pakula — Are you saying there should not be a shipping channel?

Ms PENNICUIK — The marine national park should be where the marine national park should be, that is what I am saying.

In those marine national parks is a wonderland of flora and fauna that is found nowhere else, particularly the sponge gardens and the fauna that live in them. All of these are at risk from channel deepening. It is appalling that an elected government and one of its arms, a statutory corporation, have embarked on a project which threatens our most significant marine environment — Port Phillip Bay — and which in conjunction with the effects of global warming could undermine the low-lying coastal suburbs of the city that surrounds it.

Mr Pakula and others may ridicule that, but plenty of evidence was presented to the SEES inquiry showing that the change in water levels due to the deepening of the Heads and tidal flows and flushes in and out of the bay could have very significant effects. I refer in particular to the rocks that will be dredged from the entrance. We know from the trial dredge, which occurred 30 months ago, that rock scour is continuing — and that was only a small trial dredge. We are looking at the dredger taking out 550 million cubic metres of rock from the Heads.

During the SEES it was pretty well admitted that the port had no real idea of what the long-term consequences of that would be. But on the second last day of the hearings the inquiry produced a witness who said that the Heads would not recover from that rock scouring for at least 30 years. Basically what the effects of dredging all that rock will be are completely uncertain and unknown. There is a hard part and there is a soft part underneath; once the hard part is removed the scouring of the softer rock could go on indefinitely as rocks are moved forwards and backwards in the tide and current flows.

The behaviour of the state government and the Port of Melbourne Corporation in the five years that I have been involved with this issue has been totally reprehensible. They are trying to make out that the environment effects statement and the SEES studies have fully and comprehensively examined the environmental risks of the channel deepening project, but that is not so. The first EES was described as fundamentally flawed by the first panel, and the government made sure its equally inadequate SEES did not meet the same fate by not reappointing any of the original panel members and instead appointing people who, whatever their respective areas of expertise — and I do not have an argument with that — were not expert in the areas required to assess the quite technical documents that made up the SEES. There was an independent expert group, but it was not present through the inquiry.

I have previously mentioned in the house the problems with the inquiry process, which I will quickly reiterate. There was a 15 000-page document, there was a very short period of time for the public to comment, there were public hearings that went for just over a month, and in another month the inquiry produced its report. It was such a rushed project with a huge document that people were supposed to get their heads around. The inquiry did not allow for any cross-examination of the port's witnesses. The consultants were paid by the proponent and nobody was able to cross-examine them on their evidence. The port was represented by three legal counsel and a whole bevy of staff, whereas the community groups and independent experts — scientists and economists — had to take time out of their own day and attend the inquiry under their own steam and present their evidence, trying to challenge what the proponent was putting forward.

These are the reasons why the Greens still oppose channel deepening. It is a fundamentally flawed project that should not go ahead. Many, many people in the community are starting to agree as more and more information is coming into the public realm and the media — belatedly, I might say — is starting to unpack the assertions that have been made about this project by the port and the government over the last few years. It is unravelling basically because the project has relied on spin and assertions and there is nothing much behind them. There is no evidence that the project is needed, and no justification for the project can be maintained.

Returning to the bill before us, as I said, the Greens will support the bill because if we cannot stop the project it is best that the environmental monitoring that will be done is reported immediately. Many of the effects, particularly in terms of the turbidity on the nitrogen processes in the bay and on the seagrass, are critical issues. The seagrass is a fundamental part of the bay and the other bay fauna depend on it. If the seagrass collapses due to lack of light from turbidity, then other fauna — the small fauna, fish, penguins and others — will not be able to survive. If the denitrification process is disturbed in any significant way by turbidity, then we will see algal blooms in the bay, the same as we are seeing in the Gippsland Lakes. I remind the house that there is a connection between Port Phillip Bay and the Gippsland Lakes. They are all part of a coastal lagoon system along the Victorian coast. It might be fine for the government and the Port of Melbourne Corporation to see Port Phillip Bay as a place for ships and a port, but it is part of an ecosystem that stretches along the Victorian coast.

The importance of real-time reporting of that monitoring — I will get to the adequacy of the

monitoring in a moment — and of information being readily available is important if we are going to prevent damage to the seagrass or to the denitrification processes. There is no point in finding out about it after the damage has been done. We will be supporting the bill for that reason, but, as I said, it does not imply that the Greens support the project. In Mr Davis's second-reading speech he said:

The Liberal Party has always maintained that the channel deepening project must be balanced against thorough environmental reporting, transparency and accountability.

That is what this bill will achieve. So far it has not been delivered or demonstrated by the port of Melbourne or the government. He goes on to say:

We cannot afford to risk environmental damage to Port Phillip Bay. Ecological damage to the bay would be a serious blow to Victoria's environmental future.

As I have said, the risks are still there and they will not be ameliorated just by increased reporting. That is the flaw with the approvals by both ministers, because all that the state minister, Mr Jennings, who is in the house, and the federal minister, Mr Garrett, who is elsewhere in the country, have required is some reporting and studies. Their way of preventing damage to the bay is by monitoring and studying. It is great to monitor and study — but it will not prevent damage.

Mr Viney — There might have been a few conditions set too.

Ms PENNICUIK — Yes. Mr Davis went on to say:

The community's expectation is that no project, no matter how important ... should bypass significant environmental standards.

This project does that in so many ways that even this bill will not save it. He continued:

It has long been my view that at the first indication of environmental damage we must be able to hit a stop button on this project and address any environmentally damaging works.

The question is: who will hit the stop button? We do not know who will hit the stop button. From my reading of the environmental management plan from the Office of the Environmental Monitor — I have in my hand the environmental management plan for the dredging of Port Phillip Bay and it is amazingly small; I have seen environmental management plans for major hazard facilities that go to volumes — there is no direction as to who will actually hit the stop button. It appears to me that, if one of the thresholds is reached, it will be up to somebody such as an operational person — that is, somebody on the dredger — to put a

stop to the process. It is very unclear, but it will be up to that person to put a stop to the process because by the time the report gets to the Office of the Environmental Monitor and to Mr Bourke, it could be too late. It is very unclear who will hit the stop button when it needs to be hit. That is a crucial point that this bill does not address, and neither does the environmental management plan.

I turn to Mr Garrett's media release of 20 December 2007. He gave his approval to the environmental management plan with 16 protection measures. He said:

In addition, the port must set aside ... \$500 000 for protection of the Ramsar wetland areas, at least \$100 000 for migratory bird monitoring and at least \$300 000 for protection of the Australian grayling.

That is \$900 000, or nearly \$1 million. In the media release the minister refers to the Western Port Ramsar site, which has been reported in the press. It is not the Western Port Ramsar site at all; it is the western shores of Port Phillip Bay Ramsar site!

Mr Garrett also referred in his media release to the port supporting 80 000 jobs, which is not the case. The port supports about 13 000 jobs. This figure is well known to be an exaggeration and was contested at the SEES and other forums, and finally the port of Melbourne admitted that it was not true. The press release also said the Victorian Minister for Environment and Climate Change, Mr Jennings, has required a \$100 million environmental bond. That is only less than half of what it costs for the dredger to sit in the port for one day; that \$100 million bond is taxpayers money anyway. If the port has to pay a \$100 million bond for any damage that is caused, it is taxpayers money. What if the damage exceeds \$100 million?

I want to talk about the actual environmental management plan (EMP), because I think it is important that we understand what is happening there. The Victorian minister, Mr Jennings, said in his media release that the EMP that has been prepared for the project is enforceable by law. I would like to know how it is enforceable by law. Who is going to enforce this environmental management plan? Mr Bourke from the EPA (Environment Protection Authority) said on *Stateline* on 8 February that the Office of the Environmental Monitor was Swiss neutral on channel deepening and that it was not the proponent and was not the regulator. He said that it was there to monitor the environmental performance of the project against the environmental management plan, that it does not have the power to stop the dredging project or to intervene, but that it has the power and responsibility to

provide advice. That is great! Who has the power to stop the project or intervene if damage is being done if it is not the Office of the Environmental Monitor?

Mrs Peulich — Maybe the minister can answer.

Ms PENNICUIK — Maybe the minister can answer, because it is not clear. Mr Jennings is pointing to himself, suggesting that he has the power. We have to wait for the report go through the monitoring process from the alliance, from the operator on the dredger; it has to go through the process of the environmental monitor and then to the minister, and then the minister will stop the project. Through the Chair, I ask Mr Jennings whether that is right. It seems like a very convoluted process. It would seem to me that the regulator — and the EPA should be the regulator — should be the one stopping the project. If it needs to be done, there should be a regulator stopping the project. There is no regulator in this project, and that is just reprehensible.

I was trying to look at the website of the Office of the Environmental Monitor yesterday, but the site was down. I had a look at it today, and the only things available on that website are the fact sheets and the background and role of the office. The environmental monitor, Mr Bourke, has delegated his powers and responsibilities under the EPA act to senior executives at the EPA and to the Secretary of the Department of Sustainability and Environment, so the plot thickens as to the number of people who have been delegated to do things.

Ms Hartland interjected.

Ms PENNICUIK — As Ms Hartland says by interjection, it has such high standards now! Community confidence in some of the roles of the EPA is not high, to say the least.

In fact it is not an independent monitor. An objective of the Office of the Environmental Monitor is to provide a transparent view on the environmental performance of the channel deepening project. That sounds fine, but if you look under that, you find it says it will scrutinise, report and advise on the project's environmental performance. It says that on its website, but in fact the only thing it can actually do is look at the environmental management plan as set out by the port corporation, which is a not an independent document. It is a document prepared by the proponent; it is the proponent's environmental management plan. So the office will only be looking at the Port of Melbourne Corporation's conformance with the environmental

controls set out in the environmental management plan, not controls set out by any other regulatory body.

The Office of the Environmental Monitor says it will report quarterly, annually and at other critical points and advise the port of Melbourne. As Mr Hall said, if you look through the environmental management plan, you will find that, if some levels are met, no reporting is required, and if some levels are exceeded, reporting requirements vary from two days to a week to two weeks to a month, and some reports are only quarterly or annual. That is why the Greens will support this bill: so that any of that information that is uncovered is made public immediately.

The Office of the Environmental Monitor is an issue, and one of the issues I have raised — and I raised this in my submission to the SEES inquiry — is the actual use of the Australian version of environmental management system standard ISO 14001 as the basis for the risk management of this project. The reason I have been concerned about that is that, if you look at the purposes of these types of international and Australian standards, you find they are basically about the performance of an organisation in its own internal environmental works. It is not really appropriate to use this type of system for a project such as channel deepening, which is large and complex and has many outside influences. It says here that the ISO 14001 types of standards are:

... applicable to any organisation that wishes to establish, implement, maintain and improve an environmental management system, to assure itself of conformity with its stated environmental policy, and to demonstrate conformity with —

the standard. These things are about what goes on in the organisation. The fact that we are using this type of risk management approach to channel deepening is one of the fundamental flaws in the whole process and why the monitoring, even the increased monitoring, will not solve the fundamental problems with the project.

Earlier I mentioned Professor Graham Harris, who led the five-year study of Port Phillip Bay. I raise this because it was a seminal study of the bay. The reason for the study was not to justify a project. That is an important distinction. The port and the government are running around saying various things. They cannot really defend their first environment effects statement because that was described as fundamentally flawed. There were 137 recommendations about how it needed to be improved. They cannot hang their hat on that one. The supplementary environment effects statement, which there was an inquiry into in the middle of last year, did not take the argument much further. It is very

difficult to ascertain whether the 137 recommendations that the first panel made have even been addressed. I do not believe they have.

The problem, though, with the SEES, which the report describes as a comprehensive study, is that it only deals with digging the trenches in the bay. It is a very narrowly focused document, and the fundamental issue is that the document was produced by the proponent to justify a project. It cannot be compared with the CSIRO study done in the 1990s, led by Professor Harris. The purpose of that study was to study the bay and its ecosystems, and to make recommendations about preserving the future ecological health of the bay. So these were two completely different studies. And as I said earlier, the take-home message from that study was that the dredging in Port Phillip Bay should be minimised. That is not what will happen; the government is going to maximise dredging in Port Phillip Bay, which will be completely contradictory to the findings of that study.

Government members had better be sure they have got this right, because I am not sure and am very concerned about whether they have got it right. It is okay for Mr Pakula to say that the Greens are attaching themselves to projects, but I have been involved in this project since 2003, four years before I even came into this place. I brought it with me into this place. The government can puff away as much as it likes, but if it has got it wrong, as I believe it has, then be it on its head.

After the first environmental report, at the time of the 2005 inquiry, Professor Harris said:

The guidelines for the SEES were adequate, but the SEES does not address them. It has not addressed key requirements for a consolidation and integration of the environmental impacts together with validated predictive modelling.

...

Instead of a sound numerical analysis of the system properties, the risk assessment methodology does not integrate potentially synergistic and non-linear interactions between effects —

This is the big problem with the SEES — it is a collection of separate studies that 'look at this' or 'look at that', but they do not integrate everything together. The bay is not like that; the bay does not understand that it is being studied in separate parts. The bay is a complex ecosystem.

Professor Harris went on to say:

... it merely adds a weighting to the expert judgements — all of which in my opinion and that of the IEG —

the independent expert group —

are optimistic.

...

There appear to be flaws in the methodology of turbidity modelling, source terms, movement and disposal of contaminated sediments, potential impacts of dredging at the Heads, impacts on seagrasses, sand movement and other effects.

...

... a fundamental aspect that has been of concern from the beginning — the IEG reports that this aspect of the SEES has not been dealt with by comprehensive numerical modelling (as was required ...). The SEES did not explicitly model the non-linear feedbacks in the nutrient cycle of the bay; instead an experimental and risk-based approach was used.

...

There are many unsupported statements in SEES that all will be well in less than two years — but no evidence is provided, science is lacking, judgements unsound and disputed. What little evidence exists either shows these statements are wrong (overseas experience of seagrass recovery >20 years) or evidence in SEES shows severe inconsistencies ...

...

Both I and the IEG found shortcomings in the proposed EMP ... design, especially the proposal to conduct limited performance monitoring ... this is an inadequate strategy, especially —

in —

... the design of the six-monthly review process ...

He added:

especially in a system prone to sudden threshold responses and points of no return.

That is another reason why it is good to have any monitoring that is done immediately reported. This is a fundamental issue. The bay is a system prone to sudden threshold responses and points of no return.

Once we have got ourselves into a position where we could have an algal bloom or a loss of denitrification, to turn that around will be basically impossible.

Professor Harris went on:

The proposed EMP is so inadequate and incomplete that the IEG was not able to comment on this.

...

When this is coupled with the inadequacies of the overall risk-based methodology we are left with an SEES with severe risks unaddressed.

...

The key areas are sediments, turbidity, and ecological impacts at the Heads. In the case of the Heads the environmental impacts are controlled by operational procedures, not by environmental control limits. Experience would show that that this does not contain the environmental impacts.

Earlier this month the Association of Bayside Municipalities again asked for Professor Harris's opinion on the environmental management plan. Professor Harris said:

I have been through the ... document available on the web, together with its associated annexures and ancillary documents — —

Mr Viney — Forty-eight minutes; no wonder you were opposed to time limits.

Ms PENNICUIK — This is an important issue, Mr Viney. In his report and comments, Professor Harris said:

The documents show all the hallmarks of being written by engineering consultants — that is, they are concerned more with document control, management structures and operational procedures than with environmental outcomes. They ignore any comments we have made in the past about flaws in the risk assessment methodologies and other criticisms of the EES. These documents are therefore straightforward extensions of the EES.

The EMP concerns itself with monitoring and managing turbidity, airborne noise and underwater noise and with the construction of the spoil dump bunds and capping procedures. It also sets operational procedures for the dredging of the Heads and attempts to control environmental damage through the application of 'best practice' dredging practices. Other monitoring (ecosystem health, toxicants, nutrients et cetera) is as far as possible delegated to existing Victorian government programs ...

I will not read it all, because it is long, but Professor Harris goes on to say — and this is an important issue:

The monitoring of spoil disposal is less comprehensively treated. While the construction of the bunds and disposal of sediment from the north and south dredging activities are controlled by 'best practice' methods, there is much less frequent sampling to ensure that adverse effects are avoided. Bay-wide impacts from these activities are monitored by vessel surveys, moored sensors and samplers, and reviews are to be carried out monthly or quarterly. While there are sampling protocols in place to monitor ecosystem components (fish, birds et cetera) and key processes (sediment nutrient fluxes) these are not to be done sufficiently frequently or with sufficient spatial coverage to pick up short-term, acute impacts until after the fact. The scale and scope of the proposed sampling ... will only detect long term, chronic impacts long after much of the work has been done.

Other than with the turbidity and noise monitoring there is little attempt to integrate the ecological monitoring data for the bay as a whole and provide rapid feedback to dredging operations — the EMP depends on asset by asset expert assessments and 'multiple lines of evidence' ... to combine

data if need be ... Use of expert opinion and these techniques — while consistent with AS 4360 risk assessment — will not identify or avoid synergistic effects from dredging and spoil disposal or give warning of bay-wide ‘tipping points’ or other possible catastrophic risks.

On receipt of that advice from Professor Harris, the Association of Bayside Municipalities has voted to say it has no confidence in the adequacy of the monitoring and reporting procedures of the project.

I have spoken to Cr Topsy Petchey, who is the spokesperson for the Association of Bayside Municipalities, and I know its members are in conversation with the EPA; however, these opinions stand.

The Australian Conservation Foundation has released two documents asking how independent is the environmental monitor and how good is the environmental monitor plan. A press release from the foundation describes the Port of Melbourne Corporation’s environmental management plan (EMP) for the Port Phillip Bay channel deepening project as ‘completely inadequate’. It says:

ACF assessed the bay dredging EMP and its monitoring programs against the best practice model and found them failing dismally.

Scorecards rating the EMP and the Office of the Environmental Monitor —

are available on the foundation’s website. The press release also states:

Of the 10 key features of the EMP that were assessed, none —

that is none; zero! —

matched best practice, 2 were given limited application and 8 were given inadequate application or were non-existent.

Of 20 best practice monitoring attributes, 2 were assessed as best practice, 6 were given limited application and 12 were inadequate or non-existent.

Overall, the EMP lacks transparency, oversight and control ...

The monitoring programs are very limited in scope and range, especially in relation to the bay’s natural assets. Without environmental limits they have little direct influence over project operations. By the time any changes to natural conditions are reported — at least a six-month delay — and then considered, the project will have moved on to another location ...

Port Phillip Bay’s natural, social and economic values are under threat from the channel deepening project ... have been largely ignored by a hopelessly inadequate EMP ...

I turn to one point in the Australian Conservation Foundation’s document about its assessment of the independence of the Office of the Environmental Monitor. It states that a best-practice environmental monitor would be able to comprehensively monitor and evaluate the environmental performance of the channel deepening project. But our environmental monitor, as I have mentioned before, can only evaluate within the confines of the EMP — that is, the port’s own document — and has no power to monitor.

It also states that an environmental monitor is established and guided by project-specific legislation, but it is not. It is required to piece together approvals and agreements under different legislative regimes. The monitor is an existing public servant within the EPA, his office is not an independent statutory authority. In a best-practice model, the Office of the Environmental Monitor should report to Parliament, but under our model it just advises the port and the relevant ministers on monitoring results and matters referred to by the minister.

The ACF believes a best practice environmental monitor should report regularly to the public, and that is why the Greens are supporting this bill, because that is what would happen through this bill. However, the government’s model before us only reports to the minister every quarter or more regularly, by request of the minister. I hope the minister is watching what is going on so that he knows when to request more information.

To conclude, the Greens will support this bill because it will mean that any information about what is happening in the bay as a result of dredging will become public as soon as possible. We support the bill but say it is only a superficial measure, and the project is fundamentally flawed because, as I have said, it is far too big a project to be carried out in a shallow estuarine bay such as Port Phillip Bay, and it is fundamentally threatening the ecosystem in the bay.

There are three main issues. Firstly, there is the threat of turbidity caused by the effects of the dredging on seagrass and on the denitrification processes. This has not been adequately addressed by the supplementary environment effects statement or the environmental management plan.

Secondly, the massive dredging and removal of rock from the Rip and the Heads are of huge concern in terms of damage to the sponge beds and the canyon, and to the unique biodiversity around the Heads, the Rip and the marine national park but also in the unpredictable and uncertain effects that increased water

flow in and out of the Heads will have on currents, on the movement of the sands and on tides. That includes not only sand movements around the whole of Port Phillip Bay but also the tides in the bay, and it could threaten low-lying suburbs, particularly in conjunction with climate change.

Thirdly, the other major threat is the inexcusable dredging of contaminated material from the Yarra River area and then putting it in an extended dredge material ground about 10 kilometres off the coast of Mordialloc. The Minister for Roads and Ports in another place made a strange statement in the press. He said we cannot deal with that contaminated spoil on land, because we cannot put it on trucks. It is not a radioactive material; it can be put on a truck. But if he is making statements that the spoil cannot be put on trucks, how can he possibly justify putting it in the bay?

As I mentioned in the debate on last year's Port Services Amendment Bill, we are talking about silty material that is contaminated with organochlorines, heavy metals and a whole range of other toxic material — millions of tonnes of it — and about taking it on a ship and dropping it on a dredge material ground in the middle of the bay and leaving it uncapped for anywhere between 140 days and five years. Do we expect that toxic material to stay where it is put? It is completely unacceptable that that process is being proposed by a government statutory authority and is being approved by a government.

No amount of extra monitoring is going to fix the fundamental problem with this project. The only reason that the Port of Melbourne Corporation has ever given for not dealing with that contaminated spoil in the Yarra River — and the Greens believe it should be left where it is and the Yarra River should not be dredged at all — is that it would cost too much. That option was dismissed in 2003. Dumping it in the bay is going to cost too much in terms of the ecology of the bay, the health of the fauna that lives in and the health of the who use it. We will support the bill, but with all those provisos.

Mr O'DONOHUE (Eastern Victoria) — I am pleased to rise and support the bill introduced by the Leader of the Opposition, David Davis. The Port Services Amendment (Public Disclosure) Bill is a relatively straightforward amendment to the principal act, the Port Services Act 1995. In summary, it does two main things. The insertion of new sections 14B and 91K imposes on the Port of Melbourne Corporation a requirement to publicly disclose information. New section 91J requires that the information be made public in real time or as early as possible.

This is a sensible series of amendments to the principal act because it will increase transparency and accountability for what is a major infrastructure project, but a major infrastructure project that has a high degree of community concern. Let me say at the outset that the opposition supports the channel deepening project, but it supports accountability, openness, transparency, public disclosure and the highest of environmental standards being attached to this project. These amendments will improve the legislation and ensure that the transparency is there.

We have heard a lot in this debate already and I want to pick up on Mr Pakula's contribution. In his 37-minute contribution to the debate he said many things and I want to run through some of his main points as I perceive them.

Ms Lovell — None of them had anything to do with the bill.

Mr O'DONOHUE — That is true, Ms Lovell. None of them had anything to do with the bill, but they are still worth rebutting. Mr Pakula spoke at length about the economic benefits of a deeper port and the importance of it to the Victorian economy. As someone who represents the Eastern Victoria Region which includes the Mornington Peninsula and all of Gippsland, I am acutely aware of that. The dairy farmers in Gippsland in particular require an efficient port to get their products overseas. It makes me wonder where Mr Pakula was when the reforms to the ports were being conducted by Peter Reith, the then federal industrial relations minister.

I wonder if he was advocating for industrial relations reforms to help make our ports more efficient. Or was Mr Pakula siding with the unions who were against more efficient ports and against our export industries rather than helping our port and our exporters? I wonder where Mr Pakula was at that time. I doubt very much that Mr Pakula was advocating for more efficient ports, was advocating in favour of our export industries and was advocating for a system that helped our small businesses prosper through increased economic activity. Mr Pakula says that the Liberal Party has lost its way, but I ask Mr Pakula whether he has lost his way because we do not really know where he stands on these issues.

Mr Pakula made an interesting comment early in his contribution. He said that the vast majority of information relating to this project has been released. It makes me ask the question: what information has not been released? What information do we not know about? What information has the government not

released to the public that may be important to the public debate about the project and may have a material impact on the environmental consequences of this project? I ask Mr Pakula to ask his ministers and others to release the information that he has said has not been released.

Mr Pakula went on to say that the bay has been dredged six times before and there is nothing to worry about. As Ms Pennicuik said, this is a dredging project of significant size. In particular the issues around the dredging of the mouth of the Yarra require proper environmental auditing. Once the dredging starts in the mouth of the Yarra the community wants to be able to see in real time — indeed as the project is progressing — what is happening and have the capacity for this project to be stopped if necessary so that the impacts can be analysed and assessed.

The next point Mr Pakula made was that it would be years before the port of Hastings, if it is developed as an alternative port, would have the infrastructure required. He also made the point that there are environmental concerns with that project as well. I agree with him that there are potential environmental concerns. I have met with the relevant groups and have an understanding of the concerns they express. It highlights the point that after years of inaction, after years of doing nothing, and after spending \$120 million the Victorian community has an invidious choice. It has an invidious choice because the port of Melbourne is reaching capacity, the ships are getting bigger and bigger and we are left in the position that we are because of the inaction of the Labor government.

Mr Pakula then went on to attack what he called 'every fringe environmental activist group'. In his contribution he presented this as a very straightforward argument regarding the benefits to the Victorian economy versus fringe environmental activists, as he described them. I would invite Mr Pakula to come with me and talk to some of the diving operators on the Mornington Peninsula. The diving industry contributes \$60 million a year to the Victorian economy, most of which is located on the Mornington Peninsula. The diving industry is going to be significantly affected by the channel deepening project, but unfortunately the government has ruled out compensation for the diving industry or indeed any other industry. It says 'go and sue the Port of Melbourne Corporation'. This is in contrast with recent announcements by the Victorian government with reference to the north-south pipeline, saying that it will potentially provide compensation to affected landowners. We see here a lack of consistency from the government. As I say, I extend an invitation to Mr Pakula to join me in meeting some of the diving

industry representatives from the peninsula — perhaps some of the chartered fishing operators on the peninsula and some of the tourism operators. Tourism is the most important industry to the Mornington Peninsula. It is the largest industry and employs many hundreds, indeed thousands, of people along the peninsula.

Whilst members opposite may think this is just the Liberal Party making political points, I would like to quote from a motion passed unanimously by the Mornington Peninsula Shire Council on 29 January. It says:

The Mornington Peninsula Shire Council requests that the state government ensures:

- A. that adequate time is allowed for peer review of the EMP documentation, before any project works are allowed to commence;
- B. that real-time monitoring is in place at the commencement of any works;
- C. that evidence of core sampling to the depth of dredging in any area be forthcoming; and
- D. that the community liaison group be appointed and terms of reference set before dredging commences.

I would have thought that Mr Pakula, as a fellow bayside resident, would understand the economic activity that is generated through tourism and through the industries that use the bay: the charter fishing operators, the diving industry and the dolphin swim businesses. This issue is much more complex than the simplistic terms in which Mr Pakula attempted to present it.

Mr Pakula went on to talk about a campaign by one of the daily newspapers. I do not want to pick up that argument, but I just make the point that that topic is completely irrelevant to the issue at hand.

Mr Pakula also stated that \$120 million has been spent through the environment effects statements and processes. This seems to be the line quoted by members of the government when they are pushed into a corner or when confronted with an issue — money spent equals outcomes. They say, 'Hospital waiting lists may be worse, but we have spent this much money' or 'Road congestion is much worse but we have spent this much money'. Mr Pakula presented the same argument — 'Yes, but we have spent over \$100 million. It must be fine'. However, until the project starts, much of the work that has yet to be done is hypothetical in nature. Now that the project is under way we need a real process to analyse data and information in real time. There is no point receiving information three, six or nine months after something

has happened. It is too late by then; the project will have continued. We need to have the ability to analyse and review information as it happens in real time.

Port Phillip Bay, as Mr Hall said, is not just part of a commercial shipping route. It is used by many and various groups of people. I think we would all agree that over the last decade the health of the bay has increased significantly. It is now much cleaner. Sea life is much more active and much healthier than in years gone by. It is important to preserve and protect that and to be able to analyse in real time the impacts dredging may have on the bay.

I was disappointed to hear the relevant minister's comments in the chamber earlier when he said this debate was a waste of time. I dispute that; I do not think this debate is a waste of time. It is a very important debate about the future of the industries and the people who rely on the bay for their livelihood. That extends much further than merely the to workers at the port of Melbourne. It extends to the tourism industry and the operators on the Mornington Peninsula. It also extends to various other groups, including the fishermen and the charter fishing operators, that rely on the bay.

In summary, I very much support the amendments made by the bill before the house. They are important amendments to increase the openness and accountability of this project. We support the channel deepening project, but with the highest environmental accountability and real-time monitoring.

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Climate change: greenhouse gas emissions

Mr D. DAVIS (Southern Metropolitan) — My question is for the Minister for Environment and Climate Change. I ask the minister: exactly how many tonnes of carbon dioxide equivalent greenhouse gas emissions have been prevented from entering the atmosphere by the introduction of the Congestion Levy Act since it came into force on 1 January 2006?

Mr JENNINGS (Minister for Environment and Climate Change) — It is a reasonable question, because Mr Davis has been out in the public domain and in this chamber in the last day or so talking about the rise in emissions during the life of our government. He could have referred to a whole range of jurisdictions; in fact emissions have risen in probably every jurisdiction on the planet over the same period of time. He has not given any recognition to a range of measures that have

been introduced by the Labor government in the state of Victoria, such as the program that he asked me a question about. It is an appropriate question to ask. I am very happy to seek some advice from those who are charged with the responsibility of monitoring the effectiveness of this program. I am very happy for Mr Davis to provide me with the opportunity to talk about a range of programs that this government has introduced.

Mr D. Davis interjected.

Mr JENNINGS — By the end of my answer to Mr Davis I will have told him that I am going to seek some advice on the exact number of tonnes of CO₂ or equivalents that have been reduced through this program. I am going to find that information, but I am happy to take the opportunity to put on the public record the results of other programs that have been introduced by this government, the impact that we are seeking to have on the nature of the reductions in greenhouse gas emissions, which this government is absolutely unswervingly committed to.

President, you have heard me on a number of occasions indicate the determination of our government to be very strident in this space. Indeed there are a range of measures that Mr Davis would not give us credit for. I am pleased he is providing me with the opportunity to give credit for the implications of other programs, including the one he has mentioned. The programs we have already introduced have had some effect. For instance, there is the industry greenhouse program, which I have referred to on a number of occasions. Some 1.23 millions tonnes will be saved through the implementation of that program, reducing the greenhouse load taken by industry across Victoria. The 5-star energy rating for Victorian homes has led to somewhere in the vicinity of 136 000 tonnes being reduced annually. The sustainable energy target program introduced by our government has reduced emissions by the equivalent of 230 000 tonnes. The government's purchase of GreenPower reduces emissions by something of the order of 68 000 tonnes. The cumulative effect of this has been to reduce what would have been the business-as-usual case in the state of Victoria by an estimated 1.3 per cent during the life of our government.

In terms of the issue about the rise in emissions in the state of Victoria, which Mr Davis raised yesterday in the public domain, we are doing what we can prior to the introduction of a national emissions trading scheme to reduce our environmental footprint. If you have a look at the emissions during the life of the administration previous to ours, you would see they

were increasing by over 1 per cent each and every year. During the life of our government rises in emissions have been stalled to — still increasing, yes — something of the order of 0.5 per cent a year. During the life of our government we have reduced emissions. The real challenge is to add to the cumulative effect of programs such as the program at the heart of Mr Davis's question and address the business-as-usual case, which is something our government has moved very stridently to do through a proliferation of programs to try to reduce the growth in emissions. We will all move into a better position when there is a national emissions trading scheme so that the price of carbon will be the key driver of turning around a growth scenario by stabilising and then reducing emissions. Hopefully this nation will be on the cusp of that in the near future.

Although I do not have the substantive answer to Mr Davis's question, I can put it in the suite of measures that have been introduced by our government. It is dependent on the reporting ability in relation to tracking down the information for a program which commenced, as he indicated, in 2006. In terms of the available reporting regime, it is very hard to instantly give an answer to his question outside the normal reporting regime, but I am very happy to find the best estimate of what impact will be made by that program as part of the cumulative approach of a range of programs that we have introduced to reduce our environmental footprint. Our government is determined to drive as far as we can within our jurisdiction programs that reduce our carbon footprint.

Supplementary question

Mr D. DAVIS (Southern Metropolitan) — I thank the minister for his answer, and I look forward to his coming back with some detailed figures to explain, because the reviews I have seen do not suggest that. Given that traffic is worse since the introduction of the Congestion Levy Act and that no significant reduction in greenhouse gas emissions has been achieved, will the minister ensure that any future traffic management policies adopted by the government will contain carbon dioxide reduction targets and public reporting of the outcomes?

Mr JENNINGS (Minister for Environment and Climate Change) — Despite the fact that this might have been construed as a cheap shot by Mr Davis, following on from some of his public comments in the last little while that do not recognise the contribution of programs introduced by the government, I actually welcome the question and take it in the spirit of bipartisan support for reducing greenhouse gas

emissions. If that is the tone of Mr Davis's contribution, I welcome that. It is a step up. In terms of being able to account for the carbon load being reduced through the implementation of programs, I am very happy to measure them. I have given the chamber an indication today that already a handful of measures have been introduced by our government. We are very keen to measure the effectiveness of reducing the carbon load. I am very happy to augment any future development in relation to the contribution made to reducing greenhouse gas emissions in the state of Victoria. I would welcome any support provided by any corner of the community, including the opposition, in this regard, and I am very happy to account for them.

Energy: low-income concessions

Mr TEE (Eastern Metropolitan) — My question is to the Minister for Environment and Climate Change. I refer to the recent release of Professor Ross Garnaut's interim report in which he expressed concern about the potential for low-income households to be disadvantaged by the introduction of a price on carbon, and I ask: could the minister inform the house of some of the ways in which the Brumby Labor government is preparing Victoria for the social equity implications of a national emissions trading scheme?

Mr JENNINGS (Minister for Environment and Climate Change) — I thank Mr Tee for his question and the opportunity it affords me to talk about a theme that I mentioned yesterday when I related to the chamber the important work of Professor Ross Garnaut, which will hopefully create the intellectual momentum and the economic analysis for great work to be undertaken by this nation this year in establishing a price for carbon and mechanisms to deal with the introduction of a carbon price intervention within the economy. It is the most profound input this nation has had in relation to this debate; there is no doubt about that. I will not miss an opportunity to respond to the integrity and rigour Professor Garnaut has brought to bear. In fact the issue I touched on lightly yesterday but which I am happy to amplify today is this issue of social equity in relation to the cost that may be apportioned to households from increases in electricity prices or energy prices generally because of the introduction of a price for carbon. Professor Garnaut indicated in his report:

These price rises will disproportionately affect low-income households, for whom the affected products make up a larger portion of the expenditure and who are less able to afford investment in product with lower energy (and emissions) profiles.

That shows Professor Garnaut's bona fides in relation to this issue, but in terms of the bona fides of the Brumby Labor government in relation to these issues, a few weeks prior, when the Premier released the statement of government intentions, he made a commitment on behalf of our government to be alive to this. Included in that statement was the following comment:

to assist families —

and that is a commitment of the government —

and individuals to reduce their environmental impact, and ensure that our response to climate change is consistent with our broader commitment to social justice.

That is a statement that has been made in terms of a policy commitment which is at the heart of the statement of government intentions. That is not where we rest on our laurels in relation to statements of intention. We actually demonstrate this by our support of low-income households. Already we have anticipated a move to support low-income households. For the last few years we have invested significant program support and interventions to try to assist those households.

I will give the house a number of critical examples. Through the energy and water task force we have already undertaken 4700 home audits of low-income households in Victoria, to try to provide them with advice on installing more efficient shower heads, ways they can improve the efficiency of their home products and how to ensure that their environmental loads are reduced and their costs are reduced. We have committed to do a further 3000 of those home audits.

The Office of Housing has undertaken extensive retrofitting to improve the thermal efficiency of many Office of Housing dwellings — obviously low-income people live in Office of Housing accommodation right throughout the state. We have committed to improving the thermal efficiency of those dwellings to the equivalent of 2 stars, which will add to the comfort and efficiency of the heating arrangements within those dwellings.

We have provided all Victorian householders with rebates on the installation of insulation. A \$300 rebate has been made available to Victorian households to install insulation, which will improve thermal efficiency. Specifically in terms of targeting low-income households, we have provided an additional \$500 rebate for landlords who have low-income tenants within their dwellings to provide

for the installation of insulation to improve the comfort of and reduce the costs for low-income tenants.

In the next 12 months we will see the introduction of the Victorian energy and efficiency target scheme, known as the VEET scheme. It was established by legislation of this Parliament. It will force retailers to provide support to their household domestic consumers to provide for energy efficiency being bought and supported by their investment in those households. This is an issue that our government will continue to commit to, to make sure that the introduction of a carbon-based economy, which deals with the price of the introduction of carbon and a national emissions trading scheme, does not adversely impact upon our households. We are certainly unswerving in our commitment in policy terms and in program terms. We have shown that we are prepared to stand by and support low-income households in Victoria.

Traralgon bypass: route

Mr HALL (Eastern Victoria) — My question without notice today is directed to the Minister for Planning. I refer the minister to his decision of 11 January this year to accept the recommendations of the Traralgon bypass supplementary inquiry panel to establish the bypass route. As the bypass requires a 600-metre no-development buffer zone to the north, a zone which encompasses significant existing structures such as the National Foods factory, caravan parks, a motel, small businesses and the Latrobe Regional Hospital, when does the government intend to demolish the Latrobe Regional Hospital and relocate it to an area that allows for such developments?

Hon. J. M. MADDEN (Minister for Planning) — I welcome Mr Hall's question, because I know it has been one of those very topical issues in Traralgon and throughout Gippsland for many years. This issue has not been lying dormant as such but has been unresolved. I looked back on some of the files and records prior to my making this decision. I think there has been speculation about the bypass for something of the order of 30 years.

Mr Hall interjected.

Hon. J. M. MADDEN — I will take up Mr Hall's interjection. While there was a decision to have the bypass, nobody could work out where it should be located. I clarify for members of the chamber, this was a decision that needed to be made; it had been languishing, and the route of the bypass had remained unresolved. It was critical because a number of

components need to be considered — and no doubt Mr Hall will be aware of this.

Coal reserves, whether members like it or not, are critical to Victoria in the future. They were a critical component in that decision. Critical to that decision as well was the fact that in and around those locations there is a need for housing well into the future, involving both housing availability and a stock of land for housing. Of course there were always going to be extremes on one side of the ledger or the other as to where the bypass should be located.

I note that members on this side of the chamber were very conscious of the matter and knew that when this decision was made there would always be people who would not be completely satisfied or happy. Like many instances, it was a very challenging decision. I am happy that Mr Hall asked me this question. It is an issue that remained unresolved, but we, as a government, had the courage to make that decision.

I visited Traralgon to make the announcement. I relayed my decision to the local council; it was not completely excited about the decision because it had a preference, but industry also had a preference. This is a decision which will secure economic activity, development and jobs in the Latrobe Valley for many years to come. That was a critical component to aspects of the decision.

I will just clarify this for Mr Hall: I do not expect this decision to impact on the Latrobe Regional Hospital in respect of either ground movement or planning scheme provisions around those coal buffers. I am confident that the issues around this decision, which some people may see as being contentious, can be worked through with the local council. I gave my commitment to the council when I visited it in January that in making this decision the government would work collaboratively and in partnership with it to clarify any planning aspects where there may be complexity — to give clarity and certainty around many of those issues.

Mr Hall interjected.

Hon. J. M. MADDEN — Thank you, Mr Hall. I am waiting, as I said to the council on that occasion, for it to provide me with information in relation to many of those critical aspects that it feels may well be contentious going into the future and that it needs examined or clarified within its planning system. I am happy to entertain the council, so I have asked it to come back to me — or I will visit it and it can present it to me — so that I can receive information in relation to those aspects and clarify those issues so we can continue to see economic development not only

throughout Victoria but specifically in the Latrobe Valley, so that we can guarantee that Victoria is a great place to live, work and raise a family no matter where you are in Victoria.

Supplementary question

Mr HALL (Eastern Victoria) — Further to the question, I ask by way of supplementary: if the minister does not expect the Latrobe Regional Hospital to be impacted by the 600-metre buffer zone to the north of the proposed bypass route, could the minister inform us whether development in other undeveloped sections within that buffer zone will equally be allowed?

Hon. J. M. MADDEN (Minister for Planning) — There is a degree of the hypothetical to this question, because I am not aware at this point in time of any applications that have come to me in relation to development in and around these areas. I qualify my answer to Mr Hall as I did my previous answer: if there are specific issues in relation to any projects that may be impacted upon or any prospective projects that are under consideration or have been aired, talked about or discussed that need to be clarified or where more detail is needed in relation to any clarification, I am happy to have that provided to me by the council.

As I said to Mr Hall, I am always happy to work in partnership to make sure we get the best community outcome we can. The decision was made on the basis that it was the best decision for the entire Latrobe Valley community. I will continue to work in partnership with the local council for the benefit of all those in the Latrobe Valley.

Bushfires: Ash Wednesday commemoration

Ms DARVENIZA (Northern Victoria) — My question is to the Minister for Environment and Climate Change. I ask the minister to inform the house of activities to commemorate the 25th anniversary of the Ash Wednesday bushfires.

Mr JENNINGS (Minister for Environment and Climate Change) — I thank Ms Darveniza for her question and for the opportunity, on behalf of the chamber and the people of Victoria, to record in the Parliament the great contribution made by those who fought the fires 25 years ago, on Ash Wednesday, 16 February 1983. In Victoria 47 souls tragically lost their lives in the fires that started on that terrible day.

Mrs Coote — Mr Scheffer made a very good members statement on this yesterday; you should listen to him.

Mr JENNINGS — I am aware that Mr Scheffer marked the occasion with a members statement in Parliament as recently as yesterday, but it is important for me to put on the public record that the Minister for Police and Emergency Services in the other place travelled to Mount Macedon on 17 February to take part in a ceremony at the Anglican Church of the Resurrection.

I took the opportunity to travel to Cockatoo on the morning of 17 February in the company of the Governor of Victoria, Professor David de Kretser, Mrs de Kretser, and the Archbishop of Melbourne, Dr Philip Freier, to join those at St Luke's Church, an important part of the community — a community that has been rebuilt and re-established at Cockatoo. I am very grateful that Dr Peter Crawford, the parish minister, took the opportunity to create an event — the memorial ceremony 25 years later.

We were joined by representatives of the Country Fire Authority; Graham Simpson, the former captain of the CFA, was joined by the current captain, Stephen Cameron. I am very pleased that the local member, the member for Gembrook in the other place, was in attendance. We took the opportunity to mark with respect the tragedy of those fires and to indicate that we continue to be inspired by the sacrifice of volunteers and professional firefighters who in times of adversity do the hard yards in the name of our community to deal with those circumstances and to stand up together. That is one of the great strengths of this community, and something of which we should be eternally proud.

In fact that continues to be the case. The ceremony was full of current volunteers for the CFA, the State Emergency Service and other agencies.

Mrs Coote — It should have been bipartisan; shame on you!

Mr JENNINGS — This is a matter that warrants bipartisan respect. I am a bit surprised that that may not always be shown, but this is an occasion where I would normally have thought that would be the case. Indeed it is something that unites our community generally and is something we should be very proud about.

We should also be committed to making sure we have learnt the lessons. In terms of fire management, we have learnt the lesson that we need better coordination, better resourcing and better support of volunteers — and indeed that has been the hallmark of the development over the last 25 years. But we always need to be reminded of the precarious nature of our state, of its vulnerability, because in the tragic year when Ash

Wednesday occurred 47 souls lost their lives, but only 210 000 hectares were burnt — a small area of Victoria compared to the fires of the last summer season, which burnt 1.2 million hectares. We should always be reminded of the precarious nature of this state and how vulnerable our community is.

We took the opportunity at the memorial ceremony to remember the tragedy of the loss, to make the commitment that we will never forget it and to indicate that we have learnt comprehensive lessons from it and that we remain committed to making sure that our firefighters are supported in the years to come. I thank those at St Luke's for the opportunity to join those prominent members of the community in marking that important occasion.

Roads: congestion levy

Mr RICH-PHILLIPS (South Eastern Metropolitan) — My question is to the Treasurer. As part of its present review of transport energy policy for Victoria, the Department of Infrastructure is examining the effectiveness of the congestion levy for Melbourne. What analysis has the Treasury made of the current Brumby congestion levy and the expanded options for a congestion tax, and will the Treasury provide those to the DOI review?

Mr LENDERS (Treasurer) — I thank Mr Rich-Phillips for his question and acknowledge his disappointment at not having Kim Wells's job. I acknowledge his disappointment and his effort every day to raise questions here.

Honourable members interjecting.

Mr LENDERS — I acknowledge Mr Rich-Phillips's interest in these matters. I also acknowledge the constant backflips by members of the Liberal Party on whether they support or do not support a congestion levy as a way of actually dealing with the fact that Melbourne is a growing city. There is an issue with traffic coming into the city, and a congestion levy was one of the tools brought in by this government, despite opposition from those opposite, to start addressing this. This is an area that this government has committed itself to dealing with.

Mr D. Davis — It was a parking tax; that is what it was.

Mr LENDERS — I take up Mr Davis's interjection. In the 21st century a city, an urban area of 3½ million people — depending on how you measure it, 3 million to 3½ million people — that has congestion on its roads and has a public transport system that is growing in

patronage at 10 per cent a year needs to look at ways of dealing with the issue of congestion. I would certainly hope that some of those opposite — perhaps Mr Davis's allies in the Greens, perhaps his allies in The Nationals — would actually observe that it is the obligation of governments to try to find solutions to deal with urban congestion, whether it be through tools like a congestion levy, whether it be through tools like early bird access to the rail system, whether it be through tools like putting rolling stock on the rail or whether it be through the work, which Mr Rich-Phillips referred to, of government departments to find out what are the optimum ways of dealing with this.

My advice to Mr Davis, through you, President, in my answer to Mr Rich-Phillips is that governments will correctly look at options and ways of dealing with this issue, which is an issue in Melbourne here today, and there is an obligation on the Victorian government to deal with it. Obviously all parts of government will support the Department of Infrastructure in its work on these matters. The government will work collaboratively on these areas, and at the appropriate time the Minister for Public Transport will comment on any review — because this is all about making Victoria an even better place to live, work and raise a family.

Supplementary question

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I simply ask: will the Treasurer rule out a further expansion of the existing congestion levy?

Mr LENDERS (Treasurer) — Mr Rich-Phillips plays the game that every opposition has played in this state since 1856. He is playing the game that every opposition has played in a Westminster system probably since King John had his barons under the tree at Runnymede — although they may not have had a question time back then in the first Parliament — that is: asking a Treasurer to rule in or rule out any item that may ever be considered by any part of government, whether it be by an entry-level public servant writing a piece of information for a person further up the hierarchy or whether it be by a minister seeking advice.

I am not going to rule in or rule out any items, but I will say to Mr Rich-Phillips that we on this side are aware of the mischief he will make from that. I can imagine that he probably has his press release on the fax machine already: 'Treasurer refuses to rule out'. But I say to Mr Rich-Phillips —

Honourable members interjecting.

Mr LENDERS — That is right, the would-be Treasurer says that the Treasurer will not rule out. But I

say to Mr Rich-Phillips: King John did not do that when the Magna Carta was signed under the oak tree, nor is any Treasurer in this state going to do so. If Mr Rich-Phillips ever becomes Treasurer, I suggest he will not either. The key issue here is governments coming forward with a budget that makes Victoria an even better place to live, work and raise a family.

Building industry: performance

Mr VINEY (Eastern Victoria) — My question is to the Minister for Planning. I know the minister's strong interest in making Victoria a better place to live, work and raise a family, and in particular to do so through Victoria's strong building growth as a reliable indicator of our current strong economy. I ask the minister to update the house on Victoria's building permit activity figures, and in particular I ask that the minister inform the house of the latest building activity figures in regional Victoria.

Hon. J. M. MADDEN (Minister for Planning) — I welcome Mr Viney's interest in this matter. I can understand how he is very excited about the amount of building activity in regional Victoria, because I know he is very active when it comes to his work in his own regional area of Victoria.

This morning we have mentioned making Victoria a better place, and we can do that in a lot of ways. We can do that particularly by sustaining economic growth. One of the ways of getting an understanding of how expansive that economic growth is is through the *Pulse* building activity figures for the 2007 calendar year. They are generated by the Building Commission. The focus of that information is on speeding up the approval system, but it is worth noting that 2007 was a year of setting records for the building industry. We saw the total value of building approvals for Victoria's building industry in 2007 break the \$18 billion barrier for the first time on record.

Mr Finn — That is a lot of stamp duty!

Hon. J. M. MADDEN — But there is more, Mr Finn. The amazing growth in building activity has been achieved with the highest month on record, which was November, when over \$2 billion worth of building permits were issued. Across the board there has been growth in most sectors of the industry, with retail building permits up 75 per cent, residential up 20 per cent and industrial up 35 per cent.

But there is more good news. Due to our focus on economic development in regional Victoria — unlike those dark years of coalition governments — I can

proudly report that regional Victoria contributed over \$4 billion to building activity in 2007. To give the house a bit of a breakdown — and I know the regional members on the other side of the chamber, regardless of their persuasion, would be interested in this — the south-west region experienced an 8 per cent growth and Gippsland registered a 6 per cent growth in building activity, which is a huge improvement on the steep decline we saw in those dark years of the coalition government. It is terrific to see such strong confidence in rural, regional and metropolitan Victoria, with major investments in the commercial, private and public sectors.

Our planning policy assists in giving people confidence to build. There is always room for improvement, and we will continue to improve our policy. But it is important to give people that confidence so that they can feel confident about investing in new homes, in renovations, in commercial buildings and in public sector building works. These results reflect confidence in the economy, particularly in the building industry, and an approach to sustained economic growth that will make Victoria an even better place to live, work and raise a family.

Teachers: enterprise bargaining agreement

Mrs PEULICH (South Eastern Metropolitan) — My question is directed to the Treasurer, Mr Lenders. In the current negotiations with striking Victorian teachers the government has offered teachers a 3.25 per cent rise per year with anything higher to be offset by productivity. The outcome of these negotiations will obviously impact on the state budget. However, the Australian Education Union Victorian branch president, Mary Bluett, has said that 92 per cent of school budgets went on salaries and there was no capacity to improve productivity without cutting teachers, which would only force class sizes up and reduce programs. Is the Treasurer able to confirm that Ms Bluett's comments are accurate?

Mr LENDERS (Treasurer) — I thank Mrs Peulich for her question and congratulate her on her elevation to shadow parliamentary secretary.

Mrs Peulich — The dizzy heights!

Honourable members interjecting.

Mr LENDERS — To the dizzy heights of being a shadow parliamentary secretary.

There are two strings to my response to the issue that Mrs Peulich raises. One of the issues is, of course, that under any enterprise bargaining to have one side be

flagging costs or any of these issues in that environment is obviously reckless. It has never happened in an industrial relations environment that people would expect someone on the government side to start to talk about issues like this, when these are appropriately issues that are being negotiated between the Department of Education and Early Childhood Development and the Australian Education Union (AEU). I might note it is interesting again that Mrs Peulich has suddenly become the self-appointed shop steward for working people and she is not actually advocating AWAs (Australian workplace agreements) for the lot of them, given that that is what her party has been talking about for a period of time.

It also goes to the issue of bona fides in any negotiation on enterprise agreements. This government goes to the table to have a discussion with the appropriate industrial organisation about wages, and that is a bargaining process. Once every three or four years that is a difficult process; no-one kids themselves that it is not a difficult process when that discussion goes on. One cannot but contrast this to the last time that process was engaged in by the government that Mrs Peulich, Mr Hall, Mr Davis and others were part of, which closed 178 schools in country Victoria and sacked 8000 teachers. Its approach to industrial relations and enterprise bargaining was a take-out from Philip Davis's H. R. Nicholls Society: get a big stick with spikes in it and start bashing workers.

This government will continue to have good faith bargaining negotiations with the trade union — in this case the Australian Education Union — and it will continue to negotiate an enterprise agreement where it will seek to have outcomes that suit the future from both the government's perspective, the future of where it seeks to go with education, and the legitimate expectations of the union to have an enterprise bargaining agreement. We will negotiate in good faith. That will be done between the Department of Education and Early Childhood Development and the AEU on behalf of its members, and that is a process we will go through.

I am not going to comment on the specifics that Mrs Peulich has asked me to comment on for the reasons I have given. Also, I do not accept the bona fides of those opposite who do not believe in good faith negotiations but believe in AWAs and believe in smashing unions as a way to deal with legitimate negotiations with employees.

Supplementary question

Mrs PEULICH (South Eastern Metropolitan) — Given the Treasurer's failure to answer the question, I now ask: will he inform the house how much the state government is saving each day as a result of the Australian Education Union strike action taken by teachers, and given that the savings will be used to offset the increased cost of the enterprise bargaining agreement which the Brumby government will strike with the AEU, will the minister confirm that the government's intransigence in prolonging the strike is a ruse to save money?

Mr LENDERS (Treasurer) — My response will be — —

An honourable member — He's caught!

Mr LENDERS — I laugh at Mr O'Donohue's 'He's caught!'.

Mr O'Donohue — It wasn't me.

Mr LENDERS — It was Mr Finn. If that is being caught, I am speechless. That is all I can say.

I would say in serious response to Mrs Peulich, that if she wishes to understand industrial relations 101, if she wishes to understand how a Labor government deals with this: no. 1, it deals with its employees in good faith and treats them with respect, and it has a negotiating process. No. 2, if Mrs Peulich wishes to understand how industrial relations work, I suggest there are a number of people on this side of the house who will be happy to have a quiet word with her about it or perhaps she should go and meet with the Australian Education Union and have a discussion with it about how industrial relations work.

This side of the house believes good faith bargaining means negotiations will often go on for a period of time. They always do. On this side of the house we will treat our workforce with respect, and we will treat their representatives with respect as we seek to go forward to get a resolution that will provide good outcomes for the children — the students — attending the 1594 government schools in this state and for the teachers who teach in those 1594 government schools in this state. Good faith bargaining involves exactly that: two lots of people sitting on opposite sides of the table and having a discussion. Frankly Mrs Peulich's contribution will not assist in that. I say to her that this government will work to make Victoria a better place to live, work and raise a family. Mrs Peulich's intervention takes us back to the seven dark years of the

coalition government — schools closed, teachers sacked and a very, very bad outcome.

Major projects: government initiatives

Mr LEANE (Eastern Metropolitan) — My question is to the Minister for Major Projects. Can the minister inform the house how the Brumby Labor government continues to enrich the lives of Victorians through delivering major projects?

Hon. T. C. THEOPHANOUS (Minister for Major Projects) — I thank the member for his question. Major projects are an important part of the activity of the Bracks and Brumby governments and have been for a considerable period of time. I might say how pleased I am to be the major projects minister, because I do not see major projects as simply being about economic stimulation. Major projects are a way of us building a lasting legacy for our children in providing social, sporting, scientific and cultural infrastructure. I am very pleased that Major Projects Victoria is engaged in a range of activities that will contribute to building in effect a new Melbourne or a Melbourne which our children will be able to live well in into the future.

Let me give a few examples of some of the projects that MPV is engaged in. The Melbourne Recital Centre will deliver to Melbourne a world-class auditorium with uncompromising acoustics that we have never had before in Melbourne to allow for ensemble performances. It will enhance the reputation of Melbourne as a city with great cultural precincts. It will comprise the 1000-seat Dame Elisabeth Murdoch Hall, which will be just fantastic when it opens, and a 150-seat salon. The recital centre, along with the Melbourne Theatre Company theatre, is expected to be completed on schedule in 2009. I am sure every member is looking forward to the opening of this exciting new facility.

Mrs Coote interjected.

Hon. T. C. THEOPHANOUS — I am sure Mrs Coote is looking forward to it.

Mrs Coote — I am.

Hon. T. C. THEOPHANOUS — I want also to mention the rectangular soccer and rugby stadium, which will add to the suite of world-class sporting facilities we have in our sporting precinct. That will mean we will be able to have matches in a world-class facility which will seat 31 000 people down in the Olympic Park area. It is another exciting project, and we look forward to its opening with some exciting

matches that hopefully we will be able to organise in due course.

The other one I want to mention is of course the \$1.4 billion Melbourne Convention Centre, which is just a fantastic signature project for Melbourne. It includes a 5000-seat, 6-star convention centre, a 5-star Hilton hotel, and an office and residential component. It will have a riverfront promenade of shops and cafes and retail facilities as well, and it will also revitalise the maritime precinct. This is another signature project that will add to Melbourne's stock. I might add that there are many others: the synchrotron is something that is adding to our scientific capabilities in the state. To that we are now adding the new bioscience centre at La Trobe University, which will put us at the cutting edge of research in bioscience as well.

Let me say that we are very proud of the investment that we have made in major projects. We are now investing, in terms of capital infrastructure in the state, \$13 billion over the next four years, which is a massive increase to more than three times the level of capital infrastructure spending that took place under the previous coalition government. We are building Victoria for our children through our major project initiatives.

Greenhouse alliance groups: funding

Mr BARBER (Northern Metropolitan) — My question is for the Minister for Environment and Climate Change. In relation to the Central Victorian Greenhouse Alliance and the Northern Alliance for Greenhouse Action, which is in my electorate, the Western Port Greenhouse Alliance, the North East Greenhouse Alliance and all the other local government initiatives that were written up so glowingly in the minister's predecessor's local government sustainability accord just a couple of years ago, why have these groups been told their funding is coming to an end?

Honourable members interjecting.

Mr JENNINGS (Minister for Environment and Climate Change) — I am not defensive about alliances. I am actually quite happy to live in a world where alliances are formed and maintained. I am quite happy to see them as they emerge. In fact there have already been divisions in some of the alliances and relationships that have been formed over the last year — they are being sorely tested in this chamber as we speak, but they are latent in relation to public recognition of them. I thank Mr Barber for talking about another form of alliance that perhaps he may be still part of.

In that context the program he referred to has actually seen the great capacity of those of who are involved in environmental issues and concerned to be activists within their local communities. I mean 'activists' in every sense of the word, from being practitioners of reform and innovation in terms of environmental management and response to sustainability, to being also advocates in the sense of making sure local communities are better informed and educated and the government is better informed. These have been important parts of community development that have been supported by our government in recent times. But whilst we have supported these things on a number of fronts, including this program that has supported these alliances on a variety of footings, through Sustainability Victoria and the Department of Sustainability and Environment and through other forms of community building exercises, quite often these programs have a natural life to them in terms of providing for a crucible in which community organisations can come together. While there has been support to actually provide for some infrastructure and the ability for groups to form and relationships to build, quite often such programs are sunsetted in terms of whether they are provided with ongoing funding arrangements. The program that underpins these alliances is such a program.

It is the government's hope that, as these alliances become stronger, whether they bring partnerships from local government, whether they attract philanthropic support or whether they maintain a degree of community attachment to them, mechanisms and partnerships which in some instances may have commercial benefits may actually form. There may be sustainable funding that is actually located at a local level.

I know that in the case of a number of the alliances Mr Barber has referred to that may not have been the case, but in some instances some of those alliances are on a more sustainable financial footing or have a higher degree of community engagement than others, so it is a very variable story. I can understand why alliances may seek ongoing support, but in terms of the way in which they were funded initially and the way in which the government wants to engage in these activities in the future, we are interested in maintaining some degree of support, but at the moment they will not be maintained in the same way. Expectations might have been perpetuated that the government would continue to support them at the level of the original establishment phase.

Supplementary question

Mr BARBER (Northern Metropolitan) — My understanding is that the government has done the usual exercise of sending a consultant out to review them and that that review has been positive: they are effective or even high performing. Will the minister make available to me — and a simple yes or no or even the international symbol of thumbs up or thumbs down, would be sufficient in the interests of time — the report of the consultants that reviewed those alliances?

Mr JENNINGS (Minister for Environment and Climate Change) — I look forward to the opportunity that may be afforded to every member of the Parliament to achieve some sort of personal understanding about the intention where there are thumbs up or thumbs down. I am very happy to share with Mr Barber and with other members of the community an appraisal of this material. I am not quite sure whether in fact the full consultants report is in a form that is very useful or will assist us in making decisions, but I am very happy to explore the ways I can share it with Mr Barber and other members of the community.

Infrastructure: investment

Ms MIKAKOS (Northern Metropolitan) — My question is to the Treasurer, Mr Lenders. Can the Treasurer outline to the house how the Brumby Labor government is making Victoria a better place to live, work and raise a family by investing in infrastructure?

Honourable members interjecting.

Mr LENDERS (Treasurer) — I thank Ms Mikakos for her question. I also note that last night in the adjournment debate Mrs Coote actually mentioned making Victoria a better place to live, work and raise a family, so it is becoming quite bipartisan. Ms Mikakos asked what the Brumby Labor government is actually doing on the level of infrastructure to invest and make Victoria this better place to live, work and raise a family. I guess it is worth painting a little bit of a picture first as to where we were. Since 1999 this state Labor government has spent more than \$16 billion on infrastructure investment, and some of that comes in areas like funding of regional fast rail.

Honourable members interjecting.

Mr LENDERS — Mrs Petrovich, like Pavlov's canine, comes right in spinner at the mention of regional fast rail. What the coalition does not understand is that country Victorians actually like governments investing in railway lines, actually like a

commitment to public transport in any area. They do not like coalition governments that cut 178 schools out of regional Victoria and cut 6 passenger rail lines out of country Victoria — which happened when the coalition was last in control — including lines to Bairnsdale and Ararat. That was done by the Liberal-National coalition government whose Premier said that Melbourne was the beating heart of Victoria and country Victoria was the toenails.

Ms Mikakos asked about our investment in infrastructure, and we have also seen that in investment in roads. Better Roads Victoria is a fund about which Premier Kennett said one-third would be spent outside Melbourne, but as head of the Liberal-National coalition government he spent less than one-sixth outside Melbourne. But of course, President, Melbourne was the beating heart of Victoria and country Victoria was the toenails — that is what Premier Kennett said, so that is what it had to be.

We had 12 country hospitals closed, 178 schools closed, 6 passenger rail services closed and Better Roads funding not going into the country. To top it all off, we are surprised that unemployment in country Victoria was 3 per cent higher during the Kennett years of Liberal-National party coalition than it is under the current state Labor government!

An honourable member — Hansard is going to report that differently.

Mr LENDERS — That's right! Sotto voce, 'national'.

In the last budget alone this state Labor government invested \$555 million in school infrastructure.

Honourable members interjecting.

Mr LENDERS — Mr Drum, being from The Nationals, would well know that a lot of that was spent on the Bendigo revitalisation project in his home town. Where the Kennett Liberal-National government closed schools, this state Labor government builds schools. We have also seen in the last budget \$583 million invested in Department of Human Services capital expenditure — quite a contrast to what the Liberal-National party government did when Mr Drum's National Party colleagues were part of the Kennett government's proposal that actually slashed funds going to the Grey Sisters. Some in this house may have heard me talk about the Grey Sisters before: a very honourable order of Catholic nuns who operated in the eastern suburbs of Melbourne, providing assistance to women dealing with post-birth issues.

Mr Atkinson — On a point of order, President, there are rules about debating answers in question time. To my knowledge the Grey Sisters have never been involved in the provision of any infrastructure, which was the subject of the question put to the minister, and I suggest you bring him back to answering the question in a reasonable fashion without this foolishness of speaking loudly into the microphone every couple of words as well.

The PRESIDENT — Order! We are just about finished. Mr Atkinson's point of order is in fact correct, and I would ask the Leader of the Government to come back to the subject matter at hand.

Mr LENDERS — Thank you, President. On the issue of capital, since the budget update this state Labor government has announced \$600 million of investment into the food bowl project in northern Victoria — \$600 million in infrastructure in the food bowl, which does more to deal with water infrastructure than anything that was done during the time of the previous government. It is the largest single water infrastructure project in Victoria, even larger than what Elwood Mead, the first chair of the State Rivers and Water Supply Commission, dreamed of. This state Labor government has also invested \$300 million in capital in rail rolling stock since the budget update. This is but a part of the building of infrastructure that Ms Mikakos referred to.

In addition, outside the general government area, there has been a \$2.5 billion investment in EastLink, which will do an extraordinary amount to deal with traffic congestion in the eastern suburbs of Melbourne. Also we have seen \$3.9 billion go towards the desalination project which will deal with the water shortages in this state. The Labor government supports — —

Honourable members interjecting.

The PRESIDENT — Order! Mr Drum and Mr Finn — enough!

Mr Vogels — We want to go to lunch!

Mr LENDERS — Mr Vogels may want to go to lunch, but this investment in infrastructure will mean there is sufficient water to supply the food Mr Vogels so clearly craves for his lunch.

The final capital item I will touch on is that we have a \$969 million investment through the Port of Melbourne Corporation in channel deepening — a critical project to provide jobs for the 14 000 people who work in the port of Melbourne and also to keep down the cost of

living for all Victorians, particularly low-income Victorians, whom the Greens seem to have forgotten.

Ms Pennicuik interjected.

Mr LENDERS — Ms Pennicuik interjects about this, but I would suggest that if Ms Pennicuik had been in the Egyptian legislative council in the year 2000 BC, she would still not be satisfied as to the use of papyrus in schools or as to the use of the plough. She would want the Council to investigate until the end of the earth, because she would be opposed to those items.

This state Labor government will invest in infrastructure to achieve good outcomes for Victorians. We know that the coalition of the Liberals, the Nationals and the Greens will find common areas to block some of that infrastructure, but we are committed to infrastructure, because it creates jobs, jobs and jobs, which are what is so necessary to make Victoria an even better place in which to live, work and raise a family.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Treasurer) — I have answers to the following questions on notice: 1136–38, 1321, 1322, 1538.

Sitting suspended 1.00 p.m. until 2.03 p.m.

PORT SERVICES AMENDMENT (PUBLIC DISCLOSURE) BILL

Second reading

Debate resumed.

Ms PULFORD (Western Victoria) — I rise to oppose the Port Services Amendment (Public Disclosure) Bill. Unlike Ms Pennicuik in her contribution, I am going to speak about the bill. Mr O'Donohue said he was going to support the bill, then proceeded to say a whole bunch of things that indicated his position was contrary to that. He was about as clear as mud!

This bill is not about genuine disclosure of information about the channel deepening project, rather it is about an opposition that is looking for cheap shots because its members are not able or willing to make their position about this significant project clear to the Victorian public.

The debate displays an ill-informed opposition that is unaware of the massive amounts of information that will have already been released as part of this project. Under existing arrangements comprehensive and detailed information and analysis will be provided to the public on a regular basis. This information will be provided by the independent environmental monitor and will include commentary that fully and properly explains the implications of the data for the bay and its users. Independent experts who have scientific qualifications are the people best suited to doing this work, not politicians at Parliament House.

This bill fails on three counts. Firstly, it compels support for publishing information that is already available, which would waste the time of the Parliament and create needless legislation and red tape. Secondly, the bill provides for the release of raw data with no independent analysis or explanation, which would open the proper role of monitoring to sensationalism. Thirdly, the provisions of the bill will cause the Parliament to be deluged with irrelevant information.

For four years members of the opposition have refused to indicate whether they fundamentally support or oppose this project. Members of the Liberal Party indicated to the *Herald Sun* in January that they did not know what their party's position would be, and one can hardly blame them; it is murky at best. After \$120 million, more than 15 000 pages of scientific studies and data, and four years of ongoing study and consultation, it is time to get on with this important project for the good of all Victorians.

Mr Pakula has already outlined in some detail what it is that the government is doing to provide information about this project to the public, and I do not intend to belabour that point further, but I would like to raise some other points about the bill.

The provisions in the bill will require almost any document which contains a passing reference to channel deepening and the environment anywhere across government to be placed on the internet and tabled in the Parliament. If this bill is passed, the act would be one of the most prescriptive and onerous pieces of legislation we have ever had, exceeding even the reporting requirements for uranium mining in this state. That reminds me of the coalition of 21 and its anti-plebiscite on uranium mining, anti-fluoridation and the curious things that will bring 21 votes together in this place.

The bill also contains some serious flaws in that it purports to overrule existing protections on documents — even cabinet documents that may deal

with security matters and the like — that could be removed in the event that they canvass the subjects covered by this bill. Documents with trade secrets that affect small businesses would have to be tabled and put on the internet.

The bill also calls for revisions to the environmental management plan, contingency plans and directions from the minister to the Port of Melbourne Corporation to be made public, and provides that these documents will be posted on the internet immediately. I wonder how 'immediately'? Will the information be taken straight into the harbour, off the boat and into an internet cafe somewhere in Port Melbourne? It is quite impractical and a little ridiculous.

There is no provision in the bill for the information to be provided in a form that can be readily accessed by the public. Of course some of the scientific data is incredibly complex and, in the absence of any analysis or supporting documentation, raw figures are pretty meaningless to non-experts. Obviously the audience is an audience of non-experts, otherwise the information would not be put out on the internet. The proposals contained in the bill will create a costly and impractical burden and will benefit only a handful of scientists who would be able to make sense of this data.

I draw the attention of members to this year's *Alert Digest* No. 2 from the Scrutiny of Acts and Regulations Committee. It is important that members understand the concern expressed by the committee, which said in its report:

... the committee observes that the release of some information may engage the charter's right to privacy, reputation and a fair hearing in some circumstances.

...

... the committee is concerned that some reports, statements and advices prepared by or for a Minister or public authority may incidentally contain private information about an individual or, possibly, information that may be prejudicial to an individual's reputation or eventual litigation ...

The committee also expressed concern that —

... clause 5, by requiring the blanket release of such information, may unlawfully interfere with the privacy and reputation of such individuals and may also potentially engage their right to a decision by an impartial court.

Of note, this bill provides that new section 14B be complied with despite any other provisions in the principal act or other acts. This includes the Health Act, Victorian privacy laws and the Supreme Court Act. It is a broadbrush approach, and I wonder whether that is not ill-conceived.

The Liberal Party has flip-flopped over channel deepening quite a lot over a number of years. The member for Nepean in the other place said he cannot support the project and cannot be convinced that it is a good thing for the Mornington Peninsula. Liberal members have indicated they have difficulty voting for it. The Liberal Party candidate for Carrum in the last state election said he personally opposed the project. The Leader of the Opposition says that channel deepening ought to proceed, but the former Liberal spokesperson for ports proposes the container island transfer station in Western Port bay as an alternative. This can be clarified by comments from the previous Leader of the Opposition who said the Liberals wanted to have their cake and eat it too on this issue.

There was regular maintenance of the bay during the life of the Liberal-National party coalition government from 1992 to 1999. It was a time when Peter Ryan, the Leader of The Nationals, was a member in the other place and when Ted Baillieu was well known as the state president of the Liberal Party. I wonder how The Nationals will take their instructions in the context of their new alliance or coalition with the Liberal Party, and given that it is not entirely clear what the Liberals position is, it must be a mystery to them.

I want to respond to a few comments made during the course of the debate by previous speakers. Mr Hall said the bill does not require any additional monitoring of the project. I ask Mr Hall whether he accepts that the level of monitoring is adequate and, if so, it would be good for him to say so if that is okay with the Liberal Party to do that or are they saying that the act of reporting the monitoring to Parliament changes the way it is done. I wonder!

Ms Pennicuik spoke for almost an hour on the bill but less so on the actual details of the bill. She made a couple of statements that I want to comment on. Ms Pennicuik said that what happens overseas and nationally is irrelevant. That head-in-the-sand attitude is quite spectacular. I would have thought in this business, with the exchange of ideas and debate about what is the best thing for Victoria, having a look at what is going on beyond the River Murray is pretty important. This is fluoride coalition-level logic.

Ms Pennicuik also commented about the relevance of investigations into the project specific to Port Phillip Bay. That is exactly what the government has done in spending \$120 million to study Port Phillip Bay, not some other theoretical bay. Ms Pennicuik indicated that the project was too big. I wonder what she based this comment on. Is 22 million cubic centimetres okay but 23 million cubic centimetres too much? Is maintenance

dredging too much, when this is something that has gone on for many years. Without it, the port could not function. There is no science to the Greens position and they are blinded by their opposition to this important project for the state and its ongoing economic security, especially for jobs growth in Victoria.

The Liberal Party and The Nationals are at odds on many things, including channel deepening. The Nationals have described channel deepening as a magnificent project that is essential for Melbourne's standing as an export port. I agree with those sentiments, but the Liberals, as I have said, have been all over the shop on this issue.

I look forward to seeing the results of the policy deliberations coming from the newly formed coalition and learning whether they will go with name the 'Niberals' or the 'Laterals' or whether they will revisit the toenails experiment of the period from 1992 to 1999, when they voted together 1150 times, leading to some spectacular decisions for country Victoria, with 6 country rail lines and 12 country hospitals closed, police numbers cut by 800 and 126 country schools closed.

Mrs Peulich interjected.

Ms PULFORD — Mrs Peulich says I should talk about this century, but the government on a daily basis is dealing with the spectacular Liberal-Nationals coalition decision on freight rail, which has had a massive impact throughout regional Victoria.

Mrs Peulich interjected.

Ms PULFORD — It was announced yesterday — it is a \$20 million package to support freight rail in Victoria. If Mrs Peulich is keen to defend the actions of the Liberal-Nationals coalition during that period, I would urge her to get off the red maps and go and see how long people's memories are.

This project is primarily about jobs and the price paid for household goods by the people who are affected by it — that is, those who elect us and send us to this place.

If ships cannot come here, it costs more to get goods here from interstate ports with deeper channels, and the costs are passed on to Victorian families. This project is essential for our exporters, such as our dairy industry — an enormous employer in my electorate — our manufacturers, our grain exporters and our vignerons. Without it, exporters would have to incur greatly increased costs as they go about their business because our port is not the right depth and is inefficient. This

project affects thousands of jobs and thousands of people's lives. In terms of port logistics — —

Ms Pennicuik interjected.

Ms PULFORD — Ms Pennicuik, jobs are pretty important to us. In terms of port logistics alone, 14 000 people's jobs are affected by this project. That is pretty important to me. Independent assessment shows that the project will add \$2.2 billion to the national economy over 30 years.

We have always said there will be temporary impacts from channel deepening. The water may at times be murky and currents and wildlife will be temporarily affected. But we have listened to the experts and been assured that these impacts can be managed and that they are not permanent. We have done everything that can be done to minimise the impacts and still be able to get on with the job. As I said, \$120 million has been spent and more than 15 000 pages of scientific data and technical studies have been produced to advise the government about how best to proceed with this critically important project. I urge members to oppose this bill.

Mr ATKINSON (Eastern Metropolitan) — I rise in support of the bill and to make some remarks in regard to the bill and the matter before the house. I note that Ms Pulford made some remarks to the extent that other speakers perhaps canvassed far and wide and did not stick to the specifics of the bill. Can I suggest that the whole reason for that was that the lead speaker from the government, Mr Pakula, engaged in a fairly lengthy dissertation which skirted right around the bill. In fact it went in very small measure to any aspects of the bill. That was not surprising to this side of the house, because, of course, this government is concerned about the scrutiny of this project and the environmental integrity of its processes. The government should take the opportunity to match the rhetoric it espouses in terms of environmental credentials with the real practice.

I will take up a couple of points that have been made in this debate which I think are important. The first one is the key point that has been made by government speakers on a number of occasions that there is an inconsistency from the opposition on this particular project. I suggest that there has been no inconsistency by Ted Baillieu, the Leader of the Opposition in the other place. In fact he has been very clear in the premise that he supports the channel deepening project and that, at the same time, he believes it is imperative that there is no long-term damage to the bay, no long-term impacts on the health of the bay and, more

broadly, no impacts on the health of the Victorian economy and the people of Victoria. His position is entirely consistent.

I might add that his position is not my position. My position is entirely consistent — that is, I do not want this project to proceed. It is a little bit late to be belling the cat, but the fact is that I think this is a project on which this government has had to proceed with some haste simply because in the early days of the Bracks administration in particular it was lost and absolutely paralysed by reports and navel gazing, and it failed to get on with the business of looking at what ought to have been the vision for Victoria and the real opportunities for Victoria going forward. As part of that process of this government's administration, through both the Bracks and Brumby government terms, we have seen a squandering of some of the resources and some of the opportunities that have been available to Victoria simply because the government has not addressed some of the major infrastructure issues and has not shown any real vision in terms of the way it has approached some of the challenges for Victoria going forward.

The reality is that I think this project will damage the bay. I hear and understand and take note of the matters raised by Mr Pakula about incursions in the bay in the past in regard to dredging and indeed changes in the past that have been effected at the Rip. But the reality is, as Ms Pennicuik said in her contribution, that this project goes considerably further. This project potentially can do considerably more damage. Frankly what we have done in the past ought not to be without question. We should be able to go back and decide whether they were the most appropriate responses and whether that is the way we would do it if we were starting from scratch again.

It certainly occurs to me that when we look at this project it is basically driven by a locked-up investment by two companies in the shipping industry that happen to have their operations within the Yarra River and do not really want to move them and are not keen to invest elsewhere. Of course the government is scared of any proposition that might involve it in some compensation or some sort of subsidy that would enable us to address solutions that would be in the long-term interests of Victoria, that would be environmentally more responsible and that would be in the long-term interests of the shipping industry rather than the very two companies that are trying to lock up what I see as a very short-sighted decision. The reality is that if you go and talk to people in the shipping industry, they will tell you that in fact this is a very short-term solution.

Indeed many people in the shipping industry are saying to me and, no doubt, to others that they are likely to be looking at other than Melbourne in the future no matter what dredging is done. The issue for them is not the draught of their ships but rather the fact that they spend a day having to come up into the docks at Melbourne and a day to get out at considerable cost — thousands upon thousands of dollars. It was mentioned to me that the average cost for a ship to come up the channel and get to the port was around \$43 000 a day. Frankly, when it comes down to looking at the economics of this, some of those shipping lines are starting to say, 'Perhaps we ought to look at another destination. Perhaps we ought to be dropping off somewhere else, thereby saving two days and the associated costs'. That is their issue, not how deep the bay is.

It is interesting that a major corporation, Babcock and Brown, runs a port system throughout Europe. It is interesting to analyse its strategies and ideas as a new operator of infrastructure in Europe and in this industry. If we were to look at some of its innovations, we would have an entirely different view of this project. It is crazy that we would bring a lot of agriculture products into Melbourne, then ship them out from the capital city. What we ought to be doing is upgrading the port of Portland.

We talk about governing for all Victorians and the value of creating jobs in regional Victoria. Portland has a deepwater port, and it already offers some opportunities. It already serves some of our shipping interests, and it has an advantage in that the ships do not have to travel for two days, one day coming up the bay and another day going out. They can drop off on the way. I am told by some of the shipping lines that that is a preferable outcome for them.

Certainly for a lot of our industries in western Victoria, particularly the grain industry, it makes a lot more sense for product to go to Portland than to bring it back through Melbourne. One of the problems at the moment is that the only viable railway line to do this is on the other side of the South Australian border. It is a question of not having the rail lines. I know that government members will be quick to jump in, to blame and to say, 'Who closed some of those lines?'. In the context of when those decisions were made, there may or may not be a defence for closing some of those lines versus upgrading them, but my view of politics and public policy — and my view of where I should be as a member of Parliament, looking at these issues — is to look at what might be in the future, to look at what is feasible and not to be simply bound by the past.

When Mr Pakula mentioned it he said there was no point in talking about Webb Dock as an option because no-one is there. By that he means, of course, that the major logistics companies involved are both based inside the Yarra, Swanston and Victoria docks, not at Webb Dock. If you apply the logic of why go there because no-one is there, Adam and Eve would never have ventured past the Garden of Eden, and nobody would have ventured out of Asia Minor or Europe because no-one was anywhere else.

We should be looking at opportunities, we should not just be bound by what is there at the moment. Just three years ago, when I was small business spokesperson, I was talking to a lot of industry groups, including some of the major project and engineering companies in Victoria. They were saying to me three years ago, and no doubt were saying to the government, 'We might be doing ourselves out of some work here, but the reality is that the best solution on this bay proposition is to use Webb Dock and not to dig up all the nasties at the mouth of the Yarra'.

The government's own plan, its own blueprint, for these port facilities indicates that Webb Dock, which currently has roll-on, roll-off activities, would have those activities transferred to Geelong in about 2015, about five years after this project is expected to be finished, and that it is amenable to an upgrade. The government's plan through the Port of Melbourne Authority suggests that there is an opportunity to upgrade Webb Dock. Yet at this stage it has been ruled out; it is not regarded as a proposition.

That is not my preferred position either, because I do not support the dredging further down the bay or the further opening up of the Rip either. It will have consequences that nobody has anticipated. We could see beaches being eroded in parts of the bay and perhaps other beaches being created in other districts. I do not think anybody can predict what is going to be the outcome of opening up the Rip in particular. Webb Dock is not my preferred position, but it is an infinitely better proposition as a short-term, short-sighted proposition than to dig up the mouth of the Yarra. To try to put the toxic materials that are dug up from the mouth of the Yarra back in the bay in so-called holding positions is simply not on.

From my point of view it beggars belief that the option has not been canvassed more widely; it has certainly been canvassed in the press. We heard Mr Pakula criticise much of the press coverage of this issue. In many ways much of the press coverage is too little too late, because the entire community would have

benefited from a much more informed debate at a much earlier stage.

There is no doubt that when you look at the environment effects statement you see that this government botched the first process entirely and then went for a quickie management process in the second instance. When it comes to incompetence or conspiracy I usually go with incompetence, because I find that it is usually a lot more reliable in interpreting events. But I cannot help but think that some clever adviser to federal environment minister Peter Garrett sat down one day and said, 'We could release your decision on Port Phillip Bay, but it is going to cause a bit of a kerfuffle, so how do we cover that? Got it! We will chase some whaling ships down into the Great Southern Ocean'. Indeed the Port Phillip Bay decision came out at exactly the same time as Mr Garrett was running around trying to trump up the wonderful things that the new Rudd federal government was doing in chasing the Japanese whalers.

As I said, maybe it was incompetence, maybe it was coincidence, but one cannot help thinking that for governments of the Labor persuasion, which are so keen on and so clever at spin, that would have been an absolutely magical proposition: to camouflage this decision, which they knew was on the nose for many Victorians — in fact a high percentage of people have been expressing their concerns about this issue in the papers this week — with an issue that might have greater support amongst Victorians and other Australians.

The reality is that many people have come to know about, think about and understand the ramifications of this project in more recent times as press coverage of it has increased, and they do have concerns. This bill goes to the heart of those concerns. It does not stop the project. As I said, my preferred position is to pursue an alternative project. My alternative vision might well include a platform port operating off Hastings. It would not even involve using Hastings and would avoid some of the environmental concerns that might well be associated with using Western Port bay. There are examples of platform ports around the world, such as at Singapore. It would also include an upgrade of Portland, which is an eminently more sensible proposition for much of our export activity.

But what also concerns me in terms of this proposition and the government's refusal to have an open and transparent process, as characterised by its opposition to this bill, is the fact that even the scrutiny that is being proposed at the moment raises some serious questions. Firstly, the team of people from the Environment

Protection Authority who would have been expecting to oversee this project with some independence and to report to a minister through a very clear reporting process have been transferred to the Port of Melbourne Corporation.

One wonders about that team's independence if it is being relocated from the regulating authority to the proponent authority. One wonders about where the reporting lines are now. Have they been returned to the minister who is responsible for ports, or are they still back with the minister responsible for the Environment Protection Authority? What will be the nature of the reports that the team might make and the actions that it might take to in fact intervene if the project starts to throw up research results and evidence of activity in the bay that clearly shows that significant damage is being done? What will be its response to that?

As I said, who does the Port of Melbourne Corporation report to? Which minister is it reporting to? Is it the proponent minister or the regulator minister? I am not sure. I do not think that has been explained properly by the government, and I think it ought to be explained. Perhaps one of the government speakers might actually take up that issue and explain that very point as a part of this debate.

As an absolute minimum we ought to be passing this bill that has been proposed by David Davis in this place — the same bill which Mr Baillieu attempted to introduce in another place but which was ruled out by the government using its majority in an effort to avoid the very scrutiny of the project proposed by this bill — because it is an absolute minimum in terms of addressing what is a very significant project, not just in economic terms. If people want to argue about some of the economics of this issue, we can do that too.

It is fascinating that following my contribution to the debate on the Port Services Amendment Bill one Labor member approached me and asked, 'Where did you get those figures from?'. The figures I was quoting at that time were the \$2.2 billion pay-off from this project over 30 years and the cost of the project being over \$900 million. The discussion involved the question, 'Where did you get those figures from?'. I actually recall that the figure I used at that time was \$758 million, which was the government's best figure at that point. But at the time of that debate the discussion focused more on the figure of \$900 million. Anyway, we will take the \$758 million. Those are the figures I quoted. One quite senior member of the government came to me outside the chamber after that debate and asked, 'Where did you get those figures from? If those figures are right, gee, I am not sure that

this project stacks up either'. That was said by a very senior member of the government.

Hon. T. C. Theophanous — Are you telling tales out of school here?

Mr ATKINSON — I have not used the name.

Hon. T. C. Theophanous — You could be making it up!

Mr ATKINSON — I am not you, Mr Theophanous; I am not you at all.

The reality is that government members do not understand the ramifications of this project or the economics of it either. As I said, I think it is a fairly short-term project which has not properly taken into account international trends, which has not properly taken into account shipping practices and which has not resorted to the experience and evidence of a great many people who have a great deal more knowledge and a great deal less vested interest than the people who have ridden this project like those at Babcock and Brown and Lindsay Fox.

Hon. T. C. Theophanous — Fox! No interest?

Mr ATKINSON — Lindsay Fox's contribution on this debate was eminently sensible. He is an identity that the government has sought to associate itself with on many occasions because it seems to be good publicity. But on this occasion the government found that it was all too uncomfortable to be hearing the opinions of somebody who has a very real understanding of the logistics and the workings of the port in Melbourne.

I think this legislation is the very least we can do to protect some of the integrity of the bay environment and to ensure that any damage that is done is within a context where we can effect some repairs. I support the position of Dr Denis Naphthine, the member for South-West Coast in the other place. It was a position I voted for last year in regard to the Port Services Amendment Bill. The waste materials and toxic materials that are taken out of the bay should not be put back in the bay under any circumstances, but in fact should be treated on land.

I know that some government members instantly jumped up while other members were on their feet, saying, 'Where should it be?'. The truth is that at this point I do not know of a location, but I can say that any location on land is eminently more suitable, is logistically and environmentally more sensible and would allow a much more effective and safer treatment

of those toxic materials than putting them back in the bay. That ought not happen under any circumstances. This bill is an absolute minimum level of scrutiny that the public of Victoria deserves to have on a wide-ranging project, an important project and a project which has potentially serious ramifications for the health of the bay.

Mrs PEULICH (South Eastern Metropolitan) — I also rise to make a brief contribution on the Port Services Amendment (Public Disclosure) Bill 2008 introduced to this chamber by David Davis, the Leader of the Opposition in this house. It is very much the same bill that the Leader of the Opposition in the other place, Ted Baillieu, attempted to introduce in the Legislative Assembly when leave was refused.

I rise to make a brief contribution because I represent an area that abuts Port Phillip Bay — the sand belt, the bayside suburbs — and includes the Legislative Assembly electorates of Frankston, Carrum and, in particular, Mordialloc, taking in some very scenic and beautiful beaches from Frankston to Mordialloc. One of the reasons I feel compelled to make a few brief comments is that when the Leader of the Opposition in the Legislative Assembly sought leave to introduce this bill into the Assembly on Wednesday, 6 February, leave was refused with 33 votes to 42 — not all members voted. In particular not a single Labor member spoke against the motion, including those MPs who represent the electorates of Frankston, Carrum and Mordialloc — that is, Alistair Harkness, the member for Frankston; the Speaker of the Legislative Assembly, Jenny Lindell, who is the member for Carrum; and Janice Munt, the member for Mordialloc. They are all the Premier's — Mr Brumby's — men and women on the ground, and this is a government project.

Much of the debate in relation to the business case and the alternatives preceded my return to Parliament, so I was regrettably unable to take part in the debate. The government has pushed the project forward. I concur with some of the comments made by Mr Atkinson — perhaps the community and media reporting of the issues could have been more vigorous. This might have appealed members of the community who do not have confidence in the government's management of projects and certainly not in its openness and transparency in relation to this project in particular, as there are potentially significant environmental risks. They are not confident that the safeguards in the regime that is being put in place are sufficient to protect that environment, which brings enormous pleasure to all Victorians — to everyone in Melbourne and especially to those who live in the bayside suburbs I have great pleasure in representing. It is regrettable that those

people could not even find a voice in their local representatives; nor have I heard too much said on the issue in any other form of public statement. That is one of the reasons I feel compelled to say a few words.

I know that local government has also been struggling to find a voice to reflect some of the concerns in the community. The City of Kingston has been surprisingly quiet on this issue, despite the fact that last year's mayor shared some concerns. The level of concern in the community has not been reflected in the level of vigour and representation in taking up these issues by the Kingston City Council. That might in large part be because a significant number of members of the Kingston City Council are members of the Labor Party. Some of them are ambitious, and it would be against their best career interests to not toe the party line.

Ms Pulford made a feeble attempt to give members of the Liberal Party a bit of a pull-through, to use a pun. I was very cross with her attempts to misrepresent what happened at the Scrutiny of Acts and Regulations Committee meeting, where there was significant debate about the committee's recommendations in relation to this legislation. She attempted to quote — and I believe it was probably quoted inaccurately — words to the effect that the entire committee was concerned with a range of issues that she then proceeded to list. The committee had agreed to ask questions of the proponent — in this instance, David Davis — in relation to a range of issues that the human rights adviser, Dr Jeremy Ganz, had raised, suggesting that they might not be consistent with the human rights charter.

This is something that is not infrequently done by government ministers, whose statements of compatibility with the charter of human rights have sometimes been totally inaccurate, completed in a cursory fashion and shown significant disregard for their own legislation. The committee agreed to write to the proponent to get answers regarding these issues, but it was quite clear from the level of discussion in the committee's meetings that these concerns were not shared by all the members of the committee. The committee was merely going through a process that it typically goes through. Ms Pulford's attempts to play a bit of wedge politics to give the Liberal members a bit of a pull-through were feeble and will probably have some ramifications for how we conduct those meetings in the future.

Mr Finn — Possibly Blue Wedge politics!

Mrs PEULICH — Yes, exactly. My office and your former office, President, are probably not very far

from the dredged material holding ground. I want to know, as do many other members of the community, that the various standards enshrined in the environmental management plan are being adhered to, that trigger points are not being activated and that action is being taken to remedy any concerns that are being registered. But how do we know that when the length of response time prescribed in the environmental management plan varies right up to two or three months or even a year? The government has not been forthcoming, open or transparent in providing a system of reporting of important environmental information to the community. In fact it has typically reverted to what has been traditionally associated with left-wing governments — that is, the suppression of information, because the state knows best. Unfortunately democracy can be very impractical.

Hon. T. C. Theophanous — It is also associated with right-wing governments.

Mrs PEULICH — Absolutely, and my having lived under a dictatorship for a number of years of my early life means I do not have a lot of tolerance for either extreme, because there are a number of similarities. Democracy is very impractical, and sometimes slow.

The house heard a whole crock from Ms Pulford on the requirement for the government to be open and transparent by suggesting that the information that would need to be divulged through mechanisms and systems that already exist would somehow impinge on the privacy of individuals. Everyone who has read the human rights charter, particularly the government, as it introduced the charter, would know that those human rights do not apply to authorities, they apply to individuals — except, of course, to ministers of the government or key people in the various bureaucracies or authorities. In my view they need to be answerable and accountable for their actions.

The government is now dredging the bay and the citizens, particularly those who live in that area, want to be kept informed about the project. This bill proposes a means of doing that. They want to be reassured that the government and the Port of Melbourne Authority are being open and forthright about what is occurring. Many firms and private citizens have a direct stake in the project being as safe as it has been claimed to be, but I do not know whether it is.

The problems with the initial environmental impact statement suggest that the government is not being completely sincere and forthright. A range of issues are being raised by scuba diving firms, fishing charters, fishermen and the marine businesses that supply private

fishing and sailing boats. They want reassurance that the environmental risks are being controlled or minimised. Regular swimmers at all of those beaches also have a particular interest.

This bill provides for a greater scrutiny of the environmental monitoring of the dredging process. As I said, the regime as proposed by the government does not enable that. I support the bill on the basis that the systems are in place. It will allow for greater scrutiny, and will allow those who are keen followers of all matters pertaining to dredging to subject the processes to scrutiny; there is an opportunity to remedy things should they go wrong.

With those few words, I think it would be a good measure of public policy if the government agreed with and voted for this legislation. If it wishes to restore public confidence in its capacity to manage major projects in a way that is acceptable to the community, it should support and vote for the bill. I certainly intend to.

Mrs COOTE (Southern Metropolitan) — I have pleasure in speaking on this bill and obviously supporting it, along with my Liberal colleagues. This debate has been far reaching, has been very detailed, and will go on the record as being of value to people in the state of Victoria.

For my part a lot of the area that will be affected is in my electorate of Southern Metropolitan Region. The bayside suburbs of Albert Park, Brighton and Sandringham are all part of the area that will be affected. I understand very well some of the issues concerning the dredging of the Yarra, which forms part of a boundary to my region in the area of Albert Park. I am concerned that, if there is no dredging, Webb Dock will become even longer, which would be a major concern for my constituents. The 50-year plan for Webb Dock almost makes it reach Williamstown, and that is unacceptable.

While we are having this debate it is important to understand what will be in the minds of the people making the planning decisions. It is another part of the debate that needs to be looked at in closer detail, because that will be unacceptable for the people of Port Melbourne and Albert Park.

This afternoon I would like to talk about the Blue Wedges coalition. I attended one of its very first meetings in either Chelsea or Cheltenham. It was when the Port of Melbourne Authority came up with a PowerPoint presentation that it intended to show to the public. The meeting was attended by about 400 local

people — people who were going to be affected, people who had an opinion on this issue and who were aware of what the ramifications would be and who wanted to be a part of the process.

The Port of Melbourne Authority came in with its slick PowerPoint presentation, its spin message and its arrogance and conducted a meeting in which the good burghers of this region booed; they were very angry. The people from the authority thought they were so smart, but they did not understand that the people of the community did not want to have this happen to them. They were furious that they had not been properly consulted and were being told at the time that this project would be imposed upon them.

The anger in that room was tangible. It was really important to see how local people were galvanized by joining forces together to come out against something they felt so strongly about. The local members of Parliament who were there that night were quite surprised at the vehemence of the local community. With great interest I watched this community and others like it take on and deal with this issue, and they were professional about the whole issue. That culminated in the Supreme Court hearing a couple of weeks ago. This is a very good example of people at work, people working together cooperatively to get up and do something about an issue they feel passionate about.

This attitude is now being manifested right around Victoria on many issues; if this government ignores it, it will be at its peril. We are seeing groups coalesce in anger against the government's trying to bulldoze people into situations they do not wish to be involved with. For example, recently on the steps of Parliament House were people who are going to be affected by the proposed desalination plant — another issue on which the government did not consult but came in with jackboots and walked over the local community.

We also know about the people who will be affected by the north-south pipeline. That group were coalesced to anger, to such an extent that they left their farms and came down to Melbourne to demonstrate. The Blue Wedges coalition was there as well.

We are seeing this hostility in my own region and in other parts of the state. We are seeing it over violence and nightclubs. We are seeing people who would not normally get up in arms going to public meetings of 200 or 1000 or 2000 people at a time because they are not being listened to. The pattern is that this Brumby government — as did the Bracks government before it — is forgetting to stop and listen to the people whose

lives it is affecting. Many of these people voted for the government, but many of them will — —

Mr Finn — Not ever again.

Mrs COOTE — Many of those people will not be voting for them again, as Mr Finn says. I remind the chamber about the Blue Wedges coalition and put on the record my praise for the people who have worked so assiduously over a long period of time to make certain that their voice, and the community's voice, could be heard.

The Blue Wedges coalition was formed in 2003 in response to the Port Phillip Bay channel deepening proposal. It is made up of 63 groups, some of them being: the Australian Anglers Association, Australians for a Sustainable Future, Bayside Alliance, Beaumaris Conservation Society, Black Rock and Sandringham Conservation Association, Brighton Foreshore Preservation Association, Defenders of the South-East Green Wedge, Elwood Angling Club, Friends of Brighton Dunes and the Dr Jim Willis Reserve, Friends of the Weedy Seadragon, Mordialloc Beaumaris Conservation League, Polperro Dolphin Swims at Sorrento, Rowan Woodlands at Dingley Village, Sandringham Bicycle Users Group, Save Point Nepean, VRFish, Warringal Conservation Society, and the Western Port and Peninsula Protection Council.

They are 63 different groups joining together over an issue that the public feels very passionate about. The government is not listening to these people. We can see the diversity in the list that I have just given, and it is important for us to remember that all the people who are engaged in this process are representing their community.

One of the proponents of this is Jenny Warfe, who is secretary of the Port Phillip Conservation Council. She is one of the founders and the main spokespeople. Her brother Len is the president of the Port Phillip Conservation Council. They have been valiant in their attempt to take this issue to the wider community and to make quite certain that it is looked at, and we have seen the results. We saw them having to tackle the government to such an extent that they were able to get a stay on the channel deepening. In the meantime the people of Victoria were able to see how they had been treated; they were able to see that their voices were not heard and that they had to galvanise themselves and be focused and professional enough to take it all the way through as high as they could.

They were not successful, but the lesson for the government is that it has forgotten to listen. I say to the

government, 'You are not listening any more. You are not listening to the desalination people; you are not listening to the pipeline people; you are not listening to the people in Chapel Street; you are not listening to the coalition of the Blue Wedges. You have stopped listening! Some of those people voted for you, and it is time that you listened'. I would have to say that Blue Wedges ran a very good campaign. I think there will be more, and this chamber needs to recognise the excellent work the members of that coalition put into it. I support the bill.

Mr THORNLEY (Southern Metropolitan) — I rise to oppose the bill. Left to its own devices the Liberal Party would probably be moving a motion in favour of channel deepening — so I am told — although Mr Atkinson, to his credit, has freely admitted that he would oppose such a view. Maybe there are just some portions of the Liberal Party that would do it and some that would not. Left to its own devices the Greens party would move a motion opposing channel deepening. Left to their own devices The Nationals would be moving a motion supporting channel deepening.

This bill is the product of that tiny, thin piece of the political landscape where you can get just enough agreement so that you can get them all voting in favour of one bill. Recently a member opposite commented to me, 'This is a very narrow bill. How come it is getting so much attention?'. It is a very narrow bill because this is the only tiny, narrow piece of the policy landscape that these people can all agree on so that they can vote together and try to convince people that there is a coalition of support against channel deepening, when plainly that is not the case.

If you listened to the speech we just heard from Mrs Coote — I will refer to her before she leaves, so that she does not feel that I am ganging up behind her — —

Mrs Coote — It was an excellent speech.

Mr THORNLEY — It was an excellent speech only in the same way you would say Brendan Nelson's speech on the apology was excellent. Those who listened to it could have been under the impression that he was not apologising; they could have had the misperception that he was not on the same side. But he was speaking in favour.

Mrs Coote, similarly, gave an outstanding speech in favour of the Blue Wedges coalition, and somebody listening to that may have laboured under the illusion that she supports the Blue Wedges coalition and would

oppose channel deepening, but apparently that is not the case.

Mr Dalla-Riva interjected.

Mr THORNLEY — I will take up Mr Dalla-Riva's interjection. He asked me, 'Are you supporting it?'. Our position is very simple: we believe channel deepening is a necessity and therefore it must be done in the most environmentally sensitive way. I say to him, 'Your position is that you do not know what your position is'.

This is not about the Blue Wedges; this is not about green wedges; this is about the true blue wedges; this is about the true blue and green wedges; this is about the difficulty of those opposite in trying to find a single thing — a single policy position — they can agree on. They are trying to play grievance politics with community groups — —

Mr Finn interjected.

Mr THORNLEY — I have said that I oppose the bill. There is no issue about that.

They are trying to play grievance politics with community groups, trying to pretend that they are on the side of those community groups, but they are not. Actually, at least so they tell me, they are in favour of channel deepening. I know The Nationals are in favour of channel deepening. They understand the economic necessity of what we are doing here. The Liberals claim to be in favour of channel deepening, though they speak against it most of the time. They have got a bit of the John Kerrys: 'I voted for it before I spoke against it'. It is really pretty simple: you either think that the dredging should proceed or you think that it should not.

The reason we are not considering the main issues around channel deepening — should it proceed or should it not; should we consider reviews of other ports or a range of other motions that could have been moved — is that none of those motions would have been able to get any sort of support in this chamber from this motley coalition that they are trying to hold together. When I say 'motley coalition' I just mean the Liberal Party, before you even get into the Liberal-Greens coalition or the Liberal-Nationals coalition.

Mr O'Donohue interjected.

Mr THORNLEY — I am glad the member is appreciating it, because I am enjoying it too. When we listen to the Greens, who oppose channel deepening — and that is fair enough; their position has always been consistent and at least they should be congratulated on

that — there is a complete lack of recognition of the complexities of this situation and the balance we are trying to get between the environmental challenges and the economic challenges.

Ms Pennicuik said she spent five years on this issue, and I do not doubt that that is true. I do not doubt that she has strongly formed views and has done a lot of work on the environmental side of the issue. If that were the only side of the issue, it would be a very easy issue and you could solve it in 5 minutes. This is a difficult issue. When you are in government you have to make difficult decisions — you listen to everybody, but you cannot agree with everybody; it is easy to agree with everybody in opposition, but when you are in government you have to listen to everybody and then make decisions and accept the fact that not everybody is going to agree with them. In this instance we have a good example of that. Ms Pennicuik talked about this project being completely unnecessary, so apparently the port of Melbourne is going to spend a vast amount of money on something that it does not need to spend it on, and the government has spent \$120 million on an environmental assessment of something that never needed to happen.

I am sure that you, President, as someone with a history in the navy and an understanding of the way things work at sea, would appreciate that the reason why all of this is unnecessary is that the ships that come to Melbourne drop off part of what they have along the way in Fremantle and Adelaide: they are half empty anyway, so there is no need for this project at all!

Ms Pennicuik — I never said that.

Mr THORNLEY — That is exactly what you said, Ms Pennicuik. It sort of neglected the fairly obvious part of the logistics business, which is that you drop things off and you pick things up. What we have here is an inability for large ships to come into this port properly laden, both inbound and outbound — bringing in what they are bringing in and unloading that, and then reloading our exports and taking them out again — and remedying that is the purpose of this project. If Ms Pennicuik is going to spend five years on this issue, then I ask her please to spend at least 5 minutes on the economics side of the issue as well as the time that she is spending on the environmental side, and then we will actually be able to have a realistic debate about how those two can be balanced, how we can listen to the needs of all the interests groups, make a rational decision and have a rational process. Until we do that, there is no point in playing at the margins here, on the thin sliver of land where all the parties opposite can

agree, because they cannot agree on anything else. I oppose the bill.

Mr KOCH (Western Victoria) — I look forward to making a contribution to the debate on what I see as and what Mr Thornley agrees is quite a narrow bill, although I must mention that he forgot on the way through that it was narrow and broadened it out much as he could. I was very interested to hear him say that, of course, the dredging that is taking place in the bay is a very sensitive issue and it is important that we get it right.

If we look at the bill before us today, the Port Services Amendment (Public Disclosure) Bill 2008, we note its purpose is:

to amend the Port Services Act 1995 to require the Port of Melbourne Corporation to undertake the immediate public disclosure of environmental monitoring of the Channel Deepening Project and for other purposes.

In that context it is a very narrow bill. I do not think whether the dredging should take place or otherwise is what this bill is about, although I must say from this point that the Liberal Party is very supportive of the bay deepening. We know what the ramifications are if this does not go forward and it is terribly important for the economy of Victoria that we have access to ships that can come in fully laden and can export fully laden to assist our balance of payments.

I think the bill offers those reassurances that many of our bayside communities particularly are seeking. To that end they have been quite concerned with some of the undertakings that they see visibly, more so than technically, as taking place. I think we all appreciate that the process being employed is not one of intentional destruction of our bay, and anything that we can have further in relation to a reporting process on a very regular basis, more than quarterly or annual reports, should certainly be given consideration.

I will just refer to our bill. In actual fact it endeavours to put three new sections into the principal act, being sections 14B, 91J and 91K. Proposed section 14B endeavours to incorporate that the Port of Melbourne Corporation must cause to be published every review or revision of the environmental management plan; and that the report should be prepared by an auditor under section 91F, which I will refer to in a moment, regarding the adequacy of the environmental management plan. It calls on the Port of Melbourne Corporation to act on anything it receives from the minister in relation to the channel deepening project, and also it is to report on statements or reports prepared under the act or regulations relating to the channel

deepening. Those reports are requested immediately that the Port of Melbourne Corporation receives them.

Proposed section 91J refers to the public disclosure of the monitoring results as related to the corporation. They come in two forms, and the public would like to have access to those — that is, across the internet immediately on receipt and available on paper for public perusal within one day after receipt. Section 91K, the last of the three proposed sections, relates to the public disclosure of that additional information that the Port of Melbourne Corporation gets. It is important that these response levels, the environmental limits and the contingency plans are not exceeded and that the corporation makes this information immediately available, and that it must coincide, quite obviously, with the environmental management plan that has been employed.

In every way that I can see from the point of view of this bill it is terribly important that we give consideration to offering that information on a far more regular basis, and that is all this bill calls for. It is not looking for new information, it is just looking for the information that will be at hand and supplied to the Port of Melbourne Corporation to be made available to the public and most particularly those who have a very keen interest in these activities.

I have to say also that one of the concerns that my colleague Denis Napthine, the member for South-West Coast in the other place, and I encountered recently in Geelong was in relation to small business, particularly in the dive industry. It was brought to our attention by these people that they have some rather big concerns about not the end outcome of the deepening but certainly on the way through and the immediate effect it is having on their business. The Port of Melbourne Corporation has already acknowledged that their businesses will suffer something of the order of a \$4 million shortfall in turnover due to these activities. The business houses are saying to us that already at these early stages of dredging they are now suffering something of the order of 60 per cent less business than they previously enjoyed. The dive industry and the recreational fishing industry, especially the underwater side, are not big businesses, but where any business suffers a 60 per cent erosion of its profitability it is a very serious situation. Many jobs, and particularly many part-time jobs, are involved in the dive industry, and we see that as terribly important.

I am surprised at the remarks of a number of members on the other side of the house, who we all know are kings of spin, because they do preach their attitude towards social justice and express that they have a very

good listening ear for the areas of social justice. Even Ms Pulford went on today to say she is very concerned when any job losses take place. I can assure Ms Pulford and her colleagues on the government benches that the Dive Industry of Victoria Association has made a submission to the Port of Melbourne Corporation indicating its concerns. The association's concerns have been rejected, although the corporation earlier acknowledged that shortfalls can be expected. It has been suggested to the association that it can go through the courts to gain compensation if it believes the serious issues it put forward in its submission. No-one in this chamber would believe for even a minute that the dive association, which runs on a very small amount of funds, would have the financial might to go against the Port of Melbourne Corporation, actually put that case forward and get an outcome that might be even slightly in its favour.

It worries me that the dive industry is being overlooked in this matter. It is important that the government gives consideration to any small business or otherwise that is unduly affected due to the undertakings of what is seen generally as very important work in relation to the channel deepening, and some consideration for these people certainly should be looked on favourably. In saying that, I must say I am really disappointed that the member for Bellarine in another place, Ms Neville, a cabinet member in the state Parliament, certainly has not spoken up for these people in small businesses; nor has the member for South Barwon in the other place, Mr Crutchfield, gone down the track of giving them support. These people feel lonely. They are out on the edge there. They are not getting a hearing, although industry knows exactly the losses that they will suffer.

It is important that people realise just how widespread the silt plume is from dredging and that it is a consequence of that activity. I can assure the house that the dive industry is telling us that not only is it within the bay. Even when diving some 8 kilometres outside the bay in Bass Strait divers are still finding this restriction where visibility has gone from 20 metres in some cases to under 3 metres. From the point of view of dive training, the number of people who were making applications have virtually evaporated, and anyone who enjoys recreational fishing, especially scuba diving or what have you, is walking away from the business at this stage. That is likely to continue for the next couple of years until this work is completed. As I said earlier, we totally endorse what is taking place on the bay. However, I think some of these smaller business houses bearing the brunt of this — and it is acknowledged that they are bearing the brunt of it — should be given some consideration and compensation to keep them in business so that when this job is

completed they will be able to continue undertaking what are seen as recreational pursuits in a pretty special environment, our Port Phillip Bay, sure in the belief that the sea life in the bay is equal to if not better than that of the Great Barrier Reef. We should be able to market that from a tourism point of view to a far greater extent than it has been marketed, and I would request that the government give these small businesses some support in this matter of compensation during the dredging process.

I have to say I believe this is a good bill. It is sensible and timely and is not onerous on the Port of Melbourne Corporation. It really only seeks to request that the community be kept informed. We have the technology to do that; the Port of Melbourne Corporation has the information; and it is a matter of bringing it straight over. Obviously, deepening the bay, especially in those ship corridors or channels, is terribly important. As I said, it will add to the viability and economy of this state. It will create more jobs as it is completed. Our only request is that from a monitoring point of view the public generally be closer to what is going on, so that if and when any disaster takes place it is not cloaked by darkness without anyone becoming aware of it. From that point of view I commend this bill to the house.

Mr VOGELS (Western Victoria) — I rise to support the Port Services Amendment (Public Disclosure) Bill introduced by my colleague, David Davis, on 6 February 2008. The Liberal Party's position in regard to this controversial project is clear: we support the project on economic grounds, and we understand the importance of shipping to Victorians and to the future viability of the Victorian economy. At the same time we are very mindful of our obligation as members of this Parliament to appropriately protect the environment and to protect the bay for the enjoyment of current and future generations. It is critical that all Victorians have confidence that this project has the necessary safeguards in place and that environmental reporting is transparent and publicly available.

This bill's intention is one that no reasonable person who appreciates the need to openly and transparently balance the economic benefits against the environmental risks could oppose. It is a bill that could only be opposed if there is fear of the public being informed of the facts.

I was listening to Mr Pakula talking about the opposition trying to have a bob each way et cetera and about our not having delivered in the years when we were in government, and I would like to point out that in the last 28 years or so the Labor Party has been in power for 75 per cent of the time and we have been in

power only 25 per cent. I still believe that over the last 25 years a lot more work should have been done in developing the port of Hastings. It already has a 14-metre draft — what we are now trying to achieve at the Heads. However, over the last 30-odd years or so we should have been making sure that the railway line that runs to Hastings was upgraded and that there were overpasses and underpasses et cetera so that there would be a direct link to the port rather than it being in the sorry state it is in at the moment. It would take years, no doubt — God knows how long — and billions of dollars if we were to start working on it now.

The Melbourne port is so important for agriculture. In the 2006–07 financial year the value of food and fibre exports from Victoria totalled almost \$6.9 billion — the backbone of the Victorian economy. This is the largest value of any state, representing 26 per cent of Australia's total food and fibre exports by value. Food is Victoria's largest export commodity by value, representing 30 per cent of total exports. I would like to just quote the following figures. Dairy represented 30 per cent of the exports with \$2.04 billion in 2006–07; meat stood at 21 per cent or \$1.48 billion; wine was 9 per cent or \$600 million; and grains were 6 per cent or \$422 million out of the port of Melbourne. By any measure these are large dollar values, and they show the importance of agriculture to this state.

In 1999 when Labor came to power and I was still in the other house, I often heard the then Minister for Agriculture, Keith Hamilton, espouse the objective that by the year 2010 we would be having \$12 billion worth of food and fibre exports out of Victoria annually. Even pre-drought, in the last eight years the highest annual figure this Labor government has ever achieved is \$6.9 billion. It was about \$6 billion when the Labor Party came into government, and the \$12 billion figure will not be achieved in the next two years, so someone has been dragging the chain.

Most of our agriculture exports, particularly dairy, go to the Asian countries such as Japan, Malaysia, Indonesia and Singapore, but they also go to parts of Europe and North America. North America and Europe are particularly important for meat — both sheep and beef — as well as for our wine. To export to these countries we must have ships that can come into the port, and obviously the new ships coming on line need a 14-metre draft, regardless of tide. The port of Melbourne tells us that 44 per cent of ships currently coming into the port of Melbourne cannot be fully loaded, so that becomes an economic issue. If you can only half load, or two-thirds load, or whatever, a ship because it would otherwise not be able to get through the Heads, then there is a problem especially if

3500 commercial ships came through the port of Melbourne in 2007.

With those few words, I wanted to point out how important agriculture is to Victoria and how important it is that ships can get into our port so our agricultural products can be exported. However, I also understand clearly what the opposition is saying — that is, we need to be careful that the environment is protected. I cannot see why the data cannot be put online for people to look at so that if there is a problem, it can be nipped in the bud straightaway, rather than in an annual report 12 months or 3 months later — when the water has long gone out through the Heads, would be one way of putting it. In conclusion, I support the opposition's Port Services (Public Disclosure) Bill.

Mrs KRONBERG (Eastern Metropolitan) — At the outset I reiterate that the Liberal Party supports channel deepening for the obvious economic imperative, and we want it to proceed with haste, but we cannot be too vigilant when it comes to the environment, especially with our very precious Port Phillip Bay.

I would like to read a couple of statistics to the house so that members can get an idea of what is at stake, because some of these environmental measures deal with issues that have never been tackled before in this state, certainly not on this scale. I am somewhat disappointed that the government has not seen bay dredging as an opportunity to remediate soil rather than dump it in the middle of the bay.

One thing I find quite frightening is that the dredging is going to move more than 2.1 million cubic metres of contaminated sediment. We all know that that sediment is made up of heavy metals that have built up as a result of despoiling the river over 150 years. Also, the government should be taking notice of a further issue — that is, I understand that arsenic is still flowing through streams into the bay via the estuary of the Yarra River from goldmining that took place in this state 150 years ago; it is still dripping into the waters.

As we know, these chemicals are going to be put in a bund which will have a thick clay mound built upon it, but — depending on weather conditions, tidal patterns and currents — I am sure everybody will be sitting with fingers, arms, legs and eyes crossed in the hope that this measure works. I am aware that there is a lot of technology and research into the use of micro-organisms and different sorts of bacterial regimes that could be used to digest a lot of toxins. I am wondering why the government did not pay attention to

introducing a research regime which could have brought some of that science to bear on this problem.

What we are really doing is shifting one problem to another area, and we do not know what the consequences will be. This comes down to the very pointy end of the purpose of this bill, which provides for public disclosure. The phrase 'public disclosure' is the operative one here. It is pivotal. Due to the turbidity in the bay, the last thing the opposition wants is a turbid impact which would affect the public's access to information about something that we are all holding our breath about and are all nervous about. I am sure that some people pray that this will be a successful exercise, because so much depends on it.

The bill also provides that any state government agency issuing reports, statements and advice on the subject of the channel deepening project would also be required to submit their material to the Port of Melbourne Corporation for exposure and scrutiny by the public. This would enable observers and the public in general to deal with information in a reasonable and coherent fashion; they would then have some basis for comparison. The environmental limits, response levels and contingency plans, as outlined in the environment management plan, will be disclosed at the same time as the data stream becomes available. This bill will simply provide the public of Victoria with a real-time flow of information resulting from monitoring the environmental impact of the dredging project.

It is interesting to note the government's performance on this project and accountability to Victorians thus far. We have been supersaturated with images of the *Queen of the Netherlands* and what people think about this behemoth, and there has been lots of commentary about turbidity, and the general state of anxiety for all communities abutting the bay and which are dependent upon the commercial enterprises within the bay. However and ironically, although we have been promised a series of weekly reports on the conditions in the bay in the immediate environs, one of which was dished up on 15 February, we still have not seen the one that was due on 22 February. It is already a week late, so already we have experienced that sort of slippage.

People who are doubtful about the importance of this bill should just have a look. Three weeks into it and we are already squishy, sloppy and all over the place, and all the undertakings are not being delivered upon. It is hard to get used to that, even though we see it all the time from this government.

As a matter of pure coincidence just yesterday I was looking at the website of the EPA (Environment Protection Authority). I was trying to access an environmental audit report, which happens to be about another contaminated site that I am particularly interested in — that is, a site in the beautiful environs of St Helena in the lower house electorate of Eltham. I refer to a site in Evelyn Way. I was anxious to see what the authority is saying about that contaminated site, upon which the government wants to put 51 dwellings because of its develop-and-be-damned obsession with Melbourne 2030. I was astounded to read the EPA's list of certificates and statements of environmental audits — and guess what? This list was last updated on 20 November 2007. So much for up-to-date environmental data!

What we do know is that when you want to access environmental information in this state there is a lead time of three months. On this bay-dredging project, what would happen in three months with all of those heavy metals floating around? What is going to happen to the fish stocks, the anchovies and the seagrass? What is going to happen to the divers? Are they going to come out in an altered state, with their hair, teeth and fingernails falling out, just from having a dive in Port Phillip Bay?

We know the effect of toxins in water, because we have heard about what is happening in the bays in Florida, which have been impacted upon by toxins for far too long. Some of the animals, particularly the amphibians, are becoming hermaphrodites. They are dual-sex creatures. Male and female parts are borne by these poor altered amphibians. Frankly we do not want this to happen to the fish stocks, fauna and aquatic life in our glorious bay. Evidence of delays in reporting makes the adoption of this bill even more important. This government, as is its proven practice, will slowly drip-feed information otherwise.

This bill will address many concerns felt by the public and will simply follow the practice of, say, the Environment Protection Authority, which reports daily on the state of Melbourne's beaches, the quality of the Yarra's water and other rivers also monitored by the EPA. Furthermore, citizens are generally informed on a daily basis about the levels of water consumption, how much water we have in our depleted reservoirs and so on. We receive weekly updates on greenhouse gas levels, so our proposed new level of ready access to fresh environmental data is not new; in fact it is merely an extension and serves to meet public expectations for openness and accountability by the government.

In the Legislative Assembly the government, in its craven response to the bill, was disgraceful. When the Leader of the Opposition attempted to introduce the bill it was refused by a vote of 42 to 33. We note that the Premier ducked the issue and simply did not vote. I am sure he continues to squirm on this subject. No Labor member actually spoke against the motion. They are all out there avoiding eye contact.

When the member for Eltham in the other place, Steve Herbert, is back in his bunker in Eltham, he throws a green mantle across his shoulders and strolls around his highly environmentally conscious electorate. He will now be desperately attempting to exude green credentials and an application of the importance of environmental monitoring. Where was he on this occasion? He had the chance to speak in support of the bill for greater vigilance. How will he be able to face and stare down those environmentally conscious people in Eltham? Steve Herbert was one of the 42 silent Assembly members, one of the 42 who voted against the bill that would have ensured that the people of Victoria were properly informed about the environmental impact on the bay. I commend the bill to the house.

Mr GUY (Northern Metropolitan) — I wish to make a few brief comments on the Port Services Amendment (Public Disclosure) Bill and in doing so reiterate my very strong support for the bill and indeed my leader —

Mr Pakula — And my leader!

Mr GUY — Yes, Mr Pakula, David Davis in this chamber and my leader in the other chamber for having the common sense and the courage to introduce a bill of this nature into Parliament. As a number of members have said and I reiterate from my point of view, I strongly support the concept of channel deepening. I fully understand and respect the importance of this project to the Victorian economy. I am one member who has stood in this chamber and on many occasions talked about Victoria's competitive advantages and the need to maintain those competitive advantages. Of course that extends to our transport system, our port network, our taxation system, the way we do business and the way the government does business in Victoria. I also support very strongly the notion of public disclosure, of openness and of transparency. What I find amazing is that so did the people opposite when they were elected to government in 1999. They campaigned on openness and transparency, so we have to ask: why does the government hate transparency? Why do members opposite hate transparency?

This bill does not seek to scuttle the channel deepening project. On the contrary, it enhances the project and enhances the transparency aspects of the bill. It enhances the confidence that Victorians can have in this project, but what we have is the Labor Party walking into this chamber and pretending that somehow it is fine for the cabinet to approve a decision and it is fine for the department to approve a decision — a decision behind closed doors, with no option for consultation with the broader community or the Parliament, and then issue a press release and have a media stunt on the same day saying, 'Look, here is a great idea, this is what we are going to do and, by the way, it is all solved, it is all done and wrapped up'. So much for a government that was elected in 1999 promising openness, honesty and transparency, because its opposition to this bill shows it has failed at every turn.

I noticed that Mr Pakula talked about fringe environmental activists. I felt that astounding arrogance from a man who lives 20 kilometres from his own seat to come in here and talk about fringe groups.

Mr Pakula interjected.

Mr GUY — Mr Pakula, I imagine unions nowadays are a fringe ratbag element in society since they have fewer supporters in the community than do the people who are commenting on bay dredging, either for or against. A fringe ratbag element is what unions have become in today's society. I cannot understand the arrogance shown by Mr Pakula in this chamber towards legitimate groups which have a problem with this project. If people have a problem with the project, it is their right to disagree with the project, but not according to the Labor government. It gets their advisers on the phone to ring them up and heavy them, saying, 'Don't go to the *Age*, don't speak, don't say anything, make no comment and make no criticism of the government'. That is the way the Labor government does business.

The Labor government does business not just in this bullyboy, heavy-handed manner, but it is also right on track with its old-style, classic Labor attitude of employing mates. We have the million-dollar mate involved in this project yet again. It was not enough for him to be involved in water; it was not enough for him to be involved in a range of other projects. The million-dollar mate, Adam Kilgour, is now involved in bay dredging. There he is again. According to the *Age*, the Port of Melbourne Corporation has hired Labor-linked spin doctor, CPR Communications, to help sell its message. Indeed he is not just a Labor-linked spin doctor, but he is in fact a former media adviser to Joan Kirner. What a terrific record, a

media adviser to Joan Kirner, Adam Kilgour. The million-dollar mate, the man who devised the idea of getting into a helicopter and flying over the waterways to show off Hollywood Bracks — —

Mr Finn — How much did that cost?

Mr GUY — Eleven million dollars, I think it was, Mr Finn. The million-dollar mate is back in with his snout in the trough to try and get his head in, his long hand in, the port of Melbourne. He is back again! It is unbelievable.

There are five points in this bill that I wish to touch on. First of all, this information can be published in what will already be collected and collated by the Port of Melbourne Corporation as part of the environmental management plan (EMP). Why is it secret? I simply ask this again. Every speaker on this side — Ms Pennicuik from the Greens, Liberal Party members who have spoken before — has asked why this information is secret. What does the government have to hide? It is quite astounding.

Mr Viney — It is a tired old line, Mr Guy.

Mr GUY — Mr Viney says it is a tired old line. He is right. For eight years it has been a tired line about this government, because this government does not comply with its electoral mantra. Mr Viney was elected in Frankston East on open, honest and transparent government. This is a man who has opposed upper house committees, who has tried to shut down debate in this Parliament, who has been complicit in the shutting down of the adjournment debate, a man who has been elected to this Parliament on open, honest and transparent government. Quite obviously that has meant nothing.

Another part of the bill states that the Minister for Environment and Climate Change required an independent environmental monitor to be appointed and paid for by the Port of Melbourne Corporation to scrutinise the project. This has become the Office of the Environmental Monitor (OEM). I take it that Mick Bourke, the chairman of the Environment Protection Authority, has been named as the independent environmental officer. Since then the government has suggested an annual report to Parliament — then quarterly reports and now weekly — from the OEM, but there is no requirement to produce the reports for the public, just the word that the OEM will do it. It is quite astounding that the government will produce report after report, so it says, on the quality of the water in the bay, the quality of the project as it is proceeding, but it does not have to be made public. The government

on one hand is saying, 'We are doing everything in terms of openness, honesty and transparency. We are just not going to tell you about it'. That is very convenient.

I find it astounding that Mr Pakula walked into the chamber and actually said with a straight face that the water is in fact clearer after bay dredging. Mr Pakula, I support the project in concept, but even I cannot bring myself to believe any report which would say the water is going to be immediately clearer after the bottom has been dredged.

The third point is that the OEM is to advise the minister and the Port of Melbourne Corporation but not the Parliament. The Port of Melbourne Corporation has offered, in the EMP, to allow access to all environmental monitoring data for inspection by any relevant agency and the OEM at any time. I ask again: why not the people of Victoria? What is wrong with presenting this information to the Parliament? What do Mr Viney, Mr Lenders, Ms Pulford and Mr Pakula have against providing this information to the Parliament? Why do they not stand up and support this bill today to provide the information to the Parliament? Why is it just to be provided to government? Why is it not provided to the Parliament? It is because the Labor Party hates transparency. It has hated transparency from the very start. It has been elected on a promise that is a lie. It is not in favour of transparency.

Mr Pakula interjected.

Mr GUY — It is not a joke, Mr Pakula. We are talking about the environmental situation in the bay — a major project, according to your government — and you guys are happy to sit there and provide no information, no feedback to the Parliament and to the people of Victoria. You are just happy to sit there and say, 'Anybody who opposes it is a ratbag'. People are not ratbags who oppose this project. The public should be provided with accurate, up-to-date and fair information on this project, and this bill will do it.

Point 4 is that the OEM will not provide raw data; instead the data will be interpreted and analysed before release. Now we come to why CPR Communications was employed: to shape the spin.

Mr D. Davis — To massage the data!

Mr GUY — To massage the data, Mr Davis, to send it out in a form that is palatable to the government media unit, not necessarily the facts. That is what it is all about.

The fifth point is that the supplementary environment effects statement estimates loss of income by the recreational dive industry of between approximately \$10.3 million and \$14.6 million, which is 25 to 35 per cent of the industry's total income. The people on the other side of the chamber stand up and say, 'We are the guys in this chamber who look after working people'. Tell that to the dive industry, with no prospect of compensation, no prospect of open and accountable data on this project and with no chance to see whether the project will have very long-term impacts upon the industry. The government says, 'Trust us'. 'Trust us' is not good enough. The only way we can achieve proper transparency and openness and ensure proper data is available to the people of Victoria is to support wholeheartedly the motion moved by Mr Davis. In doing so, I would urge all members in this chamber to do so as well.

Mr FINN (Western Metropolitan) — What a pity Mr Pakula is leaving. I have a few words for him a bit later on. I hope he will return in the not-too-distant future. In rising to support the bill, I have to say first and foremost that I very strongly support the dredging of Port Phillip Bay. I regard it as being very necessary for the economic future of Melbourne and this state. It is something that I have long supported.

I have to say also that this bill in no way threatens the project. All we on this side of the house are asking for is the constant monitoring of the environmental impact of the dredging. I have to ask members of the government what they see as particularly wrong with that. We do not want to know what has happened when it is too late; we want to know what is happening at the time so that, if necessary, action can be taken to avoid environmental disaster. It is a very simple and a very reasonable proposition.

It has to be said that there are many people in the Western Metropolitan Region who have a deep public interest and indeed a personal interest in keeping the port of Melbourne a strong port. They are people who work on the docks. They rely on the docks, either directly or indirectly, for their employment. They rely on the docks and the port of Melbourne to pay their mortgages, to send their kids to school and to feed their children. Obviously they have a huge interest in ensuring that the port of Melbourne is kept strong. I speak for them today when I say I strongly support the dredging project. But it has to be said that the people of the west also love their bay. This is one aspect that has been pretty much ignored in this debate today and indeed right throughout the ongoing debate in the community. This affects the people of the west as much as it affects the people at, say, Black Rock.

Mr Guy interjected.

Mr FINN — 'Who lives at Black Rock?', he asked. I think Mr Pakula might have some interest down at Black Rock. Let us not worry about where he lives, because he certainly does not.

It is not just the people on the other side of the bay; the people along the peninsula and the people down at Rosebud or wherever they may be also have concerns about what dredging may do to their particular sections of the bay. There are many people in the west of Melbourne who share those concerns. I do not know whether there is anybody in this house today who has been to Williamstown in recent times.

Ms Pennicuik interjected.

Mr FINN — Ms Pennicuik told me that she has been there.

Ms Pennicuik interjected.

Mr FINN — She grew up there, indeed. It is a top spot. Anybody who has been there — —

Mr Guy interjected.

Mr FINN — I would suggest to Mr Guy that she is far more familiar with Williamstown than is Mr Pakula, who indeed is one of the local members. Williamstown is a delightful spot; it is a beautiful place. Obviously those people who have lived and do live in Williamstown and have invested a vast sum of money to buy a home there — because they do not come cheap, I can tell you! — —

Mr Guy — Bracksy has got two!

Mr FINN — Bracksy has got two, has he? I will not go into that! Those people have real concerns about what this dredging may do to their part of the bay. It is a very reasonable thing for them to be expecting us to protect their interests.

Going around the corner a little bit to Altona — great beach at Altona! The property boom is moving very nicely up there just at the moment as well, I can tell you. The people of Altona have very genuine concerns about what dredging may do to their section of the bay. Werribee South is almost an unknown treasure, but that is about to be unleashed upon the world with a marina being built at that spot in the not-too-distant future. Those who live there now — having been there on many occasions, I cannot blame them for living there, because it is a very attractive place indeed — have the same concerns as the people of Altona and

Williamstown about what dredging may do to their section of the bay. The marina, where many millions of dollars is about to be invested, will become a major attraction for the west of Melbourne and the rest of Melbourne more generally. Obviously there are very genuine concerns about what dredging may do to that development. That is something that this bill addresses very effectively. As I said, I just cannot understand why the Labor Party knocked it on the head in the other house and is keen to do it today in this house as well.

Labor opposes this bill; it has made that very, very clear. I just have to ask one question, and that is: what does it have to hide? Why is the Labor Party so keen — —

Mr Guy — The truth!

Mr FINN — Mr Guy said Labor is hiding the truth. That is nothing new. That is something it has been living on for eight years now. The government tells you one thing, and it does the opposite. We have seen that time after time, and we are seeing it again on this occasion. What is wrong with monitoring the environmental impact of this project as it is happening? I keep saying it, but it is true; it is a very simple proposition. If I say it often enough, I may get the point through, and some of the thick skulls opposite will give it a try. It is a very simple and very reasonable proposition.

Having listened to this debate today, I have not heard a solid argument against this bill from the other side. We have heard from Mr Pakula, who got up and was very colourful: he threw his arms around a bit, and threw a fair bit of mud around. He accused the Liberals of all sorts of things and accused The Nationals of all sorts of things and accused the Greens of things that were completely different, but it was not flash anyway! We heard that from Mr Pakula, but I did not hear any arguments against the bill. I would have thought if Mr Pakula, who seemed to be the lead speaker for the government, wanted to get up to speak against the bill, he would have actually put some arguments against the bill, but he did not. We are still waiting. With those few words I support the bill very strongly, and I ask all in this house who care about Victoria's prosperity and future and also love our bay to do exactly the same.

Mr P. DAVIS (Eastern Victoria) — I rise to support the Port Services Amendment (Public Disclosure) Bill, and in doing so I will make some initial remarks by reflecting on the debate that I have heard today. I look for a substantive reason as to why the government would oppose such a bill, which simply seeks to insert a level of transparency into one of Victoria's major

projects, a project which — whether one argues in favour of or against it — is without doubt one of the most significant projects the Victorian government has ever had in front of it to manage. I thought I would hear some substantive and rational arguments as to why the government is opposed to the bill, given that the identical bill introduced in the lower house was sunk without debate by the government. I looked forward to the contributions from the various government speakers.

I will not reflect at all on the speakers subsequent to Mr Pakula, who was the lead speaker for the government, because essentially I think they were using the same speech notes as he used. I am presuming at this stage of the debate, given that we have heard only three government speakers and there seem to be no more who are interested in the matter in the chamber, that we have exhausted the government's intellectual efforts.

Mr Finn — It does not take much, does it?

Mr P. DAVIS — I would not have thought so. Mr Finn is quite right; it does not take much to exhaust the government's intellectual efforts. That having been said, it brings me to the point of what the government thinks about the intellect of the public of Victoria. To paraphrase Mr Pakula, the substance of his argument was that the public is too dumb to understand the monitoring data and therefore it should be reinterpreted by the government and released after the fact. In other words, reporting in arrears can be more satisfactory for the government's intent than to report in real time, because if you report in real time, the public may get the facts, but if you report in arrears, then you will get the spin that the government wants to put on those facts.

All I can say about that is: here we go, Moscow on the Molonglo! If ever there were a more arrogant, Orwellian attempt to re-engineer the minds and thoughts of the people of Victoria! I think *1984* was written in 1937. It did not anticipate John Lenders, the Treasurer of Victoria and Leader of the Government in the upper house, telling his team to disparage the Victorian public because they did not have the wit to understand the information that was provided in real time — they were so dumb because the Victorian education system had not educated them that they could not read anything on the internet! I cannot believe the arrogance and dismissiveness towards the Victorian public. Even if it is true that some of the data would be less than meaningful to some people in the community, there are many people who would intuitively have a clear understanding of the information provided. There

are many people with technical training, perhaps from a proper university education — somebody who went to a real university, who may actually be interested in the data but does not have it available to them because Mr Lenders, the Leader of the Government, says, ‘They are too dumb to understand without our help’.

I can tell Mr Lenders that, if he is too young to have actually studied George Orwell’s series of very forward-thinking books written in the 1930s, I have a library full of them — and he may borrow them at any time — but I have to say that 24 years on from that great time, 1984, nothing much has changed in socialist Moscow on the Molonglo, as Spring Street is going to be called from today.

I want to go to the substance of this bill. What does it seek to achieve? The bill requires the Port of Melbourne Corporation simply to disclose the environmental monitoring information about the Port Phillip Bay channel deepening project on its website immediately that information is to hand, and the corporation would also be required to post online the development response levels, environmental limits and contingency plans that are set out in its environmental management plan.

In the present situation the Port of Melbourne Corporation has established a separate website to provide information on the project, and other information channels are, in the corporation’s own words, scheduled to include a toll-free phone number, media releases, a mailing list, signs around the bay and notices to mariners.

However, as with all the port and government information resources on this matter, the website is not objective but is tainted with the perspective of the proponent: the re-engineering of how we should think about a project of which the government itself is the principal proponent. We can expect no more from any of the other sources that are provided. The site contains a number of port corporation fact sheets. There is a heading to cater for Victorian government fact sheets, but it contains only a note that none has been produced as yet. And the bay is already being dredged.

The government will claim the bill is unnecessary. Of course it will claim that because it does not actually deal with what the government is very good at, which is re-engineering the facts to suit the political objective of the government. I make the observation that if anything, the bill could well have sought to impose more extensive and demanding environmental reporting requirements on the government and the port corporation. The bill also refers to the potential for

ecological damage from the project to have serious implications for Victoria’s environmental future.

Certainly the bay is an environmental gem, but it is of equal economic importance, and I will illustrate what I mean. The environmental management plan requires the dredging project to be completed by the last day of 2009, but every member of this chamber knows it will not be finished by then. Therefore, what will happen? Under the environmental management plan, expert opinion and ‘multiple lines of evidence’ — whatever that means — will be used to identify any changes to the bay outside the expected range of variability. What is the expected range of variability? What happens or what constraints are in place in the event that it is exceeded?

These, and many other questions that could be posed around the rationale for the project and the way it is being managed, reflect concerns that have been raised by a large number of people and organisations in the community. They have been dismissed on the basis of some clearly dubious claims of economic benefit proposed by the government. But we will come to that issue later.

It is not only the general community that has grave concerns, and is expressing them, but also people with impeccable credentials and thorough experience, one of whom I regard as a giant in this field of study, have concerns. Foremost among all the commentators on this issue is Professor Graham Harris. The few members of this place who were in the Parliament prior to 1996 may remember Professor Harris because he, a CSIRO fellow, headed the landmark 1990s study of Port Phillip Bay. CSIRO conducted the study from 1992 to 1996 at a cost of \$12 million. It was the most comprehensive and integrated environmental audit undertaken on a coastal ecosystem in Australia, a study that was awarded the 1996 CSIRO chairman’s gold medal. I will refer back to that study.

The study revealed that despite the large population living around it, Port Phillip Bay is generally cleaner and healthier than other bays around the world that are near large cities. The study showed the bay to be a dynamic and self-sustaining ecosystem. It also showed the bay does not suffer from oxygen depletion, which is caused by excessive nutrient levels, and it found that toxicant levels are not a current threat to the bay. Critically, while the input of nutrient elements — nitrogen and phosphorous — to the bay is quite high, the study was able to identify that these do not pose a problem because they are taken up and recycled by sea-floor organisms. I will come back to this point later, because I want to divert now and talk about one of the

other major coastal inlets, the Gippsland Lakes, which I think we could learn something from.

The invaluable information and analyses from the study — that is, the study of Port Phillip Bay conducted by the CSIRO between 1992 and 1996 — built a composite picture of a healthy but highly fragile ecosystem. The conclusion of that study is that ‘the bay is currently in good condition’. The report continues:

The challenge is to keep it that way. Increasing population, urban growth, shipping and recreational use all place pressure on the bay’s natural systems. By good fortune, our use of the bay and its catchment over the years has not destroyed the bay’s ecosystem. The processes at work in the bay have been able to cope with the increasing demands placed on them by human activity, but there are limits to how far the system can be pushed.

An immediate impact of the CSIRO study was that it triggered the government of the day — that is, the Kennett coalition government — to enact the Fisheries (Amendment) Act 1996 which closed Port Phillip Bay to scallop fishing. That industry had been operating with dredges in the bay since 1963. Further in 1997, a reduction in the commercial fishery effort was made with the implementation of a voluntary buyback of commercial fishing licences in bays and inlets including Port Phillip Bay.

The study provided an ecosystem model considered to be one of the world’s best — a permanent database to assist in management of the bay, and computer models that could be used for ‘what if’ analyses to predict the outcomes of different environmental inputs and factors. The material was readily available from government. The Port of Melbourne Corporation indicates that scant, if any, regard has been paid to this CSIRO study which was a landmark study of the time and is still regarded, by those who are interested in marine matters, to be a study of some great consequence.

A Port of Melbourne Corporation fact sheet on dredging at the entrance to the bay claims a basis for dredging. It says:

The Port of Melbourne ... carried out the most comprehensive scientific study ever at the entrance.

I am curious about what the study involved and what it found. Did it draw on the more extensive CSIRO study as a reference? Where is the corporation’s study? The research that I have undertaken has been unable to find anything more than a passing reference to it.

Had the lessons of the 1996 CSIRO study been fully applied to the consideration of the dredging project, this bill would incorporate the most stringent requirement that the project meet the benchmarks set down in the

findings of the CSIRO study. I would take this issue so far as to suggest that the implication of the CSIRO study is the period for monitoring the impact of the project and the implementation of any necessary remedial action should be extended indefinitely.

Professor Graham Harris had a response to the dredging project, particularly in regard to the scientific rigour and vigour of the environmental case and the veracity of the information which was purportedly disseminated about it. In July last year Professor Harris produced a report for the Association of Bayside Municipalities on the supplementary environment effects statement (SEES) on channel deepening. This exercise was undertaken by him and it, in effect, supported his assessments of the documents of previous years. He said in summary that:

... while, on the face of it, this new set of documents are more thorough and impressive than we have seen before, they still do not address fundamental issues that have existed from the outset. Indeed it now seems that the proponents are either unwilling or unable to address fundamental issues of risk and cost-benefit assessment.

...

The SEES documents are still the proponent’s business plan, not a true integrated risk assessment of the project ... this document tends to downplay key risks associated with human and environmental impacts and assumes more rapid recovery of the bay after the project than may be the case.

...

I take particular exception to the frequent assertion that even if there are environmental impacts from the CDP —

channel deepening project —

then these will all be naturally fixed within two years — and that this is therefore acceptable.

...

Only a coupled physical, chemical and biological model, like the CSIRO model, can be used to look at coupled non-linear interactions within the bay system and approaches to ‘tipping points’. Even so we do not fully understand the potential risks associated with system level ‘tipping points’ in coastal ecosystems. An ‘issue by issue’ approach based on subjective judgements and averages does not tell us how ‘precarious’ the present state of the bay is, nor inform us about how close to a threshold we might be.

On the question of environmental risk, Professor Harris specifically questions assurances that there will be no ongoing damage from the removal of rock in the deep channel at the entrance. There is also justifiable concern as to whether the project incorporates a satisfactory engineering solution for the removal of toxic sediment from the mouth of the Yarra River. The economic benefits of the project are also highly suspect. Professor Harris points out that the benefit-cost ratio is

low even in regard to the most optimistic scenarios. He argues that the estimated economic benefit of \$60 million a year does not factor in a calculation of the ecosystem services provided by the bay, which are estimated to be around \$300 million a year. If the project puts these services at risk and diminishes their value, the benefit disappears or actually turns negative.

The *Draft Port Development Plan* is a consultation draft produced in August 2006. The Melbourne Port@L strategic planning initiative also produced in 2006 presented a scenario for the port's development over the next 30 years. The development plan remains in its original draft form on the port corporation's website; the initiative is a draft on the website of the Department of Infrastructure. This poses a fundamental question: why is the channel project proceeding if we have no port plan and no future port development scenario in place? Surely they would come first and set the scene for future development and management.

A further report, the *Victorian Ports Strategic Framework* that the government released in November 2004, points to the port of Hastings as the preferred site for future container development once the port of Melbourne has reached capacity. Under this framework both ports would operate in a parallel way and the port of Hastings would not replace the port of Melbourne. However, the scope for the development of Hastings as a major container port has long been recognised. I have spoken about that widely. All it would take is for the infrastructure development to link Hastings with the land transport network. I personally understand how difficult the concept of the development of the port of Hastings would be to many people who live around Western Port. Again there are processes with those interfaces.

The scope for the development has been well recognised. There is clearly a case that it could be developed without any risks to the Port Phillip Bay project. The government's failure to plan ahead and to begin to put such a plan into place over the past eight years has painted it into a corner. It is panicking about channel deepening. It is fully going all ahead regardless of the shallow water. The bay dredging project is proceeding on the basis of a very limited knowledge of coastal waters and oceans.

I made an analogy earlier about the Gippsland Lakes. Many people would know the name 'Coode' because of Coode Island. However, it is less well known that Coode Island is named after Sir John Coode, who was in his time probably regarded as Britain's — if not therefore the world's — most knowledgeable coastal and marine engineer. He was invited to come to

Victoria to look at a number of marine and coastal projects, one of which was the creation of a permanent entrance at what is now known as Lakes Entrance. The original name for that township was Cunninghame.

It is called Lakes Entrance for a reason — that is, it is the entrance to the largest coastal lake system in Australia, the Gippsland Lakes. It is a great set of lakes. The only problem is that, following Sir John Coode's recommendations, a permanent opening was created, as opposed to what it had been — a seasonal opening, as is typical of all inlets on the Gippsland coast. It opened when the lakes were full of fresh water and the conditions offshore were appropriate. The inevitable sandbar that retained the fresh water was broken and the fresh water would flow out into the ocean. Then navigation could occur. Steamers would steam up and down, sometimes waiting for weeks offshore for the conditions to be right for them to come into the lakes. Because we were then so dependent on marine navigation and on steaming the Gippsland Lakes and rivers, for mercantile and commercial reasons it was seen as desirable to create a permanent opening.

Sir John Coode's recommendations as to the siting of the permanent opening and how it should operate were quite forward thinking. But regrettably what he and all the enthusiasts in the 1880s missed was the long-term effect of this permanent opening. In hindsight, while Lakes Entrance supports a significant commercial fishing fleet — and it is certainly the most economical point from which a commercial fishing fleet could operate in the Bass Strait in terms of steaming time — the consequence of the permanent opening has been devastating for the Gippsland Lakes. They have been transformed from a freshwater lake system to a saline system. The result has been that the naturally occurring habitat within and on the edges of the lakes has been radically changed. That has caused an enormous amount of erosion in some places. In fact islands within the lakes have eroded significantly, as have the shores of the lakes. Importantly it is only last summer that we saw what the floods over the last year, washing the bushfire residues from the alpine area into the Gippsland Lakes, have done in combination with this transfer to a saline system. It is absolutely devastating. There is ongoing, long-term environmental degradation, with algal blooms that adversely affect not only the lakes' environmental balance but all the economic activity relating to tourism as well.

I do not want to belabour the point about the Gippsland Lakes because we are here to talk about Port Phillip Bay. What I want to do is, if you like, join the dots for my colleagues and say: what was thought to be world's best practice — a recommendation by the world's best

coastal and marine engineer of his day, forward-looking as it may have seemed — was not as well informed about consequences as we would now be in the same set of circumstances. The facts are that that was clearly not in the best long-term interests of the environment of the Gippsland Lakes. It is too late; it has happened. It is done; it is virtually impossible to undo it; and it therefore stands with us. A decision made in good faith but with a lack of clear understanding has had a consequence far beyond — indeed centuries beyond — the time it was made.

That is the point I am making in support of the bill before us. It is now too late to say, 'Let's not dredge the bay', because it has started. However, what we need to know on a real-time basis is the impact on the bay as the dredging program proceeds, so that we — that is, the Parliament and government of Victoria — can be accountable to future generations if we stuff this up. The fact that the government members here today have made a case that the public of Victoria — including, may I say, decision-makers in this Parliament — are too dumb to understand data presented to them on a website without it being edited by the government, makes the case absolutely fundamentally that this bill should pass.

The decision made in the 1880s on the best known engineering advice at the time, which resulted in the degradation of the Gippsland Lakes, is completely analogous to the decision that has been made by the government today, but the government wants to bury its head in the sand that has been dredged from the bottom of the bay and ignore the fundamental right of people in this state to monitor what it is doing in their name to one of Victoria's most valuable assets. It is not just valuable from the economic perspective but also from the environmental perspective and the perspective of the lifestyle of the people who live in Melbourne — who, I remind the government, are the majority of people in this state.

I am apprehensive about the long-term impact of the dredging project. I acknowledge the obvious economic benefit in terms of the increased depth of the channel enabling larger container cargoes to be moved. But having said that, we have to take a long view, not a short view. Therefore I urge that this bill pass this house today, because if it does not we will be no better informed tomorrow, next week, next year, or in several years, about the environmental balance in Port Phillip Bay than we are presently, and we are extremely uncertain. I urge the house to support the bill.

Mr VINEY (Eastern Victoria) — What a motley combination of a coalition we have here. We have the

Greens, who are opposed to the project; The Nationals — —

Mr P. Davis — On a point of order, Acting President, it is not a very good start. My point of order goes to the opportunity that is afforded to members to speak to a bill. I am not sure it does anything for the standing of the house for the opening remarks of the speaker from the government to denigrate other members of this house in regard to their views about this legislation.

Honourable members interjecting.

The ACTING PRESIDENT (Mr Vogels) — Order! I believe it was not aimed at a particular member, so there is no point of order.

Mr VINEY — As I said, what an extraordinary coalition — if you do not like the word 'motley', Mr Davis — of oppositionists we have in this chamber today. We have the Greens, who are opposed to the project; The Nationals, whose members tell us they support the project; the Democratic Labor Party, which represents a significant area of the dairying industry critically dependent upon the export of our dairy products; and the Liberal Party, supposedly representing the business sector — all coming together essentially to put more overlay of opposition to an important — —

Mr Finn — No, it is not! You haven't read it, have you?

The ACTING PRESIDENT (Mr Vogels) — Order! Mr Finn!

Mr VINEY — Mr Finn can hide behind words, but those on the other side of the chamber are putting in a series of continuing obstacles. On the one hand they say they support the project, but on the other hand they play into the hands of the people they want to curry favour with who are against the project. It is an extraordinary coalition that we are seeing.

Let us look at the very recent history of only an election ago. It is a pity no members of The Nationals are here. I do not think they have even contributed to the debate, because they are ashamed of being in the coalition. The Nationals went to the last election running a campaign with the slogan, 'We are for the country'. They got country people to vote for them on the basis — which is now proving to be a fraud — that they were going to be an independent voice for country Victorians. But at the first opportunity — —

Mr Finn — What has this got to do with the bill? This has nothing to do with the bill!

Mr VINEY — If you just wait, Mr Finn, you will hear my argument. At the first opportunity they take the white cars of office. We have the ludicrous situation of there being eight opposition leaders and deputies in the two houses of Parliament — a leader and a deputy of each party in each house — and they take the white cars of office at the first opportunity of coalition.

Mr D. Davis — On a point of order, Acting President, this is clearly irrelevant to the bill and I ask you to rule it out of order.

Mr VINEY — On the point of order, Acting President, I am trying to build an argument about the basis upon which a group of parties in this chamber have come together in support of this legislation. I do not think it is out of order for me to refer to the last election and the position that particular parties took on the channel deepening project.

Mr Finn — On the point of order, Acting President, after listening to Mr Viney I do not think he has actually mentioned the legislation, much less referred to anything that may be in it. He could not be more irrelevant.

The ACTING PRESIDENT (Mr Vogels) — Order! I accept the point of order and draw Mr Viney back to the bill.

Mr VINEY — Let us look at what The Nationals said about channel deepening in a media release in the lead-up to the last election. In a media release of 22 November 2006 Mr Ryan is quoted as saying:

For example, if the channel deepening project doesn't proceed, we estimate that 8000 jobs will be lost ...

He is reported as going on to say about the view of how important channel deepening is:

That is based on the fact that 20 000 people are directly employed in the port and a further 60 000 people are employed in associated industries. We estimate that 10 per cent of jobs would be lost if the channel deepening project is knocked back by the Greens.

I repeat: by the Greens. They have gone on in the press release to say:

The Nationals have placed the Greens last in every seat because we believe their policies will cost jobs ...

The Nationals have highlighted the Greens' opposition to the channel deepening project —

because of the loss of jobs. On the one hand they go to the people at the last election saying, 'We are for the country', attacking the Greens, and putting out that they are an independent voice for country Victoria, but at the first opportunity they join into the convenience of oppositionism with the very people they were attacking in the election campaign — the Greens — on this very project. It is a clear demonstration of the fact that The Nationals, again, have sold out country Victoria. They are going to do it on this piece of legislation. They put to the people of country Victoria, including in the region that I represent, in winning the seat of Morwell, that they stand for the country. They are going to spend the entire day in this house of Parliament supporting legislation and a subsequent motion from the Greens to essentially oppose this project that is delivering not only for the people who work at the ports and the associated industries in Melbourne, but for country Victorians.

You only need to consider the importance of the export shipping of products from the dairy industry. Mr Kavanagh will have to explain to his voters in Camperdown why he is opposing a project that is so vitally important to country Victorians, just as Mr Drum and Mr Hall will have to explain it to their constituents. Mr Hall, in particular, will have to explain it to the people in Eastern Victoria Region, which I also represent — people who regard jobs in country Victoria as a critical part of what this government has delivered and what this government has done for country Victoria. They will have to justify to those electors how at the last election they could say, 'We are for the country' and yet at the first opportunity again join forces with the Liberals. They are maintaining their little positions with their white cars of office and joining forces with the Liberals. They are treating country Victorians just as the last Liberal-National party — it is now the one party — did when it was in office. That is what we are witnessing here today. This coalition of people is prepared to sell out country Victoria again, as they did before, because of the convenience of office.

A whole series of nonsense has been put to this debate about the government trying to hide things. The bill before us has been criticised by the Scrutiny of Acts and Regulations Committee. Apart from that, let us look at what the government is doing in relation to the release of information, which is essentially what this bill is supposedly about. We have always said that the environmental management plan for the project would be released — and it has been. Ms Pennicuik came into the house and, in my view, did not represent accurately what is in that environmental management plan, or she seriously misunderstands it.

Ms Pennicuik said that the environmental management plan simply sets out a series of monitoring and reporting requirements, but she omitted to say that there are 2300 conditions in the environmental management plan for this project. Ms Pennicuik then raised the question of who will push the stop button. It is absolutely clear that, if the environmental management plan is breached, the Port of Melbourne Corporation is obligated to stop the project.

If you want to go down the path of a conspiracy theory, there is the one peddled in this house by David Davis, the great conspiracy theorist of the Liberal Party: what if the Port of Melbourne Corporation hides it or doctors it or whatever? We are talking about professional people, with no suggestion that they would do such a thing; I know the opposition is always great on conspiracy theories, but let us remember that there is an independent environmental monitor, so there is the next layer. The Minister for Environment and Climate Change and the Minister for Roads and Ports also have an obligation to stop the project if the environmental management plan is being breached. This theory is a nonsense. Accountable government is always about giving the minister ultimate authority and responsibility to do something, and the project that has been put in place is exactly that. That is how Westminster democracy works; the minister has both the responsibility and the obligation to do things according to law. When the minister is sworn as a minister, he swears an oath to that very effect.

Let me deal with the suggestion that the government is not proposing to release information. There is, as I said, the environmental management plan. There is also a requirement to make public any revisions to that plan, any report by an auditor about the environmental management plan and any report by an independent environmental monitor. Any direction by the minister to the port would already be gazetted. The port will — I cannot even number them — hold a project news conference each morning to advise on dredging activities over the last 24 hours and what will happen in the next 24 hours; issue daily internet updates on vessel activity and location along with ongoing facts about activities; issue regular project newsletters to stakeholders and to the community; post a monthly dredge schedule on its website; issue fact sheets on frequently asked questions on the project on its website; run an 1800 number for access to community liaison officers; issue quarterly public summary reports on the channel deepening project; run a community liaison group and a dive industry liaison group and conduct various meetings to allow for information and news updates to be passed through the community; and run community information evenings around the bay where

project representatives, engineers, scientists et cetera will attend to discuss issues around a project. The independent environmental monitor will also release online updates as quickly as possible and weekly updates on results throughout the year, including forecasts on swimming conditions during the summer and periodical water quality tests from fixed sites.

We have the strictest and most comprehensive environmental management plan in the history of dredging in the world; we have a whole series of commitments for publicly released information; we have an independent environmental monitor; we have all of the scientific work being done and continuing — but the opposition is saying that that is not enough. It says that we need to have some process whereby the opinion of people such as members of this house, who have absolutely no idea what they are talking about, will somehow take precedence over the science, the monitoring, the accountability and the release of public information that the government has committed to on this project.

What we have here today is an entire day of this Parliament dedicated to a series of opportunistic oppositionism from — and I go back to what I said at the beginning — a motley collection of political parties and arrangements that for convenience are putting up a series of straw men to be beaten down. This bill does not deserve support, on the basis that it delivers nothing, it does nothing for community confidence, it does nothing for community information and is a highly inappropriate piece of legislation on a series of questions raised by the Scrutiny of Acts and Regulations Committee.

Finally, for a project that will go to 2011, why would Mr Davis's bill have clause 7, which puts an expiration date of the bill at one year after its introduction? What on earth are the Liberals on about? They are like the Liberals who have been caught out so many times over recent years; they are trying to play both sides of the coin. When the electorate goes into the two-up ring and tosses up the pennies, the Liberals want heads and tails on each of the two coins.

Mr D. DAVIS (Southern Metropolitan) — I seek to make a very brief reply on this bill and to thank members for their contribution, which has been broad ranging — perhaps broader than the nature of the bill. I want briefly to take up a number of points, but before I do it is important to put on the public record that the bill is important and is dealing with a serious matter.

It is dealing with protecting our bay. Philip Davis laid out very clearly the value of our bay, not just for

shipping and trade but for a whole range of other values. In this chamber members today have pointed out a number of the important issues for their electorates and their particular stretch of the bay, and I welcome those contributions. It is a serious bill. It is an important check or balance; we are talking today about putting in place an important safeguard.

I support channel deepening, with the proper environmental safeguards, and this bill builds an important extra safeguard into the system. Why someone would oppose this is hard for me to understand. I do not see why that additional safeguard cannot be put into the system. It will not add any cost to the project. It is true that the cost of the project has increased over the last few years, but this measure will add no additional cost because it simply refers to data that the government already collects.

As to the idea that the data may be in a raw form and hard to understand, I think that treats the electorate and its constituents who have scientific and statistical skills in a very shabby way. I have faith that the electorate can interpret that data, and I think the community would expect the government to put the data on the site at the earliest possible point. I note that a printout from the Office of the Environmental Monitor which was handed to me at 4:30 p.m. shows that the weekly updates are lagging, so I do not believe we can have confidence in even that process which the government has said will occur.

As I alluded to in the second-reading speech, I think the federal minister understood the essence of this, but he perhaps did not go the extra step he could have gone to to ensure that the state government data collected by state agencies is incorporated into the Port of Melbourne Corporation's website on a real-time basis, where possible, and when collected is put on at the first possible opportunity.

This is a simple bill. To answer Mr Viney's strange last point — that there is a clause in the bill that says 12 months — the reality is that legislation is updated and condensed into the primary act. That is a simple mechanical task that is done annually, and this is a standard clause in much legislation, so he might understand that.

In terms of the idea that Mr Pakula injected at the very start of this debate today — that the vast majority of information is available already — in effect he conceded then that some information is not being provided to the community. The 'vast majority', as described by Mr Pakula, leaves a minority of information that is not being provided. This bill would

ensure that the information now being collected by the government can be provided, at no cost, to the community in a timely manner. These are very simple but important concepts.

I note the support of a number of councils. Bayside and the City of Port Phillip are in favour of real-time monitoring being put in place at the commencement of works, and I welcome the support of those councils. I know Ms Pennicuik made reference to the bayside councils in general, and I think it is important to understand their position on this issue.

There is wide support for this legislative step. It is a simple, practical, achievable step that will add that extra guaranteed layer of protection. It in no way imperils the project of channel deepening. In fact, the addition of these safeguards makes the project stronger and makes the community more secure as the government proceeds with the project. Therefore I commend the bill to the house.

House divided on motion:

Ayes, 21

Atkinson, Mr	Kavanagh, Mr
Barber, Mr	Koch, Mr (<i>Teller</i>)
Coote, Mrs	Kronberg, Mrs
Dalla-Riva, Mr	Lovell, Ms
Davis, Mr D.	O'Donohue, Mr
Davis, Mr P.	Pennicuik, Ms
Drum, Mr	Petrovich, Mrs
Finn, Mr	Peulich, Mrs
Guy, Mr (<i>Teller</i>)	Rich-Phillips, Mr
Hall, Mr	Vogels, Mr
Hartland, Ms	

Noes, 19

Broad, Ms	Pulford, Ms
Darveniza, Ms	Scheffer, Mr
Eideh, Mr	Smith, Mr
Elasmar, Mr	Somyurek, Mr
Jennings, Mr	Tee, Mr
Leane, Mr	Theophanous, Mr
Lenders, Mr	Thornley, Mr
Madden, Mr	Tierney, Ms
Mikakos, Ms (<i>Teller</i>)	Viney, Mr
Pakula, Mr (<i>Teller</i>)	

Motion agreed to.

Read second time.

Third reading

Motion agreed to.

Read third time.

STANDING COMMITTEE ON FINANCE AND PUBLIC ADMINISTRATION

Port Phillip Bay: channel deepening

Ms PENNICUIK (Southern Metropolitan) — I move:

That the Standing Committee on Finance and Public Administration be required to examine the business case for the Port Phillip Bay channel deepening project as presented by the Port of Melbourne Corporation (PMC) and the Victorian government and the legal and financial arrangements between the PMC and Boskalis Australia Pty Ltd and/or its parent company, Royal Boskalis Westminster NV, and report its findings by 30 June 2008.

In moving this reference to the yet-to-be-constituted upper house Standing Committee on Finance and Public Administration, I look to the models in the Senate and similar committees in other state parliaments. The Senate committee after which this committee is named has the role of inquiring into and reporting on matters referred to it by the Senate, including estimates of expenditure, in accordance with the standing orders; annual reports, in accordance with paragraph 20 of the standing orders; and the performance of departments and agencies allocated to it.

In New South Wales both houses refer issues that are of particular importance to the people of New South Wales to parliamentary committees, including committees similar to this one, for detailed inquiry. Western Australia's Environment and Public Affairs Committee exists to inquire into and report on any public or private policy, practice, scheme, arrangement or project whose implementation or intended implementation within the limits of the state is affecting or may affect the environment; any bill referred by the house; and petitions.

Thus it is appropriate for this newly constituted upper house committee to inquire into this matter as its first body of work, because channel deepening is a matter of great public importance and interest. Public interest has been growing since the media has taken much more interest in the project, particularly since the dredgers arrived in the bay. The media has covered the issue over the years, but certainly the interest has risen since the dredgers arrived. People are starting to understand more about what is involved with this project, the threats that it poses to the bay and the lack of an economic case put forward by the government and the Port of Melbourne Corporation. I believe the committee should inquire into this matter, because the evidence for it, which has never been strong, is unravelling as light is finally being shone on the claims the Port of Melbourne

Corporation and the state government have been making to try to justify this project.

The claims about the numbers of ships unable to use the port to their desired capacity are highly questionable. The claims about the benefits of the project are vague, exaggerated, unsubstantiated and not immediate. Any claims being made about benefits are not going to be realised in anywhere near the immediate future. In fact 10 years hence is the soonest that they are claimed to be going to actually arrive. The costs of the project are a moving feast, as described by the Treasurer in this chamber in the last sitting week. When I asked him whether the government had an update on the cost of channel deepening, he described it as a moving feast which the government was monitoring. Obviously the answer for the government on channel deepening is to monitor the environmental effects and to monitor the costs! That is not good enough. The costs are a moving feast, and they are definitely moving upwards.

The economic jury is out on this project; there has never been a truly independent economic analysis — only the argument put forward by the proponents. The government's role in assessing the economic case seems to be limited to echoing the Port of Melbourne Corporation's business case. That can be seen in the evidence of the Department of Treasury and Finance at the channel deepening inquiry, which basically echoed the PricewaterhouseCoopers report that was prepared for the Department of Infrastructure on the value of the port. Basically that constituted the evidence of the Department of Treasury and Finance to the inquiry. I would have expected a more rigorous and far-reaching analysis than that.

The government has so far not revealed the financing strategy for the proposal, despite that being a stated condition of its support for the project ever since it was announced. Financing of the project has been outside the scope of the EES (environment effects statement) and SEES (supplementary environment effects statement) inquiries. All we know at the moment is that taxpayers are to contribute \$150 million for the project and unspecified related landside infrastructure improvements. The remainder is to be funded by port users through charges.

Port charges on every full international container will increase by approximately \$31 to \$67, and for the shipping industry an extra 5 cents will apply per gross revenue tonne. The risks to the ecology of Port Phillip Bay are understated by the SEES, but are significant. The SEES and the EMP (environmental management plan) are completely inadequate in terms of predicting impacts, preventing them — the word 'prevention' is

not even mentioned — or ameliorating them. I have mentioned in a previous debate today, and I reiterate, that the EMP is basically a monitoring and reporting document. The impacts on the ecology of the bay will inevitably add to the costs of the project. By how much is not known, but it is bound to be significant.

I move this motion for two main reasons. Firstly, to reveal to the Victorian public once and for all just what the full costs of the channel deepening project are, and secondly, to clearly identify what, if any, benefits are expected to accrue from the project and to whom they will accrue, because this is shrouded in mystery at the moment. Basically the benefits of the project are an exercise in smoke and mirrors by the government and the Port of Melbourne Corporation.

An examination of the full cost must include all the indirect costs and the contingencies, which have so far been absent from the economic case for the project that has been presented by the Port of Melbourne Corporation and the government. They have been wilfully ignored all the way along. Apart from general claims about the monetary benefits of channel deepening, which have been falling since it was first announced, it has never been clearly or comprehensively articulated just who will benefit and to what extent. Nor has it been stated who will not benefit and who may be injured, and whether the benefits outweigh the costs in either monetary or social measures. The government says that shippers will benefit, but they claim that that is not the case and are contradicting that in the press. Just recently the government and the Port of Melbourne Corporation have been resorting to defending the project by saying jobs will be lost, when we know that that is not the case. The port will continue to grow whether or not channel deepening occurs and no jobs will be lost — in fact jobs will be added. But jobs may be lost in small businesses around the bay, so that is where any job losses are likely to be.

In this house, in answer to my question about the cost of the project, the Treasurer resorted to justifying the project by saying that vulnerable consumers would be hurt if we do not dredge Port Phillip Bay. I also listened to Stephen Bradford outside the Federal Court last week, and he ran the same line — that is, that the reason we need the channel deepening is because consumers want cheap DVDs and cheap products. To resort to justifying this project with that sort of argument and the sorts of arguments we heard this morning — just about jobs when that whole argument has already been discounted and is not part of the argument for channel deepening put forward by the port — really is clutching at straws.

The huge cost blow-outs that have already occurred point to problems with management and control — or lack of control — of the project, and we can expect further cost blow-outs. For any large infrastructure project that we have ever undertaken, on a state or federal level, we know that the costs blow out and increase. This project has so many uncertainties built into it, and they have been so inadequately dealt with by the processes that we have been through so far that there is nothing but complete certainty that costs will continue to grow. The more that costs grow and the more damage there is to the bay, the less will be the benefit that can be claimed for this project by shippers, exporters and importers, or the people of Victoria, who have been left out of this equation. I believe Parliament has a responsibility to review these issues now, as the costs are in danger of becoming unsustainable and the benefits negligible or non-existent. I would say that is the case now.

The second reason I have moved this motion is that I hope an inquiry into this project by the Standing Committee on Finance and Public Administration would carefully analyse the strengths and weaknesses of the processes that have led us to this point — a point where a massive infrastructure project to be carried out by a state-owned corporation can go through two EES processes and cost the best part of \$120 million and still be unable to convince a large percentage of the Victorian people, exceeding 42 per cent, or a range of independent experts who have been raising alarm bells about this project for five years now, of the value of this project. The Port of Melbourne Corporation has been unable to convince either of these two sections of the community that the project does not pose huge risks to the ecology of Port Phillip Bay. A situation has arisen where the cost of the project has jumped hundreds of millions of dollars year by year and shows little sign of stopping, and the benefits are becoming more and more elusive every day. This must be of concern to the Parliament. The government and the Port of Melbourne Corporation have completely lost control of this project, and the Parliament should step in, look at the whole picture and take control, because the government and the port are not in control.

I would hope such an inquiry could make serious recommendations not only as to whether the channel deepening project should proceed one day further but also more broadly about how, in the public interest, proposals such as this can never again get past first base if they are not rigorously measured against a range of alternatives — which this project has never been — and the total direct and indirect costs and benefits are not fully and openly considered by the community. Again, that has never happened.

For these reasons I urge members, including government members, to support my motion as I believe it is in the public interest to examine both the project itself and its wider ramifications. We are long past the day when governments think they can simply solve problems with big engineering solutions, such as flooding pristine lakes, damming wild rivers, building huge coal-powered power stations, desalination plants, water pipelines, freeways or digging tunnels or great trenches in the bay. This is the type of thinking that has led us to the global ecological crisis in which we find ourselves. This thinking is leading us into related economic difficulties as current account deficits, including Australia's, balloon, leaving societies vulnerable.

This is a debate about values. Melbourne is a city that is privileged to have a bay in such good condition, and it is in good condition because dredging has been minimised. Scallop dredging was stopped, and Melbourne Water and other water authorities have spent millions of dollars preventing nitrogen run-off in the bay so that the denitrification processes, which are carried out for the citizens of Melbourne for free by the microphytobenthos at the bottom of the bay that filter the nitrogen, can occur. The nitrates that go into the bay are turned into atmospheric nitrogen. These organisms carry out a vital service, and that is why we in Melbourne are privileged to have this bay, and we need to look after it.

Port Phillip Bay has marine national parks and, as I mentioned in the earlier debate, those parks should have incorporated the whole of the Heads and the Rip area, and the activities of the port should have been made to fit in with that national park. The value of the national park should be greater than the value of a shipping lane, so it is an argument about values as well as costs and money. We have a fantastic bay and assets in the marine parks which are found nowhere else in the world, and they should be no. 1, particularly in this century when we know more about the damage we have done to the planet. To put a shipping lane ahead of those values is indefensible.

In what other city of the world would the citizens be able to see a unique species of dolphin that lives in Port Phillip Bay and depends on the ecology of the bay being kept clean and healthy for its survival, as with the St Kilda penguin colony, the whales and the other species of dolphins that come into the bay. The Phillip Island penguins depend on Port Phillip Bay for their food during the winter, as does Victoria's marine emblem, the weedy sea dragon, which is especially vulnerable to the dredging works going on in the south of the bay as we speak.

The motion is quite succinct — —

Mr Viney interjected.

Ms PENNICUIK — I do not want to disappoint you, Mr Viney. I want to outline many of the issues that I think need to be considered by the standing committee.

The committee needs to look at, but not be limited to, the analysis and investigation, under the business case, of quite a lot of issues. There are many parts of the business case that need to be unpacked, and I will list them: the reasons for the quadrupling of the cost estimates since the project was announced; the figures used by the Port of Melbourne Corporation regarding the number of ships that are currently or projected to be unable to enter or leave the port of Melbourne loaded to their desired capacity — the capacity they wish to be loaded to, not the capacity they are potentially able to be loaded to, which is not always 100 per cent; the projections of shipping size and volume, and growth in container movement through the port of Melbourne relied upon by the government and the Port of Melbourne Corporation.

It also needs to consider whether there is a sound financial structure for the project that is in the public or the taxpayers interest; what benefits if any will accrue to ordinary citizens from channel deepening; the cost-benefit work relied upon by the government and the Port of Melbourne Corporation; the value of the ecosystem services provided by the bay — microphytobenthos in the bay; the value to the Victorian and local economies of tourist and recreational businesses around Port Phillip Bay and the cost of the negative impact of channel deepening on those businesses; the cost of treatment and disposal on land of contaminated spoil from the Yarra River; the safety concerns raised by the retired sea pilots and others which will add cost to the project; the land-based impacts of the project, including but not limited to the truck movements to and from the port of Melbourne on surrounding residents and businesses and the effect on wholesalers of the relocation of the fruit and vegetable market from West Melbourne to Epping; the costs of avoiding and ameliorating short and long-term impacts on the ecology of the bay, including but not limited to the actions of the environment management plan; and the effectiveness of the stevedoring arrangements at the port of Melbourne.

There should be a comparison of the costs and benefits to the Victorian community of channel deepening compared with alternative methods to accommodate larger vessels in Port Phillip Bay, including but not

limited to: the use of under-keel clearance technology; ships loading and offloading cargo in such a way that they are able to use Port Phillip Bay and the Yarra River without channel deepening, which according to my information and from speaking to exporters and sea pilots who have helped ships in and out of the bay for years, is already happening; including not dredging the Yarra, upgrading Webb Dock, including reinstating the rail link for use by larger vessels that visit Melbourne with other vessels continuing to use Swanson Dock; a proportional contribution by Victoria to the construction of an inland rail freight link from Brisbane to Melbourne; or any other viable measures; or a combination of all the above.

The second part of the motion calls for the legal and financial arrangements between the Port of Melbourne Corporation and Boskalis Australia Pty Ltd and/or its parent company to be revealed. I will go into some detail about the matters that I think the inquiry should be looking into.

The cost blow-out already demonstrated for this project is a sign of the lack of control in the management of the project. We need to know the reasons behind the cost blow-out. The management of the project already has low public credibility, and an independent investigation is timely to ensure that it and the government are capable of delivering the project — that is, if you assume the project should be delivered at all.

At the time of the SEES the independent panel's judgement that the project was economically viable was based on a significantly lower cost. I quote from the independent panel's judgement:

Thus \$1936 million of benefits is set against costs of \$590 million in 2007 dollars, yielding a net present value of \$1345 million for the channel deepening project, a benefit-cost ratio of 3.3, and an internal rate return of 15.4 per cent. By the standards of infrastructure measurement, this is a satisfactory return and would support a decision to proceed with the project.

However, since then the costs have almost doubled, so it is appropriate for the committee to re-examine the viability of the project. For example, in 2001 the project was mooted to cost between \$200 million and \$230 million; by 2004 that had risen to \$337 million; by August 2004 it had risen to \$498 million, and in another month it jumped to \$545 million; after the SEES the project was said to cost \$763 million; and it is now listed in the government's statement of intentions as \$969 million. Anybody who thinks that is the last word on the cost of this project would have to believe in the tooth fairy, because the project is bound to cost a lot more than that.

The benefits, compared with the costs, of the project are receding day by day. If we use the figures that are floating around — and there are many — in the SEES we can find benefit figures ranging from as little as \$1.2 billion to \$2.2 billion over 20 years. The statement of intent says it is little more than \$2 billion worth of benefit, and the Port of Melbourne Corporation in its annual report says it is a little less than \$2 billion. If we take \$2 billion as a round figure and the costs are \$969 million, a simple calculation leaves a little over \$1.2 billion of benefit over 20 years, which is minuscule.

To whom will this benefit go? Not one ordinary citizen will see any of that. If the costs rise again, which they will, the mystical, mythical benefits will fall even lower. It is not unimaginable that there will be a negative benefit before too long. If the costs were to double — and given its history, given the complexity of the project and given that the project is due to go on for two years, during which time there are bound to be delays and unforeseen circumstances; and there are already costs that are not included in the \$969 million figure — it is not unimaginable that there will be negative benefit before too long. So it will be a loss. I think if the real costs of the project were known and included, and the government was upfront about them, we would already be at a loss.

Independent economic consultants Economists at Large have pointed out that with costs increasing so dramatically, the rate of return on this investment is being squeezed to a point where it is not economically viable and it would not be invested in by the private sector. Therefore, if it is going to be directly invested in by taxpayers to the tune of \$150 million — and indirectly but still ultimately by taxpayers through a state-owned corporation — then the reasons for the investment must be shown to be in the public interest.

It is highly questionable that channel deepening, as currently proposed, is in the public interest. If you look back to 2001, when the project was first announced, the cost was around \$200 million. In 2001 the looming issue of climate change was not widely known. Certainly the Greens knew but other parties in the Parliament were not taking any notice. We did not know then what we know now. There had not been the studies that have pointed to the unacceptable environmental risks posed by this project. It might have seemed like a good idea back then. You could say it seemed like a good idea at the time, but it is not a good idea now. It is not a good idea for environmental reasons, and no economic case has been built to support it.

An additional levy of approximately \$32 — or \$31, if you read the statement of intent — will cost shipping lines approximately \$82 million per annum. That is based on a current slot capacity of 25 million containers. The net present value of this cost is conservatively over \$1 billion for the life of the project. If we are going to spend \$1 billion on the project and then this \$1 billion levy, we have to ask: does that wipe out any of the claimed benefits of the project?

A full study is needed to determine the price elasticity of shipping lines and whether demand would drop, and to what extent this would effect the projected benefits. The government commitment of \$150 million represents an opportunity cost to Victorians. The capital could be invested elsewhere to gain higher returns or for more direct benefits to Victorians. Perhaps Ms Hartland would like it to be used for the South Morang railway station!

Ms Hartland — I was thinking the same thing, Ms Pennicuik.

Ms PENNICUIK — Perhaps it could be used for a rail link to East Doncaster. Perhaps it could be used for moving freight onto rail out of the port of Melbourne so that the government can actually reach its target there.

Ms Hartland — Maybe just achieving its 30 per cent on line.

Ms PENNICUIK — It is going backwards on that target, as we know.

I think the inquiry, as I mentioned before, should look at the figures used by the Port of Melbourne Corporation regarding the number of ships that are projected to be unable to enter or leave the port of Melbourne loaded to the desired capacity.

The SEES inquiry was told that the channel was not deep enough to accommodate the overwhelming majority of new generation ships when fully loaded — that is, the new generation ships that are going to come online sometime around 2015, 2017 or 2020.

Ms Hartland — Maybe — if oil does not run out.

Ms PENNICUIK — Indeed, Ms Hartland. The implications of this were that some freighters were leaving Melbourne partially loaded but facing tidal delays or were staggering loading or unloading between other Australian ports to meet depth constraints. Proponents of the project have publicly quoted figures ranging from 25 per cent to 38 per cent. Recently Mr Bradford was using a figure of 44 per cent, with no basis in reality, of ships being unable to enter the bay

fully loaded. For ‘unable to enter the bay’ read ‘did not enter the bay’. They did not enter the bay fully loaded or they did not leave the bay fully loaded. ‘Unable to’ is the questionable phrase. That is the phrase that the port and the government use when they actually mean ‘probably did not’ enter or leave the bay fully loaded.

I have been speaking to Mr David Minnis, who is an exporter of horticultural products. He has written an open letter to the Prime Minister and Mr Garrett, the federal environment minister. He is concerned about the costs to small exporters. He exports fruit and vegetables, and he tells me that one out of seven rural jobs is involved in that industry.

Mr Minnis is seriously questioning whether this project has any value whatsoever to him as an exporter and as the deputy president of the association representing those exporters. He quotes Mr Peter Fitzgerald, an economist, who says any increase in container traffic will be in imported goods, not exported goods. In his open letter to the Prime Minister and the federal environment minister, he says he is concerned that:

much of the cost of channel deepening will be paid for by port users. Bridging Australia’s tyranny of distance —

as he puts it —

from our biggest southern port is set to become even more costly.

He again quotes Mr Fitzgerald, who points out that:

80 per cent of the container ships that currently visit Melbourne are not deep hulled and that even the deep-hulled ships like the MV *Tampa*, seldom if ever arrive fully laden. They first arrive into an Australian port at Perth, Brisbane or Sydney; and typically visit two ports before they get to Melbourne. He maintains that the metaphor of super-sized ships arriving direct from China to Melbourne chockers with containers, is a mirage.

On the export side I understand that 42 per cent of all containers currently shipped from the port of Melbourne are empty. The reasons for this have nothing to do with the depth of the shipping channel. I am confident in saying that I am not the only Melbourne-based exporter who would welcome a full and more independent assessment of the so-called benefit cost analysis put forward by the Port of Melbourne Corporation to justify its channel deepening project. Ditto for the corporation’s growth projections out to 2035.

Please do not accept on face value the Port of Melbourne Corporation’s economic justifications for the channel deepening project ... because to many of us trying to make sense of them, they simply do not stack up.

He also made some other comments over the telephone. He said the Port of Melbourne Corporation has argued for the project on spurious and erroneous grounds and that the exporters that he represents, the

horticulturalists, do not know what the extra costs will be. They currently have problems getting to and from the port on time; there are long queues already, and waiting is costly because they rely so much on road freight.

He said East Swanson Dock is at absolute capacity now. From his point of view — and this is a debatable point — Webb Dock would be the logical place to put the occasional big ship that comes to Melbourne. As an exporter and deputy chairman of the exporters association, he said costs will increase and exporters will get no benefits. He said exporters need timely delivery and regular, reliable and frequent services, and maintains that big ships will not be frequent visitors. From the small exporters' point of view, there is nothing in channel deepening for them.

Going back to those figures, the SEES states that only 3.8 per cent of ships leaving or entering Port Phillip Bay need any sort of tidal assistance, so I will leave the port of Melbourne and the government to answer questions on how they have reconciled their wild figures of 38 per cent and 44 per cent with the figure in their own SEES.

Certainly in the earlier debate, when Mr Thornley sought to take me on on that issue, he could not come up with a figure. He could not actually tell the Parliament what the figure was. I am telling the Parliament the figure in the SEES is 3.8 per cent — that is, only 3.8 per cent of container ships coming into the bay needed any sort of tidal assistance, either entering or leaving the bay. If you turn that around the other way, it means that 96 per cent of ships did not require any assistance or deeper channels to enter or leave the bay. Also it should be noted that ships use their global positioning systems to adapt, by scheduling arrival times to coincide with high tide if they need tidal assistance.

The port of Melbourne has also claimed that if shipping lines cannot access Melbourne via a deeper channel, they will drop Melbourne in favour of deepwater ports. The government has echoed this claim most controversially recently in the comments made by the Premier, that 'without channel deepening Melbourne is in danger of becoming a backwater like Adelaide'. On the other hand, the port of Melbourne predicts a quadrupling of trade through the port by 2030, a figure that is highly questionable.

It says that would happen regardless of channel deepening. It says that because of the importance of Melbourne in the international shipping system it is unlikely that ship owners will drop Melbourne from

their itinerary, even if the channels are not deepened. So the port of Melbourne is already conceding that fact. But the projection of shipping size and volume and growth in container movements through the port of Melbourne, which is relied upon by the government, is another matter that the inquiry should look at.

Economic consultants and economists at large pointed out in the SEES inquiry that projections of the size, based on 20-foot equivalent units (TEUs), of container ships using the port of Melbourne to 2035 are insufficiently conservative and that no sensitive analysis was provided even though some shipping analysts have predicted an eventual slowing of growth in the size of container ships. American associations forecast that no ships under 3000 TEUs will service Melbourne by 2030. That is an unsubstantiated assertion, but the Port of Melbourne Corporation is predicting a growth in 20-foot equivalent units from 1.4 million in 2005 to 7 million in 2030.

I refer now to a submission from Dr Richard Di Natale, Mr Adam Bandt and Cr Fraser Brindley of the Greens to the East-West Needs Link Assessment. Let us take this figure and apply it to population growth. If the population of Victoria were to grow at 1.5 per cent per annum over this period, it would be equal to a growth in TEUs of 320 per cent per capita. So every Victorian would be attributed with at least three times more container movements — that is, three times more televisions, T-shirts and Tonka toys.

For example, in 2005 the population of Melbourne was 4.8 million and the total TEUs was 1.4 million — that is, 0.2 or nearly 0.3 TEUs per person. Using the Port of Melbourne Corporation's figures, the population would be 7.5 million in 2035, there would be 7 million TEUs and that would be almost 1 TEU per person, which is a five-fold increase. That is just not believable: we are not going to get that population increase; we are not going to get that increase in trade. What has happened is that the port of Melbourne looked at the figures over the last few years when there had been some growth in trade and just drew a straight line up from that to 2035. That is a completely inappropriate way to forecast growth in container trade.

I have also had a look at the 2001 report on the port of Melbourne channel deepening project prepared by Drewry Shipping Consultants for the Victorian Channel Authority. It casts doubt on the whole economic case for channel deepening and talks about a loss up to 2030 of a mere \$31 million due to draught restrictions.

The estimates of Meyrick and Associates in the SEES was \$380 million, but no explanation was given for this

disparity. The Drewry report was buried in a shoebox and had to be obtained by Peter Fitzgerald through FOI. The reason for that is obvious. Its analysis of shipping movements and projections do not support the business cases being put forward by the Port of Melbourne Corporation over the last four or five years. The inquiry should look at whether there is a sound financing strategy for the project which is in the interest of taxpayers and the public. All we know about the financing of the project is that the government is going to throw in \$150 million and there will be an increase in shipping levies and container charges. I would not call that a financing strategy. Nobody really knows how the project is going to be financed.

We do not know what benefits, if any, will be accrued by ordinary citizens of Victoria from the channel deepening project. The Port of Melbourne Corporation witness at the first inquiry described the benefits of the project to the ordinary person as immeasurably minor. There is nothing in this project for the ordinary Victorian resident. The supplementary environment effects statement panel inquiry stated that the market as a whole will benefit from the increased efficiency of ship movements, but that did not tell us much about who exactly will benefit from the project.

Savings in terms of cheap consumer goods are acknowledged by the port of Melbourne to be minuscule if measured on the basis of each person; if \$75 billion, the forecasted savings in the SEES, was spread across each person, it would amount to something like a \$1 saving on a television. It appears that consumers are actually paying for the project through their taxes and an increase in the price of goods; no-one has demonstrated that channel deepening will bring more jobs. But what we know for sure is that it will result in a loss of jobs for those working in businesses depended on the bay, particularly the fishing, diving and tourism industries.

The cost-benefit analysis work relied on by the government and Port of Melbourne Corporation needs to be seriously examined, because the work has erred significantly and strayed from standard and expected economic practice by failing to examine the full suite of costs in due comparison with the full suite of benefits of the project. These costs to other businesses and to the bay environment could have been included but were deliberately excluded despite World Bank guidelines, for example, that indicate otherwise. In particular environmental impacts are regarded either as internalised, which means that the risk would be mitigated by the environmental management plan and is unquantified or uncosted, or are called low risk and do not presumably need to be costed.

The costs which have been omitted from the supplementary environmental cost-benefit analysis include the costs to the recreational and tourism industries; land-based impacts; sunk costs; the cost of a lengthened dredging schedule due to delays or unforeseen circumstances; risks to the Newport power station; any costs to the Port of Melbourne Corporation or Ecogen Energy as a result of an agreement between them — this is a mystery, because the cost of maintenance dredging is commercial in confidence. It is unclear whether the revised cost estimates include the cost of the 17 million cubic metres of maintenance dredging that the SEES estimates will be required to maintain the channels over the next 30 years and the cost of cleaning up the 8000 cubic metres of rockfall from the Heads generated by trial dredging, which has never been included.

The cost-benefit analysis also relied on flawed economic assumptions. Predictions of growth made in the cost-benefit analysis by the Port of Melbourne Corporation were extrapolated directly from projections of world trade up to 2035, but there is no consideration of more Australian-specific measures. Economists at Large have said that using a 25-year time frame for predicting shipping movements is completely inappropriate. The accurate calculation of shipping costs and benefits, and fuel and chartering costs over 25 years is extremely difficult. A 10-year projection is more appropriate, given the nature of the shipping industry, which is cyclical and hugely vulnerable to a downturn in demand. Unfortunately that is not in favour of the channel deepening project since the benefits of the project would generally not arrive until 10 years time — and that is a fundamental point. Why are we doing this project when there will be no benefits? Even if you accept there are benefits, which we strongly question, they will not be seen for another 10 years. Prudence would say that, given the environmental risks of the project, it should at least be delayed.

No sensitivity analysis was carried out on other important assumptions such as the ratio of trade volumes to gross domestic product, the ratio of container growth to trade growth and the ratio of container growth in the port of Melbourne to world container growth. The benefits of the project were calculated using an inappropriate discount rate of 6 per cent, which several economists have challenged strongly as being half of what should have been used and as being conservative; a more appropriate discount rate would have been 10 to 12 per cent. As such the benefits of the project have been overstated.

This question has to be asked: do the claimed benefits of channel deepening outweigh the costs of the project?

I have also mentioned that the inquiry should look at the cost of the treatment and disposal on land of contaminated soils from the Yarra River. Going ahead with the folly of dredging contaminated material which is reasonably settled in the Yarra River is a questionable action. The Port of Melbourne Corporation has given no reason for not looking at alternative ways of dealing with contaminated spoil other than that it would cost too much. It wants to put it in the bay — a highly risky proposal. The costs of alternative ways of dealing with it have never been included in the cost-benefit analysis, and they need to be looked at.

As I said, the safety concerns raised by retired sea pilots and others need to be looked at as a possible cost of the project. Mr Frank Hart and Mr Geoffrey Beevers gave evidence to the supplementary environment effects statement inquiry that the design of the new shipping channel is flawed. At the moment ships of an 11 or 12-metre draft can bump into the sides of the channel without a lot of damage being done, because there is a shallow bank. They stated very forcefully at the inquiry — and they continue to try to get people to listen to what they are saying, and we are talking about sea pilots who have piloted ships in and out of that bay for years and know the waters at the Heads, in the south channel and in the great ships channel — that with a deeper but no wider channel and longer ships, the risk of an accident and an oil spill are very high. However, these risks have not been factored into the costs of this project. The environmental and monetary costs of such an accident would be terrible and probably could not be ameliorated entirely given the sensitivity of the area where this would occur — that is, in the Port Phillip Heads and near the Rip.

The inquiry needs to look at the land-based impacts of the project, including but not limited to the impacts of truck movements to and from the port of Melbourne on surrounding residents and businesses. Last year I asked the Minister for Roads and Ports in the other place if he would do a study on the impact of those truck movements in the suburbs surrounding the port of Melbourne, but he declined to do so. The people of Melbourne do not know what the costs of those impacts will be. As the minister has already conceded, those impacts will increase because more and more trucks will be using the port, according to the government's projections, but the government is not meeting its target for taking freight off the road and putting it on rail. That has not been factored into the cost of the project.

The cost of the project is not just about digging the hole; it includes all these other impacts and costs. They should be factored in. The inquiry should look at the effect on wholesalers of the relocation of the fruit and

vegetable market from West Melbourne to Epping. Over the years many of the wholesalers at the market have expressed to me their unhappiness with that decision. They did not want to move. That decision has already imposed costs on them, without the increased costs of shipping and cargo levies. As I said, most of the costs of avoiding or ameliorating short-term and long-term impacts on the ecology of the bay were either treated in the SEES as low risk or were somehow mysteriously internalised. We really do not know what these costs are. No contingencies have been built into the cost analysis.

There are a lot of things for the inquiry to look at. I already raised the issue of the effectiveness of the stevedoring arrangements at the port of Melbourne. I think it was Philip Davis — it might have been Mr Atkinson — who raised in the previous debate the role of the stevedoring duopoly at Swanston Dock East. The role of the duopoly, and the efficiency of its operations, is crucial to what is behind this project. The inquiry needs to look closely at that and ascertain whether that is working to the benefit of the people of Victoria. That is driving what is going on with this project.

Importantly, the inquiry needs to look at the costs and benefits to the Victorian community of channel deepening compared with other measures to accommodate larger vessels should they come to Melbourne, which is questionable. One such measure might be a much smaller deepening project. The Drewry report that I referred to said that the majority of the benefits of channel deepening could be achieved by just a 0.5 metre deepening of the channel, which is a much smaller proposal than the one we have before us now. As I said, this project is way too big. Many shipping lines have said that the Port of Melbourne Corporation should be implementing under-keel clearance technology, but it refuses to do so, even though it is used at ports around the world with great success. The inquiry also needs to look at the costs and benefits of ships offloading cargo in such a way that they are able to use the port and river without channel deepening, which they are already doing — most of them at no real cost. These alternatives to channel deepening have never been examined by the Port of Melbourne Corporation or by the government, and they have not been put before the people of Melbourne and Victoria so they can make an informed decision as to whether the channel deepening project has been a good use of taxpayers money.

The Greens believe, along with many respected economists, commentators and thousands in the community — as I said, at least one in four people —

that the true costs of this project are unknown. The Port of Melbourne Corporation, supported all the way by the government, has been evasive at best about the costs of channel deepening since the day it was first announced. Victorians have a right to be fully informed about the channel deepening project. They have not been.

In closing I pay tribute to the people in the community who have worked tirelessly on this issue: the people in Blue Wedges, which I have worked with over the last five years; the people in the Southern Victoria Community Action Group, which is the latest group trying to defend the port of Hastings against proposals for its expansion; and all the community members who have turned out to, rightly, ask questions about this project.

In the debate Mr Pakula was trying to denigrate these people, and that is entirely inappropriate. I pay tribute to the people who have worked in the Blue Wedges coalition, who care about Port Phillip Bay, who care about the future of the ecology of the bay and who care that we do not embark on unnecessary projects spending billions of dollars of taxpayers money on things that do not need to be done; I thank them for all their work.

I moved this motion on behalf of the Greens as a parliamentary action in support of those people, so that we can have the project properly examined. In its whole five-year history, the project has never been properly examined. I will take a deep breath and say that I would like to dedicate what I have said in memory of my father, who passed away just before Christmas, who grew up around Port Phillip Bay and was a vehement opposer of this channel deepening project.

Mr VINEY (Eastern Victoria) — Firstly I want to, as I have done privately to her, acknowledge Ms Pennicuik's dedication to her late father.

I would agree with something that Ms Pennicuik said in the debate today — that is, that it is a debate about values. Absolutely, this is a debate about values on the issue of channel deepening. The values that we as a government are committed to are the values of balance — the values of the necessary investments to maintain our economic strength, the values of ensuring that we do so with appropriate and due attention to the environment, and the values of ensuring that everything is done with openness and accountability. I took from the more than 2 hours of contribution to this debate by Ms Pennicuik that that balance is not reflected in the position she is taking.

Let us not be mistaken about this debate: the motion before the house expresses opposition to channel deepening. That opposition was exposed by Ms Pennicuik in her contribution when she said that the intention behind having this issue referred to the committee is to unpack the business case. The Greens are opposed to this project — and we will deal with a whole range of the environmental issues associated with that opposition in a moment; they are opposed to the port of Hastings and to more trucks in the western suburbs. These things do not add up. We need to make an investment for the benefit of all Victorians, paying appropriate attention to the environmental issues that face us.

I studied economics, but I would not claim to be an economist. On these things, whether it be on the environment or on business modelling or on economic or financial assessments, I tend to listen carefully to the views of the experts in the field. The business case was developed when PricewaterhouseCoopers was commissioned. It assessed the economic benefits of the project over, I think, 20 years to be \$2.2 billion in today's dollars.

Earlier today Ms Pennicuik in her contribution to debate on the Port Services Amendment (Public Disclosure) Bill — and her feelings were reflected again in her contribution to debate on this motion — talked about ships having only 40 per cent or so of their load coming into the port and suggested that this is because many ships coming into Melbourne have already unloaded containers in Sydney and other ports. The lack of understanding of the economics of this and of the project were exposed by those comments, because this country and this state are also exporters. We do not just import containers; we also export them.

The Nationals understand that we export them. That is why in the lead-up to the last election they supported channel deepening and why they went out to country Victoria and said, 'We're for the country'. They knew they were representing exporters in the agricultural industry, like in the dairy industry. Mr Hall is laughing — —

Mr Hall interjected.

Mr VINEY — I am talking about the dairy industry that Mr Hall and I represent down in the Eastern Victoria Region, in Gippsland. As I said earlier, The Nationals, now The Nationals-Liberal party — it is one party, basically — said, 'We're for the country. Vote for us because we stand independent of the Liberals. Vote for us because we stand up for country Victoria'. Here they are supporting the Greens and the Liberal

Party on a reference to a committee that is essentially about trying to stop the project and putting into the public forum all the various oddball views such as Melbourne being flooded and all the rest of it.

A Nationals press release states:

Mr Ryan said the channel deepening project was an essential major project that would protect Melbourne's position as Australia's leading container port.

Hear, hear, Mr Ryan! Where is that view now, with The Nationals in this place supporting the reference contained in this motion? It reports him as saying:

'This project is essential for the long-term competitiveness of the Victorian economy ...

If the project doesn't go ahead, Melbourne will be bypassed by major shipping lines in preference to ports such as Brisbane, or even Auckland.

Not only that, he is reported in another Nationals press release as saying:

The Nationals have placed the Greens last in every seat because we believe their policies will cost jobs ...

The Nationals have highlighted the Greens' opposition to the channel deepening project —

and a little later in that press release as talking about how important jobs were in this project. What is now exposed is a fraudulent election campaign by The Nationals, where they said, 'We're for the country', but they again sold out for the white cars of office to become The Nationals-Liberal Party. That is exposed by their support for this reference, which essentially opposes channel deepening.

Let us look at some of the issues associated with this. Ms Pennicuik was questioning all the economics of it, but 45 per cent of container ships going through the port of Melbourne in the last 12 months were unable to do so fully loaded, and the estimated cost per ship was up to \$400 000. There are 3500 ship transports through the port of Melbourne. I believe about 1400 are container ships, but for the moment let us say that only 1000 of them are container ships that are not fully loaded. If you start doing the maths, you find that somewhere between \$200 million and \$400 million a year of shipping is not going through Melbourne fully loaded. That is an extraordinary cost to our export industries and to the goods we import.

Over the last 16 years the growth of shipping in the port of Melbourne has been running at about 8 per cent. What we know from the evidence presented so far in the business case for this project is that it will significantly reduce the costs to importers and

exporters. That saving will be passed on to all Victorians, including the low-income Victorians whom the Greens will tell us they are here to represent. The dream concepts of the Greens stagger me in this debate. I was a hippy once too, but I got over it a long time ago. I decided that in life you had to have some balance. We have to recognise that there will be some economic growth and there have to be some economic contributions to our society. What staggers me is that The Nationals and the Liberals are in here today supporting this dream-life view that the values in life are only on the environment. I am absolutely committed to environmental protections, but they can be done at the same time as ensuring economic growth and sustainable jobs in our community. It can be done.

I was interested to hear Ms Pennicuik's comments about this project contributing to the greenhouse problems. That is absolute nonsense. Let me go through some of the basics as to why it is absolute nonsense. No. 1: if we do not improve the shipping opportunities in this state, containers will have to be transported from other ports by road and rail, both of which are higher greenhouse gas contributors than shipping — both of them! No. 2: it makes pretty logical sense to me that if you send a ship out full, it will not contribute as much greenhouse gas per tonne of product as if you were sending it out half full, which is the situation we now have. No. 3: the new ships, which are larger and able to take more containers, are far more efficient in greenhouse gas emissions than the old ships that will have to continue to use the port of Melbourne if we do not undertake this project.

Let us enter this debate with some logic and commitment to the sensible analysis of what the project is about. It is about reducing the costs of export and import, which will flow through to all Victorians. Shame on The Nationals and the Liberals for agreeing to a motion that is designed to be nothing less than an obstacle to the project! Members in this house have a clear choice: they either want to get on with the project and see it done efficiently and effectively with all of the environmental commitments that we have made — —

Mr D. Davis — And all of the secrecy arrangements.

Mr VINEY — I say to Mr Davis that we have already had the debate on the openness and I have already dealt with it.

We can have the project go ahead with all of the environmental protections that are there, or we can go down the path that Ms Pennicuik said this debate was about in her contribution and we can refer it to the

Standing Committee on Finance and Public Administration with the specific intention, as Ms Pennicuik said, of unpacking the business case. We will have another motley coalition, as I referred to in the previous debate, of people coming in with all sorts of loopy ideas about this project, all sorts of absolutely unsophisticated economics, and we will be supposed to take that view over the detailed analysis of the business case that has already been put before the community in relation to the project.

It is odd that Ms Pennicuik said that we could achieve all of this by doing channel deepening at only half a metre. In other words, we can half do the project or a quarter do the project or an eighth do the project, and that will be okay environmentally. We do not have to worry about that. We can get a little bit of toxins out of the Yarra and put them in the bay. But if we were to do the job properly, that would be terrible! We are either going to do the project properly, with environmental safeguards and as a project that will deliver economic benefits to all Victorians, or we are going to see Melbourne and Victoria become less and less competitive — —

Mr Guy — Say it!

Mr VINEY — I will leave that to Mr Guy. Thirty per cent of our economy in Victoria is related directly to manufacturing. This is a vital project for the manufacturing and agriculture industries in a whole host of areas. I would imagine that, if this project were not to go ahead, the potential impact on this economy over the next 10, 15 and 20 years would be devastating. Victoria has been built on a manufacturing base around the port as one of the transport hubs of this country, and that is why we have been able to attract business to this state. We have been able to deliver jobs in this state because of the benefits to our economy of the infrastructure that was built by generations before us. We need to make sure that that infrastructure stays modern, that it is real to the current economy and of course that it is environmentally sensitive and ensures the protection of the wonderful environment that all of us in this community enjoy. That is a balanced approach and that is a true debate about values. Members of this house should make no mistake: if they vote for this motion, they will be voting against those values of balance and against this project.

It is time that The Nationals — in the very early days of their new coalition as The Nationals-Liberal party — demonstrate that they do not support the Greens views on channel deepening. About 14 months ago during a campaign throughout country Victoria they said, ‘We’re for the country’. I acknowledge that it was a

very clever campaign, and it was based on the fundamental view that they stand independent of the Liberal Party. Let them stand independent of the Liberal Party in this debate and vote against this motion, which is designed to nobble what is a very important project for this state.

This is opportunity for members of The Nationals. I know they will not do it in the new formation of the Liberal-Nationals party, the one party that some people have been dreaming about. Disputes have occurred between those two parties over the years, like the ad the Liberal Party ran attacking The Nationals in the three-cornered contest at the last election. The Liberal Party said that the last time a Nationals member was a Premier was when there were FJ Holdens, or something like that. Let The Nationals be tested as to whether they really are an independent party that is prepared to stand up for country Victoria — because if they are, they will vote with the government against this motion.

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I am pleased to rise to speak on Ms Pennicuik’s motion this afternoon and state that the Liberal Party will support it. In his contribution for the government Mr Viney was a very forceful advocate for the cause of channel deepening in Victoria, but in putting that case as to why the project should proceed, he did not really put a case as to why this inquiry should not proceed.

The position that the inquiry will somehow jeopardise the channel deepening project is one that we can easily reject. I place on record, as was put through the course of the other debate today, that the Liberal Party supports the channel deepening project, with the caveat that David Davis introduced in his private member’s bill earlier and about which my government colleagues spoke in that debate. Our position on channel deepening is clearly one of support.

I reject Mr Viney’s position that in somehow supporting this motion — which would require the new Standing Committee on Finance and Public Administration to examine the business case for the channel deepening project put forward by the Port of Melbourne Corporation and the government, and to investigate the contractual and financial arrangements between Boskalis and the Port of Melbourne Corporation — the project that is now under way would in any way be jeopardised.

I guess the views of this side of the house would be slightly less cynical if it were not the practice of the government to oppose every inquiry and every investigation that is proposed in this place by

non-government members. It seems to be a recurring theme. We saw it with the various elements of the Select Committee on Gaming Licensing and the Select Committee on Public Land Development, where the government sought to oppose an inquiry that it did not control. It would appear that in opposing Ms Pennicuik's motion, the government is yet again simply seeking to oppose an inquiry that it does not control; such would be an inquiry through the Standing Committee on Finance and Public Administration.

It is not my intention to re-run the argument on whether channel deepening should occur or indeed to re-run the argument on whether the economic case that has been put forward stacks up, because that in essence is what this motion is asking the new committee to do. There does not seem to be a lot of point in members prejudging those aspects of an inquiry if an inquiry is to proceed. But I can say to the house, as a member of that new committee when it is established, that I will approach with an open mind the merits of the matters that may be referred to it by this motion today, and I am sure the other members of the committee, including Mr Viney, will also approach it with an open mind.

In his contribution Mr Viney said significant benefits will flow through from this project to the local communities throughout Victoria. I would assume that if the government can support that position and if the cost-benefit analysis that was prepared by the Port of Melbourne Corporation as included in the SEES (supplementary environment effects statement) stands up, the government would be happy to defend the veracity of the figures that have been used. But to simply say that benefits will flow from the project is not a reason not to investigate the nature of the assessment that has been done by the Port of Melbourne Corporation. This inquiry would in no way inhibit the undertaking of the dredging project, and it will provide an opportunity for those with disparate views to put those views on the record.

I have had an opportunity to look through the economic impact section of the supplementary environment effects statement and indeed aspects of the original EES. It is interesting to note the variation that has been listed between those two inquiries, the first in October 2004 and the latter in December 2006. With the initial assessment the present value of benefits from the project was assessed at \$1.44 billion, but by the December update that figure had increased to \$1.9 billion. By comparison the cost of the project was originally assessed in the October 2004 assessment at \$498 million, rising to almost \$600 million in the December 2006 assessment. Of course, as Ms Pennicuik pointed out, we have the sunk costs that

were excluded from that and the more recent update provided in the Premier's statement of legislative intent, which listed the cost at \$969 million.

We have seen, between the 2004 assessment and the 2006 assessment, dramatic variations in what the government has assessed as being the present value of the benefits from the project; we have also seen dramatic changes in what the government has assessed as being the present value of the cost of the project. At the best case scenario, the impact statement assesses a cost-benefit ratio of 3.3, so the variation between the cost and the benefit of the project is not enormous. Taking any one of these sets of figures, which have varied by hundreds of millions of dollars on cost and hundreds of millions of dollars on benefit, it is very clear that that cost-benefit ratio could be quickly evaporated if either of the figures, the cost or the benefit, varied by a relatively small amount.

We also have the issue of discount rates, which was one of particular interest to me — and I note Ms Pennicuik picked up on that in her contribution. This assessment and the October 2004 assessment were based on what I believe was an unreasonably low discount rate of 6 per cent, which has slightly inflated the cost, but more significantly, inflated the benefits of this project. If we were to use a discount rate of 8 per cent, which is one scenario that is outlined in the summary in the SEES, the benefits from the project fall by \$500 million, so these figures are very fluid.

I have seen enough of these economic impact statements to know — and I recall my experiences, when I had the shadow portfolio of Commonwealth Games, of looking at the economic impact statements that were prepared both before and after the Commonwealth Games — that they are always prepared for the proponent with the best figures in mind. There is no doubt that the figures included in this SEES are also the best scenario that was plausible for the Port of Melbourne Corporation and the government to put forward in arguing for this project.

The reality is that those figures are highly variable, as their own detailed analysis suggests, and it is not unreasonable that 18 months after that second assessment was done, the Standing Committee on Finance and Public Administration should have an opportunity to revisit those figures and to drill down into the assumptions that underpin those figures. An economic impact statement can be made to present any figure if you use the right assumptions. I do not think Ms Pennicuik's motion, in seeking a further review of the cost-benefit analysis presented by the government, is unreasonable. Despite the government's arguments,

this process will not in any way inhibit the dredging program that is currently under way, and it provides scope for those with alternative views to put those views on the record.

The reporting time line Ms Pennicuik suggested in her motion is 30 June, and the committee, once it is formed in April, will have to take into consideration the extent to which and the detail in which it can undertake this review. I can say from involvement in other select committees that the resourcing available to the select committees is extremely limited, both in terms of staff and in terms of financial resources, so the scope and extent to which we will be able to undertake a detailed investigation of this matter may be limited. However, that itself is no reason not to undertake the investigation.

The second element of Ms Pennicuik's motion, which has not received attention today, is investigating the relationship between the Port of Melbourne Corporation and Boskalis, the dredging contractor. It is my view that it is entirely appropriate for this inquiry to look at this matter, because we have seen the government's past form in attempting to block public access to information about the relationship between Boskalis and the port of Melbourne, to the point that the government yet again claimed commercial confidentiality on contractual matters between the two parties at the very time when Boskalis's Dutch parent was publishing to the Dutch stock exchange, the Euronext, details of the contractual relationship between the port of Melbourne and the company. While the Victorian government was arguing, 'No, we cannot release that because of commercial-in-confidence requirements of the company', the company itself was releasing those details to the European stock exchange.

Thus it is not unreasonable, given that history and given the commercial-in-confidence claims about this and other projects, that this inquiry should also cover the contractual relationship between the two parties and matters that quite properly should be in the public domain. Given the government's previous commitment on disclosing contracts and its rhetoric about having all contracts over \$10 million publicly and fully available, a commitment that certainly in this instance has not been met, it is not at all unreasonable.

In conclusion, it is the Liberal Party's view that this proposal of Ms Pennicuik's, this reference to the new finance and public administration committee, would not in any way inhibit the dredging project and would at the same time lead to greater disclosure of the potential costs and benefits of the project, resulting in a greater opportunity for members of the community with

varying views on the project and its viability to put those views and allow more information about the contractual relationship between the government and the contractor to be made available to the public. For that reason we will support this motion.

Mr HALL (Eastern Victoria) — In speaking on the motion that is before the chamber I want to start by responding to a few of the rambling arguments presented by Mr Viney in his contribution to this debate earlier this afternoon. Basically the arguments Mr Viney presented to the chamber were based upon the premise that for some reason this particular motion would stop the project, it would present obstacles to the channel deepening project. In response to Mr Viney's claims to that effect I simply ask how. How is this resolution going to be an obstacle to the channel deepening project per se? How is it going to stop this project from happening? I would think that no matter what, there will be no power within the terms of reference of the committee — and nor is there power within the standing orders that establish this committee — for it to stop this project; none at all. There is no sound foundation for the arguments Mr Viney has presented to the chamber this afternoon, given that in no way would the terms of reference of the committee in any way prove an obstacle to the project going ahead and nor would the committee have the power to stop the project from proceeding.

Mr Viney said we should be wholeheartedly supporting channel deepening because it will reduce costs for the people we represent in our electorates. That is yet to be seen. When you look at the bare facts that have been given in the guise of a business case, you would wonder how those costs are going to be reduced for some of our exporters and importers. I note, and this is from the government's own website, that it is estimated that the cost per container imported and exported will rise from \$31 to around \$67. Tell me if I am wrong. How will a more than 50 per cent increase in cost per container reduce costs to importers and exporters?

One could extend that argument. One could think, 'What if channel deepening did not happen? What if goods had to be taken to Sydney to be exported and imported out of Sydney rather than through the port of Melbourne? Then the projected costs for alternative ways to import and export might mean that our importers and exporters may had an even bigger increase in the cost per container'. But these are the sorts of things a business case should analyse, and what this motion seeks to do is simply to have access to the documentation, the reasoning and the logic applied by both the government and the Port of Melbourne Corporation in determining what their business case

was. Thus, I do not think that Mr Viney's arguments hold any water at all. There is no way known that this motion could stop or put an obstacle in the path of the channel deepening project itself.

There are a couple of other comments I want to make in respect of this. The business case available to the public of Victoria has been very scant to date — and both Ms Pennicuik and Mr Rich-Phillips spoke to that at some length. Essentially we have been told that there is of the order of \$2 billion of economic benefits to Victoria from this project. Again it seems to me that there is very little background as to how that figure was derived and regarding when it is expected that that economic benefit will flow. Therefore I think it is quite reasonable for the Parliament of Victoria, on behalf of the people of Victoria, to understand exactly what that figure represents and how it was arrived at.

It is also interesting that, according to the government's own website, the project is predicted to cost \$969 million, and the Victorian government's contribution is \$150 million. It is a significant contribution from the people of Victoria, and I wonder whether \$150 million is the upper limit of this contribution from the Victorian government to this particular project. Again, analysis of the business case will determine whether that is the upper limit, or whether there is capacity for the government to contribute more if there is a cost blow-out to the project. I agree with comments made by Ms Pennicuik and Mr Rich-Phillips about the government's record — with fast rail, for example, and many other projects around the state. You cannot believe it is going to come in at the projected figure of \$969 million. The past record is that this government is not good at managing money, nor is it good at bringing projects in on budget and on time. One would expect that \$969 million to blow out significantly.

I know that the house wants to try and finish this debate prior to the dinner break, but I want to make another point and sound a note of caution to the chamber about undertaking this particular inquiry. This is a reference to the Standing Committee on Finance and Public Administration, and it is the first reference given to that committee. I think we are still learning about select committees and standing committees and how they work and how they could work more effectively. I think we have made mistakes over the last 12 months in the terms of reference given to some of our select committees. The terms of reference have been too broad, and therefore imposed an enormous workload on those committees and indeed tested the abilities of the committees to meet the terms of reference in a satisfactory manner. Therefore I think both standing

committees and select committees of this house need to have terms of reference which are narrow and focused. If there is a reference that needs to be broader, it should rightfully go to an all-party parliamentary committee, but terms of reference given to select or standing committees of the house need to have a sharp focus in their application.

These particular terms of reference are narrowly focused. The reference is an examination of the business case — and I use the words in the motion:

... as presented by the Port of Melbourne Corporation ... and the Victorian government ...

And further it examines one other aspect:

... the legal and financial arrangements between the PMC and Boskalis Australia Pty Ltd ...

I listened carefully to Ms Pennicuik's contribution to this debate, and I respect her breadth of knowledge on a whole range of issues covering this particular subject. I particularly noted her wish that this committee would look at the costs of alternatives to channel deepening and a whole range of other associated issues. If we were to do that in this particular committee it would be too broad and too big a task for the committee to undertake. As a member of that committee I know that I will have input into how the committee actually interprets these terms of reference, and it would be my wish and desire that we focus on the exact items that are described in the terms of reference and cover those adequately and properly, which may prohibit the committee from going as far as Ms Pennicuik would like with some of the issues that she has raised. Nevertheless if we are going to do a job we need to do it properly and we should not extend the resources of that committee beyond the terms of reference and therefore give inadequate coverage to the terms of reference.

Having made those remarks, in summary I am saying that we will support this motion on the understanding that it is not an obstacle to the channel deepening project. It certainly will not stop the project, but I think the people of Victoria are entitled to know exactly how much it is going to cost them and how much it is going to cost importers and exporters, and that is what the purpose of this committee is. It will examine the business case analysis as presented by the Port of Melbourne Corporation and the government of Victoria. In that regard I think it is appropriate that we as a Parliament examine that particular business case, and I am prepared to add my support to this motion.

Ms PENNICUIK (Southern Metropolitan) — Members will be relieved to know that I will make a

brief response as my right of reply. I thank members for their contributions, and Mr Rich-Phillips and Mr Hall particularly for their support of the motion to send a reference to this committee on this important public issue.

I would like to respond to some of the matters raised by Mr Viney, who criticised the Greens for wanting to unpack the business case. That is exactly what we want to do, because the business case is being challenged in the community and by respected economists and has been for a long time. I would say to Mr Viney that if the government is so confident of the business case, then it should have nothing to worry about from this inquiry. If the government is so confident that the business case is watertight, then the inquiry will show that that is the case, so there is nothing for government members to worry about. Mr Viney said that there is evidence that channel deepening will significantly reduce costs for exporters and importers. There is no evidence of that, and I do not know why he has made that statement. As Mr Hall pointed out, the costs for exporters and importers are going to double per container, so it is very hard to reconcile that with significantly reducing their costs when they are in fact doubling.

Mr Viney also spoke about greenhouse savings. He obviously has not read the SEES (supplementary environment effects statement) on this matter, because if he had he would have realised that the SEES said that there would be no greenhouse savings from using larger ships, or that any savings would be negligible, because larger ships are required to stay longer in port and therefore need to travel faster between ports so that any savings are cancelled out by that, and that has been put in as evidence to the inquiry by the Port of Melbourne Corporation, so I do not even have to go any further than the port's own documents to respond to that. Mr Viney talked about a flowthrough to Victorians. There is no evidence of this. Even the port's consultants admit that there is no evidence of a flowthrough to ordinary Victorians. Mr Viney mentioned the Drewry report that recommended that there be no dredging beyond a depth of 0.5 metres. I did use that figure to say that I support any dredging in Port Phillip Bay. It was only to show that in its economic analysis Drewry did not support a case for deepening beyond 0.5 metres. Mr Viney is unable to show that the inquiry will jeopardise the channel deepening project. That would be the desired Greens outcome, but it may not be the outcome of this. I thank members for their contributions.

Sitting suspended 6:30 p.m. until 8.03 p.m.

House divided on motion:

Ayes, 21

Atkinson, Mr	Kavanagh, Mr (<i>Teller</i>)
Barber, Mr	Koch, Mr
Coote, Mrs	Kronberg, Mrs
Dalla-Riva, Mr	Lovell, Ms
Davis, Mr D.	O'Donohue, Mr
Davis, Mr P.	Pennicuik, Ms (<i>Teller</i>)
Drum, Mr	Petrovich, Mrs
Finn, Mr	Peulich, Mrs
Guy, Mr	Rich-Phillips, Mr
Hall, Mr	Vogels, Mr
Hartland, Ms	

Noes, 19

Broad, Ms	Pulford, Ms (<i>Teller</i>)
Darveniza, Ms	Scheffer, Mr (<i>Teller</i>)
Eideh, Mr	Smith, Mr
Elasmar, Mr	Somyurek, Mr
Jennings, Mr	Tee, Mr
Leane, Mr	Theophanous, Mr
Lenders, Mr	Thornley, Mr
Madden, Mr	Tierney, Ms
Mikakos, Ms	Viney, Mr
Pakula, Mr	

Motion agreed to.

UKRAINIAN FAMINE

Mr GUY (Northern Metropolitan) — I move:

That this house —

- (1) notes that 2007 marked the 75th anniversary of the Great Ukrainian Famine-Holodomor of 1932–33 caused by the deliberate actions of the Stalin communist regime of the Union of Soviet Socialist Republics;
- (2) recalls that an estimated 7 million Ukrainians starved to death as a result of the Stalin regime's policies in 1932–33 alone, and that millions more lost their lives in the purge which ensued for the remainder of the decade;
- (3) notes that this constituted one of the most heinous acts of genocide in history, that the Ukraine famine was one of the greatest losses of human life in one country in the 20th century, and it remains insufficiently known and acknowledged by the world community and the United Nations as an act of genocide against the Ukrainian nation and people, but has been recognised by the Verkhovna Rada (Parliament of Ukraine);
- (4) honours the memory of those who lost their lives;
- (5) joins the Ukrainian people throughout the world, and particularly Victorian Ukrainians, in commemorating these tragic events; and
- (6) urges the Victorian government to support a resolution to the General Assembly of the United Nations that the Holodomor in Ukraine in 1932–33 be recognised as an act of genocide against the Ukrainian nation and people.

This motion notes the actualities of the Ukrainian famine, the Holodomor, of 1932–33 and recognises the many Australian Ukrainians who have passed and those who are still alive who bore witness to these horrific events, and it honours the memories of those in Ukraine who died during it.

Holodomor is the Ukrainian word for ‘death’ or ‘to die’ by hunger or starvation. The Holodomor is an event that occurred in Ukraine in 1932 and 1933. It was a politically induced famine which few people in Ukraine were immune from and which was combined with massive efforts by the communist masters of the then Soviet Union to eliminate Ukrainian patriots, their family, friends, Orthodox and Catholic priests, intellectuals, artists and anyone else deemed an enemy of the new Soviet state. In total the Holodomor claimed the lives of over 7 million people.

As the largest agricultural region in Eastern Europe, Ukraine was a key target for the Communist Party of the Soviet Union; a conquered nation that was to be the breadbasket of the new Soviet state. But there was much work for the Communist Party to do before it realised its aims of a full collective, planned economy.

In the early 1930s full collectivisation was introduced, closely followed by the new Soviet five-year plans. These contained grossly overestimated grain and other food harvest expectations. Grain harvest figures were based on no logic or no weather patterns and, amazingly, no past production figures. They were invented by a central committee many hundreds of kilometres away and bore no reflection of actualities. When it eventually did become apparent that grain harvests were wildly unrealistic, the Soviet Central Committee did not initially lower output estimates, rather there were calls for Ukrainian peasants to simply work harder — ‘work harder and eat less’ was the message of the Communist Party to those in Ukraine.

Further, there was almost no Soviet preplanning in the transportation of large, concentrated amounts of produce on these now massive farm lots. Farm labour was also poorly organised, as was the distribution of materials for the new fully collectivised farms. In short, the Soviets raced to full collectivisation in Ukraine in the knowledge that they did not have the infrastructure in place to manage such a policy. The poor organisation of the distribution of farm produce led to huge farming losses through rotting or spoilt grain in silos and in some cases harvested grain rotting in rail yards due to the lack of transport organisation.

But while poor logistics and incompetence may have led to initial food shortages, they were not the heinous

acts of the Holodomor; it was the Soviet response and motives for that response that place this historical event as having the title of the greatest loss of life inflicted by a nation against its own people.

Ukrainian grain was produced with the priority being for its use either in other parts of the Soviet Union or for export. By the export of tractors, machinery or other materials the Communist Party sought to help implement its five-year plans. Despite knowing that hunger in Ukraine was by now turning into a widespread starvation, the Soviets stuck to their unrealistic export quotas in order to obtain export dollars first, while being concerned about their own population second.

As stated, the Soviets responded by demanding that Ukrainian peasants work harder. Faced with hunger, farming people were now stealing food and moving into regions to seek fuller food stores. The Soviets responded by introducing laws to restrict the freedom of movement across Ukraine and brought in draconian laws for people who were caught stealing food — now deemed the sole property of the state. In many cases the death penalty was enforced for a peasant caught stealing grain or a potato, usually to take home for a near-dead, starving relative. All this was at a time when grain continued to be taken out of Ukraine for overseas or inter-Soviet export, as a matter of priority.

It was by now commonplace for people to be found dying of hunger on the streets of Kyiv, Kharkiv, Lviv or Donetsk or in many towns or small communities across Ukraine. Local people rallied together to pool their food supplies in order to survive, while communities tried their hardest to fulfil the Communist demands to keep working despite the effects of starvation.

Ukrainians died in the fields in which they worked. They died in their houses or they died on the streets where they walked. The widespread starvation in Ukraine gave Stalin an opportunity he had been seeking for a long time to engage in genocide and wipe out whole communities or whole races that he thought were his political enemies. The famine was Joseph Stalin’s chance to wipe out the kulak farmers in Ukraine, his chance to impose heavy-handed, state-sponsored terror on the Ukrainian people, to starve them into submission to his new order. The Soviet response to the Holodomor was slow, sometimes non-existent, but very deliberate.

In true Communist propaganda form Joseph Stalin invited selected writers to visit Ukraine in order to dispel myths of the famine. One of those was a writer for the *New York Times* named Walter Duranty.

Mr Duranty wrote that the famine was indeed a myth, that Ukrainians were living a charming peasant lifestyle and that Communism had bought them freedom, health and happiness. In private, even Mr Duranty is well known to have admitted that as many as 10 million people may have starved due to the Soviet policies of the time. Mr Duranty has subsequently been the target of much criticism, and there have been many moves to posthumously strip him of his Pulitzer Prize. Interestingly the Pulitzer board today noted that Mr Duranty's work seriously falls short in standards of accuracy and truthfulness.

This motion does not apportion present-day blame; it simply seeks to recognise and remember those who died and the strength and courage of those who survived the Holodomor. This motion seeks to honour those who fought for recognition of the Holodomor for many decades and to formally acknowledge in our state the memory of the famine and the fact that Victoria has been and still is home to many people who survived this horrific historical event. Many Ukrainian Australians have grown up with the stories of horror of the famine, which have been passed on by parents, aunts, uncles or, in my case, grandparents who survived the Holodomor but lost family members. Tonight as proud Australians we recognise those events and thank God for the safety and security of this country, Australia.

In closing I wish to thank the Legislative Council for its time and for allowing me to move this motion, particularly you, President, the Liberal Party, The Nationals, the Greens, the Labor Party and the Democratic Labor Party, and also David Davis for allowing it to be debated in time usually reserved for opposition business.

I recognise that this motion is a highly unusual one for a state parliamentary chamber and again express my appreciation for its being debated tonight. I also wish to place on record the outstanding work done by the Australian Federation of Ukrainian Organisations, the Association of Ukrainians in Victoria, and the Ukrainian Orthodox Church and Ukrainian Catholic Church in Australia in particular. Importantly I finally wish to acknowledge and honour the thousands of Ukrainian Australians who have not let the memory of the Holodomor simply pass unforgotten into history.

Mr KAVANAGH (Western Victoria) — Firstly, I would like to congratulate Mr Guy for commemorating something that is not often remembered but is something that should never be forgotten. The events that we are commemorating tonight are horrendous

crimes against humanity — the deliberate murder of millions of people.

In Ukraine in the early 1930s the food grown by efficient, hardworking farmers, known in English as kulaks, was stolen from them, and they were left to starve to death. They were killed because those with power assumed the right to kill those of an undesirable ethnicity or socioeconomic class. In addition to the Ukrainian victims of communism, around 100 million people died in the 20th century under various communist regimes, mainly, however, from the unintentional though entirely foreseeable consequence of the application of socialist economic principles to agriculture — that is, removing all incentive to produce food. They include the 35 million to 40 million people who died in China between 1958 and 1960. This is acknowledged now even by the Chinese government and is the subject of debate in China.

Apart from those many millions who died from unintentional starvation, the deliberate mass murder of Ukrainians was one of the first acts of deliberate murder by a communist regime, but it was not the last. We might refer, for example, to the Gulags of Siberia, the villages of China in the mid-20th century soon after communist victory, the killing fields of Cambodia and the Tuol Sleng, or S-21, in the infamous Phnom Penh, through which 20 000 prisoners passed and in which all but 6 were murdered.

These horrific chapters in human history demonstrate a point that I made in my maiden speech: that communism is, or was, by its nature murderous on a mass scale, inherently brutal and economically backward, to say the least. Unfortunately the Stalinist ideology that was inflicted on the people of the Ukraine was not limited to Eurasia or the Caribbean. In Australia we have seen many enthusiastic advocates for the political system that starved Ukrainians and killed 100 million other people. I am proud that my party, the Democratic Labor Party, was founded on firm and resolute opposition to attempts by many to impose this murderous ideology on Australia. Within the unions and the Labor Party, DLP founders and their allies worked, fought and sacrificed to counter Stalinist influence in Australia. I am proud of that legacy, and I honour their judgement and their sacrifice.

Hon. T. C. Theophanous — It was not only the DLP.

Mr KAVANAGH — Thank you. Much of that struggle, of course, occurred before my birth, but it did not finish at the time of my birth. In the mid-1980s Australia's leading Stalinist was preselected by a major

political Australian party as a candidate for the federal Senate. Moscow-trained, Stalinist apparatchik, John Halfpenny, a leader of the socialist Communist Party of Australia for decades, was chosen for the Australian Senate by the Australian Labor Party. I am proud that I gave up two months of work and devoted my energies and very limited financial resources to keeping him out of the Senate. That effort met with some success. The DLP increased its vote by 30 000 at that election and Mr Halfpenny lost by 5000 votes, a fraction of the Senate quota.

Hon. T. C. Theophanous — It's all right, he did not support me either!

Mr KAVANAGH — Thank you.

An honourable member — Not many do.

Mr KAVANAGH — Thank you. We have heard the expression 'Moscow on the Molonglo' used in this chamber at times. That was indeed a real attempt to put Australia's leading Stalinist, the poor man's antipodean Uncle Joe Stalin indeed, on the Molonglo to institute Moscow policies there. Not long after that election of 1987 I had the great joy and privilege of helping to knock down the Berlin Wall — the western ramp part of that huge slave labour camp previously known as the communist bloc. As I helped to knock down that wall I thought of the many victims of communism, including the Ukrainian people who starved in the early 1930s. We should honour and remember those victims, but honouring and remembering is not enough. When anybody dies we try to take something good from that terrible experience, and there are things we can do to really honour the memory of those several million people who died under the Stalinist regime. What we should do first is be aware and very careful about attempts to introduce totalitarian systems into our country. We should be vigilant and fight against that. Communism is not the only one — merely the worst. There are other totalitarian ideologies, and we should do what we can to prevent them gaining power in Australia.

Hon. T. C. Theophanous interjected.

Mr KAVANAGH — Thank you. Furthermore what would really honour the victims of the Ukrainian famine would be to firmly and resolutely reject any ideology that says that any particular class, group or type of person is entitled to life only at the whim or choice of any other person.

Mr VINEY (Eastern Victoria) — On behalf of the government I wish to express the government's intention to support this motion moved by Mr Guy. I

say at the outset that, as Mr Guy acknowledged, this is a rather unusual motion to move in this house of the Victorian Parliament. It would be reasonable to say that under our constitutional arrangements matters of foreign policy are normally dealt with by the federal Parliament.

However, the motion is before the house, and the government expresses its recognition of the tragic events that occurred 75 years ago in Ukraine. The government's view is that on this occasion and in the spirit of the bipartisan position that was taken in the federal Parliament on a similar motion, it is appropriate to express a bipartisan position on this occasion. We acknowledge that there were tragic events that occurred 75 years ago. I suppose it is an opportunity for the Parliament to recognise those events and express its acknowledgement of that particular anniversary.

I resist the desire to respond to some of Mr Kavanagh's comments — I do not think we should be discussing the political history of the Australian Labor Party or Australia during this debate. I think it is a wonderful thing in this country that we have been able to bring together so many people from so many lands throughout the planet, to come together in harmony and to acknowledge that throughout human history there have been awful events, instances of genocide and instances of tragedy, but that in this country we have been able to work together to put those historical events behind us and to say that we recognise that these things occurred — in this country we will work harmoniously in a multicultural environment for the benefit of us all. On behalf of the government, we support the motion moved today by Mr Guy.

Mr HALL (Eastern Victoria) — I simply want to indicate the support of The Nationals for this motion before the chamber this evening. I want to thank Mr Guy for his informative, sincere and passionate address to the chamber this evening. I trust that his comments and the support of the chamber for this motion provides a level of comfort that Mr Guy seeks for the Ukrainian community in Victoria.

Ms HARTLAND (Western Metropolitan) — I would like to echo the comments made by Mr Viney. One of the things that is important about a motion like this is that unless we learn from history, we keep repeating it. By acknowledging what has occurred, we will hopefully never allow such a thing to happen again. On behalf of the Greens, we will be supporting this motion.

Motion agreed to.

FAMILY AND COMMUNITY DEVELOPMENT COMMITTEE

Provision of supported accommodation for Victorians with a disability or mental illness

Mr D. DAVIS (Southern Metropolitan) — I move:

That this house requires the Family and Community Development Committee to inquire, consider and report, no later than 30 June 2009, on the state government's provision of supported accommodation for Victorians with a disability and/or mental illness with regard to the following:

- (1) description of current government funded supported accommodation, including the number and location of places, occupancy, staffing, demand management, methods of funding and oversight;
- (2) the adequacy of the current number of places and care provided in community residential units, residential institutions, community care units, secure extended care units, prevention and recovery care facilities and other forms of supported accommodation;
- (3) the adequacy and appropriateness of care and accommodation provided in various government, private and community facilities that accommodate clients with a disability or mental illness because of insufficient places in the specialist system, and in particular including supported residential services, boarding houses, public hospitals, nursing homes and SAAP funded services;
- (4) the impact on Victorian families of insufficient supported accommodation;
- (5) estimates of future supported accommodation needs and the appropriateness and transparency of the government's management of demand and placement;
- (6) the government's response to unmet accommodation needs, including sources of funding, planning and delivery;
- (7) the ability of country Victorians to access supported accommodation and the appropriateness and quality of care they receive;
- (8) the ability of members of culturally and linguistically diverse communities to access supported accommodation and the appropriateness and quality of care they receive;
- (9) the appropriateness of the current mix of service providers, including government, private and community; and
- (10) alternate approaches addressing unmet needs in supported accommodation in Victoria.

I want to place on record the Liberal Party's strong view that this is an area where there has been insufficient community focus or government focus over recent years.

I want to pay tribute to the work of the Liberal shadow Minister for Mental Health in the other place, Mary Wooldridge, and her response to community interest in this sector and the importance of this sector in picking up these important examinations. I particularly want to draw the house's attention to the central position that accommodation provides a home for people with a wide variety of illnesses and challenges in life. Particularly those people with a mental illness or disability face more than the usual challenges in securing accommodation. When those people do not have security of accommodation because of their mental illness, their ability to cope in life is likely to be severely impacted.

Our health care system and community services system are closely interrelated. It is a mistake to believe we can look at housing, community services and health care facilities each in isolation. This motion addresses the interrelationship between those important sectors. We know that when there is nowhere to discharge people who are in need of acute health care facilities in terms of secure and proper accommodation, people are likely to remain for great periods of time in acute health care facilities. That is not the ideal location for them and, frankly, it is more expensive for the community. Equally, those who do not have secure arrangements are likely to face particular challenges, as I said earlier.

In terms of the mental health provision for people in a range of secure extended care units there are real challenges. We know that 46 per cent of inpatient beds in Victoria can be used by those with mental illnesses. We know that 65 per cent of people in secure extended care units and 30 per cent of people in community care units have stayed for over 300 days. These are long stays. The community accommodation that should be available is an important part of dealing with these issues. The blockages create a vicious cycle. People in acute care settings are not able to move into the community, as I said.

The Parliament receives community visitor reports annually. When I had responsibility for the health portfolio I was very vigilant in following the comments made by community visitors, because they provide a very important, independent examination of parts of our system. They do not just provide a check on the bureaucracy and departments; they are very important advocates for those in such accommodation.

Those with disabilities of various types face a range of challenges. They need to have a base and a strong level of support in that regard. Homelessness is often a result of those with a mental illness not being provided with the secure support that is required. If those with mental

illness do not end up homeless, they may end up in some sort of supported residential service (SRS). I will cite a statistic: 66 per cent of people in the state's 72 pension-level SRSs have a mental illness, and many have a disability. These are significant challenges. I think it is timely that this sector is examined.

As I said at the start of my contribution, I pay tribute to the work of the member for Doncaster in the other place and her genuine advocacy for this sector. I think this has been recognised widely throughout the sector. When this motion was put on the notice paper on 7 February I think those in the sector were extremely pleased. They thought something was beginning to occur — that something was finally happening. In a sense it is just the first step, because it is a referral to a committee — an all-party committee of both houses of Parliament, the Family and Community Development Committee, which I spent a number of years on. I think it is one of Parliament's most important committees, because it tends to pick up from the Parliament the social, health and disability references that need close and sensitive examination.

I place on the record with no rancour but a feeling of disappointment that when this motion was put on the notice paper the Minister for Community Services in the other place went into something of a flap and thought, 'Oh no, my sector is being looked at. What am I going to do?'. Instead of joining in a collaborative way with what I think was the will of the sector, she sought to introduce a truncated form of this motion in the lower house. Indeed I am informed that a shorter and less comprehensive motion was passed late this afternoon in the Legislative Assembly.

That need not be a disincentive to the chamber today, because it would be very helpful for both houses of the Parliament to support the sector and get behind this reference in this chamber and the slightly truncated reference in the other chamber. The Family and Community Development Committee is a group of intelligent people who will be able to deal with both references. There is a precedent for this — a similar situation occurred in the Parliament between 1999 and 2002, and in that period the respective committees were able to undertake the references they had received concurrently. The similarity of the references means that a concurrent examination of these matters is straightforward, and the more comprehensive reference that is being put to the house today will ensure that nothing falls through the cracks. That is the key point here today.

I do not want to say a lot more. If members have any doubt about the significance of this, I point them to the

community visitor reports that are tabled here annually, because they point to these important issues for the disability and supported accommodation sectors. In that context I am very happy to commend the motion to the house. I look forward to support from all sides of the house for what is a genuine attempt to grapple with a challenging community position.

Ms HARTLAND (Western Metropolitan) — The Greens will be supporting this motion. We believe it is a good one. One of the reasons we will be supporting it is the lack of information we have been able to get from the government on the issue of respite beds and long-term accommodation for people in the west.

Late last year I placed a question on notice. Among other things I asked:

How many facility-based respite beds are available to children and adults with a disability?

How many families are using and/or on the waiting list for facility-based respite care?

How many facility-based respite care beds for people with disabilities have been occupied for more than four weeks by people who are in fact in permanent or longer term crisis care?

How many of the people currently occupying respite-care beds have been in care for more than four weeks?

There is a theme to these questions, and unfortunately the minister chose not to answer any of them. Hopefully out of this motion some of those questions can be answered.

I have spoken to a number of carers, advocates and campaigners about this motion over the last few weeks. None of them oppose it, but not very many are excited about it either. The reason for this is that they understand where the funding blockages are. They know that there is simply not enough accommodation being built and that there is a complete lack of imagination by the government about the mixed bag of accommodation that is required. They know what the report will say — that is, of course, if it is a truthful report. It will say that there is simply not enough accommodation to suit the needs of people with a disability, whether it be through psychiatric illness, physical disability or intellectual disability.

Over the past year since being elected I have been confronted again and again by carers who are at their wits' end. They are not able to get respite or to get long-term care for their child. I have heard it on a number of occasions from parents who have decided that they will simply not collect their child from respite on the Sunday night because they have had enough.

These people are blocking respite beds because their parents simply cannot take them home. I have encountered many older carers, who may be in their 70s or 80s and their child may be in their 50s, who talk about how they hope their child dies before they do so at least they will know their child will be safe, or that they have decided that if they become terminally ill they will enter into a murder-suicide pact. I know this sounds incredibly emotive, but for many older carers it is a reality, and this is what they have conveyed to me.

While the Greens support this motion, I have to say that in my experience both sides of government have chosen to ignore the plight of individuals and families caring for someone with a disability, no matter what the disability is. While I acknowledge that there has been an increase in funding from the Bracks and now the Brumby governments, it is not being well spent — if it was, I would not be encountering the raw emotions of families who come into my office in crisis. What I find most distressing about these encounters is that I feel there is absolutely nothing I can do to assist them — there is no government agency that is willing to take on and advocate for people who need care. The Greens believe people with a disability should have access to high-quality and age-appropriate supported residential care and other support services where needed.

There is clearly a massive unmet need in the community that the government is refusing to acknowledge. It is not just for supported accommodation, but for other services such as respite care and independent living support such as that you would receive through HomeFirst. Housing should be a right, not a privilege, but it cannot be considered in isolation. Governments have a primary responsibility to ensure that people with a disability have equal opportunities in critical areas such as education, health, housing, mobility and employment, and in sporting, cultural, political and social participation. Support services and housing have a direct impact on the quality of life for people with a disability. Without suitable housing combined with adequate and appropriate support, people are denied the opportunity to participate in community life.

The government has been caught up in the rhetoric. It talks about self-determination, community membership and citizenship. However, if a person cannot get into stable, appropriate housing, these aspirations will remain rhetoric and nothing else. It has to be remembered that a house is not always a home, and people must have a real choice in their type of housing, its location and who they live with. Lives are not stagnant; housing and support must be flexible to allow for changing needs related to life cycle and disability.

People with a disability, their families and their carers should be encouraged and supported to actively participate in policy development, service planning and delivery. At the moment I do not believe they can, because they are so overwhelmed by the 24-hour job they need to do.

Individuals need to have control over the services they use. Supports must be adequate and appropriate to the unique needs of each individual. Service providers that are given responsibility for housing and other support services for an individual may exert too much control over a person's life. The potential for conflict of interest is also of concern. We need to think of housing and supports as separate but related issues, freeing people to think more creatively about their options.

One way of maximising independence while reducing pressure on housing is to give individual home support such as that provided under the HomeFirst program. This is a very good program, but it is very, very hard to access. Even the HomeFirst information book states:

... even if you are eligible it might take some time to get on the program. Unfortunately, some people, even if they are eligible, may not get on the program. This is because there are many more people needing the program than there is funding available.

People whose conditions change or whose needs increase remain in or are at risk of having to move to inappropriate housing. In my previous job as a housing worker I often saw especially older people who had serious psychiatric illnesses go into SRSs (supported residential services) that were incredibly inadequate — places such as Western Lodge, which charged people exorbitant amounts of money for accommodation and gave very little in the way of services. People whose conditions change or whose needs increase remain in or at risk of having to move to such inappropriate housing, including nursing home accommodation, acute hospitals or living with parents or other family members longer than is best for both families.

I suggest the government needs to use some more imagination when looking at accommodation services. People have a range of disabilities — it is not a case of one box fitting all — so we need a mixed bag. We need group homes; granny-style flat arrangements; two or more units in larger complexes; neighbourhood-style arrangements with houses clustered in a locality rather than in a single complex; and single-person flats with support. Those flats would allow people who have a history of assaulting others to be cared for separately. In speaking to a number of workers, advocates and carers this week I heard that a problem that comes up again and again is where one resident who is assaulting other

residents and members of staff is inappropriately housed but there is no way to move them because there is nowhere else for them to live. They would also allow people who may have a mild intellectual disability but who cope quite well on their own to manage with a small amount of support. We also need age-appropriate units for people who have high-level physical needs, either because they have been injured in car accidents or because their physical needs are quite extreme, and cooperatives, where members can share support services and resources while enjoying the benefit of social and family relationships.

Many people without disability make compromises in relation to the location of their housing. However, people with a disability should not be expected to do this more than others in the community. The location of housing should enhance the development of people's formal lives and informal support networks.

Closely linked to the style of housing is the right for everyone to choose who they live with. Some people may prefer to live alone; others may prefer to live with family or friends, with housemates or with support providers, whether in-house or nearby. Of course relationships can change, and this flexibility must be accounted for.

There is much talk about housing affordability and the importance of ensuring that people can own their own homes. Private rental, let alone home ownership, is largely kept out of the reach of a person with a disability due to low income, personal difficulties, the costs associated with finding accessible housing, and the control often maintained by government departments and agencies.

The shortfall in accessible housing needs to be urgently addressed with such measures as policy and regulations to ensure that the majority of new housing, both public and private, is accessible. I am often shocked when I go into brand-new buildings because I know that someone who is on a trolley, using a scooter, in a wheelchair or just as a parent with a child's pusher would not be able to access those buildings. Stronger enforcement of compliance with regulations needs to occur. When I talk about the provision of expert advice about and assistance with housing modifications, I am not only talking about architects. I would suggest that you take the person who is in a wheelchair into that property and make sure they can actually manoeuvre the space. A comprehensive register of modified housing stock should also be established.

If the government were serious about supporting people to live independently and in their own homes, it would

have addressed serious shortfalls in funding for home modifications and equipment. It needs to be understood that over a person's lifetime they may need modifications to several houses or different modifications to the same house as their needs change. Over several years I have encountered a number of friends who have disabled children. Their wheelchairs are very expensive; a really good wheelchair may cost \$12 000 but the grant is only \$6000, and the parents are somehow expected to come up with the rest of that money. That often happens, and I do not understand how the government can think that parents, with all the other costs they may have to encounter, can come up with that extra money for the equipment that is required to keep that child living independently at home.

Other issues that need to be considered alongside addressing the shortfall in supported accommodation are establishment and relocation costs, including furniture, utilities, moving assistance and the purchasing of household goods. Community infrastructure and services must be inclusive, with accessible transport, public and private buildings and community attitudes all playing a great role. An anonymous advocate who works with people with brain injuries summed it up well in a phone call to my office when they said, 'If people had stable housing, half the problems would disappear instantly'.

In conclusion, I hope that the committee's report will do the kind of work we want it to. I hope it does not just become a report that sits on the shelf and gathers dust. I have a close friend who has a child with severe physical and intellectual disabilities, and what she said to me once has always stuck in my mind and in my heart. She said if she could just get the services that she needed to be able to maintain her child at home, she could actually have time to get on with being a mother. I hope this motion passes with government support and that the government commits itself to properly dealing with people with a range of disabilities in the community.

Ms TIERNEY (Western Victoria) — After listening to David Davis and reading the opposition's motion, at first glance one could be misled into believing that the Brumby government does not care and that at best the Brumby government is somewhat tardy when it comes to the most vulnerable people in the community, but I will just deal with the facts.

These are the facts: the Brumby government has increased funding in disability services, including supported accommodation, by 87 per cent since 1999. It is not my intention to go through each and every program that the government has initiated during that period. Over 6500 beds are provided in nearly

200 facilities across Victoria in supported residential services. It is important to note that they are privately owned and operated.

The Brumby government has made an unprecedented commitment to support pension-level supported residential services, allocating \$40 million over five years in the Supporting Accommodation for Vulnerable Victorians Initiative, known as the SAVVI program. This was designed to make the sector more viable, improve accommodation care and identify gaps in services. The government sees this as an important way of ensuring the viability of this important service.

In addition it has been important to be vigilant in the monitoring of standards of supported residential services (SRSs) to make sure they are up to scratch and that the sector is regulated by the Health Services Act 1988. In saying this I am indicating that there are mechanisms currently in place, contrary to the impression the opposition has given tonight, that there is no monitoring or regulation. However, we are not saying that this is all that needs to be done, as a lot of work needs to be done in this area. That work started in 1999.

As recently as this Parliament, the government has recognised the growing importance, awareness and trend of mental illness to the extent that we now have the first Minister for Mental Health in this state. That position enables government to more clearly focus on, identify and work towards resolving a whole range of issues not just in terms of what we currently have but with forward trends that affect people regardless of gender, age and cultural diversity.

In addition the community visitor program that the Greens speaker mentioned was introduced. The government sees this as a very important part of the complement of ways it goes about handling some of these issues. For the record and for those who are not aware, the program is administered by the Office of the Public Advocate, and it provides volunteers with visiting facilities on a regular basis. As a government we rely on that program to provide us with input and comment on how it is finding the system, and we acknowledge that it plays an incredibly important role in visiting the people who are in care.

However, as I said, there is always much more to be done, particularly in this sector, and we need to continue to adjust our approach to ensure that residents of SRSs continue to have decent and safe accommodation. That is why last year the Brumby government announced an intention to review the regulations monitoring SRSs. It is not as if these sorts

of things are not looked at or there is no intention or somehow there is a blind eye. In fact the government is very committed to ensuring that the most vulnerable in our society have their needs met.

That has been done in a number of ways, and we have had a good start. In the last three years some innovative models have been put in place by the Department of Human Services. The Rooming House Plus program, established in 2006, provides housing for people with complex needs due to mental illness, disability or challenging behaviour. The support component is jointly funded by the aged care and mental health branches. The Office of Housing funds the tenancy management. In recent times we have learnt a lot more about the Mental Health Pathways program, of which the Minister for Mental Health in the other place, Lisa Neville, has been a keen advocate. The program was expanded in 2006–07 by over \$1 million. The Integrated Rehabilitation and Recovery Care Service commenced in 2007 and was developed to support the transition of people from secure extended care to community care units into the community.

As I mentioned in my introduction, it is not my intention tonight to go through each and every program; a number of speakers on the government side wish to speak on this and will be doing so. But going back to my original comment, I almost find it unbelievable that the Liberals, given the facts that I have just outlined, are now dressing up this issue and saying, essentially, that they are the vanguard to rally behind this issue. The reality is that they defunded disability support agencies and silenced the voices of disability advocates. The Kennett government's attitude and actions towards disability services and organisations, quite clearly, will not be forgotten by those directly involved with family members. It is a fact that there was a cut of 10 per cent of the budget across the board in community services in Victoria. The Liberals defunded the advocacy services, and in 1997, 14 disability advocacy centres were closed. There were massive cuts to the training budget, which meant that we had untrained workers in the area who were working very closely with people with disabilities.

We as a government have tried to turn that around, not just in terms of an injection of funding but also in terms of programs such as the Victorian Industry Development Plan, which attempts to assist people to rebuild their lives and make entries into the workforce. I could take members of the house through the five key areas of that plan, but in terms of headings the focus is on creating individualised support responses, workforce planning and development, increasing community awareness and valuing diversity, community

strengthening through partnerships, and industry governance, management, planning and investments. Two advisory groups have been set up — namely, the consumer advisory group and the industry advisory group.

We have brought about a whole range of campaigns such as Bar None that are quite instructive in getting not just those who are directly involved but those who are in support services and others in the community to understand that all people need to be included in society. We are not just talking about inclusive programs and procedures, but actually demonstrating that and putting them into play. That needs to be applauded and embraced like a whole range of other community-funded and functioning programs.

For the record I would like people to understand that it is all very well for the opposition to come in here and place this motion on the books, but the reality is that when the Liberal Party was in government it went out of its way to dismantle the whole disability services program, including the advocacy program.

Leaving that to one side — and I could go on and do some point-scoring; I am not going to go into who said what, whether Ms Wooldridge, the member for Doncaster in the other place, said this and who said that — it is sad, however, and it should be said that there were lots of efforts from the government for this to be a bipartisan approach. When it comes to the most vulnerable in society, a bipartisan approach is the only way to go. However, the reality is that we have in front of us a motion from the opposition, and we also know of another motion that was passed in the Assembly this afternoon.

There are two elements of both of those terms of reference that I will be particularly encouraged to see explored by the parliamentary committee — that is, the issues that give rise to an investigation on the access and service issues for particular groups, including rural communities, culturally and linguistically diverse communities and indigenous Australians. Whilst we know that we are talking about the most vulnerable, we are now also talking about the most vulnerable of the vulnerable within that grouping. Also I think the reference about the impact on families of the current service provisions of accommodation will be a very thought-provoking and enlightening exercise for all members and people involved in the committee.

We can talk about what the committee might do in the future, but the reality for all the parties here is that the test of our mettle will be the ability of our party representatives on that committee to work in a

bipartisan way that actually looks at a whole range of issues, to work in a way that is not dictated or determined by brutal political manoeuvring and cheap political point-scoring.

Mr DRUM (Northern Victoria) — It is interesting that Ms Tierney would take that tack. Gayle Tierney is a member of this chamber for whom I have had enormous respect in the short time she has been here, but to call for a bipartisan approach on this issue when we have been calling for government action for five years is, in my opinion, a bit rich. She is right in the sense that the Kennett government cut spending to the disability sector in the first four years of its life, but it cut spending in everything because of the mess the state was in. Over the final two and a half years of the Kennett era that government increased spending in this sector quite significantly, because it actually could afford to do it. When we paint history, we have to do so accurately.

Ms Tierney — What about 1997?

Mr DRUM — In fact you will find that in 1997 there were significant increases in the disability sector compared with where they were. That is all we can look at, and effectively for the final two and a half years of the Kennett government right through to now, growth funding has been about the same. It has been growing at a bit over 10 per cent each year, and irrespective of that, the windfalls going to this government from the sale of Kew Cottages, which it said would go into the disability sector, have simply evaporated into thin air.

If you want to do some quick calculations on what those blocks of land at Kew have been selling for and what the state government should have received as a participant in the sale and as the owner of the land that was sold, there should have been this enormous one-off injection into the disability sector, and that should have seen community residential units (CRUs) popping up all over the city. But we have not seen that at all. We cannot even get enough CRUs to cover the 5000 people who are on the waiting list or even the 1000 people who are on the urgent waiting list.

We have to be serious about this. The government said, 'If you are really genuine about this issue, you will take a bipartisan approach and support the government's actions'. How do you support the actions of a government which only jumped into action when it was challenged by the motion of the member for Doncaster, Mary Wooldridge, in the other house? Government members have been sitting on their hands, doing effectively nothing out of the ordinary and thinking everything was going okay — then, when they were

challenged by Ms Wooldridge's motion, suddenly overnight and out of thin air they produced their own plan and, saying they want a bipartisan approach, they expect all the opposition parties to fall in line behind that.

This Victorian Labor government had the opportunity last year in Canberra to join in the new CSTDA (commonwealth state/territory disability agreement). I think it was the third CSTDA that had to be negotiated. There had already been a six-month overrun because former federal minister Mal Brough could not get the states in line to match his new money, dollar for dollar. They wanted the federal government to maintain the spending, increase the spending and create growth spending as well as indexed spending, but the Victorian government would not come to the party with the new funding.

What happened was that Mal Brough came up with just under \$1 billion; it was about \$960 million. He put it out there into the sector on his own, but before he did that he came to the Victorian government and put \$400 million on the table for three months, providing the Victorian Labor government matched that money. That offer sat there, and Gavin Jennings, as the responsible minister, refused to deal with Mal Brough and match that \$400 million. So in effect Mal Brough took that money off the table, came up with his own programs and put them into the sector on his own.

In his pre-election plans, the now Prime Minister, Kevin Rudd, said the Labor Party was going to bring that \$962 million that had been identified by the Howard government for supported accommodation, respite and home support into the CSTDA, because under the new cooperative federalism he was going to force the states to actually come up with the new money. Kevin Rudd was saying that by bringing that money back in, he was going to create \$1.9 billion of extra money for the sector. As a point of fact, if the states did what they should have been doing last year and what they should have been doing all along instead of playing political football and playing the blame game, then maybe we would already have had that money working in the system throughout Australia.

We have to be very careful. We need to work out who we can trust, who we can accept is genuine about this issue and who we can say is in fact doing as little as they can and only what they have to do. I want to go through some of the issues that are raised in David Davis's motion, starting with asking for an inquiry to investigate the current government-funded supported accommodation, including the number and location of places, occupancy rates and so forth.

Ms Tierney actually spoke a little bit about SRSs (supported residential services). These are an anonymous group within the sector. I had one situated less than a kilometre from where I live but did not know it was there until I was doing some research for debate on a bill in this place. I then realised that that quite large house actually housed 30 people. In other words, 30 people, all with their significant issues and problems, were living in a private residence and being handled brilliantly by one couple who certainly went above and beyond what you would call their duty to enrich the lives of those people.

We have to be careful we do not get the two groups mixed up. We are talking about people who are actually very close to self-sufficient. They are living in individual rooms and living reasonably independently. They may need a little help to get themselves showered, but generally speaking they do most of their duties in their lives themselves. They may need a little assistance here or there to buy a few things, but they have trips into town, they do a bit of their own shopping and get a little bit of assistance. They are people who can go for walks on their own and so forth.

However, that is quite different from the biggest problem we have in this group. There are a range of issues, but the main issue is certainly the people in the CRUs. They obviously need far greater help and have more significant issues to cope with, but what we really need to worry about is the people who cannot get into a CRU, the people who are left at home; thousands of people are left at home.

Interjections from gallery.

The DEPUTY PRESIDENT — Order! It is disorderly to make any sort of noise from the gallery, and I expect those rules to be adhered to.

Mr DRUM — Thank you, Acting President. We need to look at some of the policies. That will give us a bit of an insight as to why we have the current situation. I was either lucky enough or unfortunate enough to have to sit through days of the Legislation Committee when we debated the Disability Bill that came through this Parliament about three years ago. It went to some 700 pages. When we first got the draft of that bill, there was not one mention of the word 'families' in it.

You are talking about a group of Victorians who are hugely dependent on their families for assistance in every shape and form. In every action in their lives they are hugely dependent upon their families. Yet the Victorian government through its policy writers was able to put 700-odd pages together about how we are

going to look after these people with not one reference to the word 'family'. They believe this is all about the individual — about giving individuals support and giving individuals the right to make decisions. What about the huge percentage of the people with severe and profound disabilities who are incapable of making decisions on their own? They are also people we need to be taking care of and making good decisions about. We need to be giving some sense of empowerment back to the families who are forced to make these unbelievable sacrifices in order to give their children, often their adult children, the opportunity to grow and prosper.

In researching my stance on this motion I elected to go through the policy that the government currently operates under, the Victorian state disability plan 2002–12. This is the policy the government is using; it has an implementation document as well. When you read through this — the government's plan and policy — and then you look at what actually happens in real life, you can see why we are miles from actually fixing any of the problems we have.

I want to start off with a section from the *Victorian State Disability Plan 2002–12* document entitled 'Individualised planning and support'. I quote from page 18:

The government believes that people's individual decision making about their needs and the choices that they make about their lives should be the most important considerations when planning with and supporting people with a disability.

That reads very well, and I am sure it is fine for those people who have the ability to make sound and informed decisions about their future. They should have that right and it should be the primary objective of government departments when looking after them. But, again, where in this document is the language that recognises the fact that there is an entire cohort of other people with disabilities who are incapable of making those informed decisions for their own benefit? I quote another paragraph:

Individualised planning and support will enable people with a disability to live in the community and receive the support they need within the ordinary structures of education, health, employment and community services. It will focus on supporting people with a disability to develop and maintain their informal and formal networks.

That is simply fluff. That simply does not happen. I do not know what it actually means. It seems to mean something along the lines that the government is going to help these people live normal lives in relation to community support, education, health and employment in the community. Again, that is fine for a small

percentage; it is good and healthy to have a small percentage trying to live normal lives. But where is the reference to helping those who are incapable of living normal lives, incapable of being adopted by the community? Under this 'Individualised planning and support' section the last paragraphs says:

Perhaps most importantly, this approach will put people with a disability at the centre of support delivery, working together with people with a disability and their families as equal partners to enable people to exercise choice in getting the support they need to pursue their own lifestyles.

I think what that really means is something like this — let us reword it according to what actually happens: 'We are going to put all the people with severe disabilities in the keep of their families, and we will only offer the support we absolutely have to'. That is what it should say, because that is what actually happens. This document must surely be the single greatest embarrassment to the government in relation to disability policy. What it actually says in some instances is very good, but it is so far removed from what happens in the real world that it continually embarrasses the government in terms of how far away it is from doing what it said it would do. The document goes on to say:

The government believes that, as much as possible, people with a disability should be able to choose where they live ...

People with a disability do not choose where they live; they are told where they will live. The document says they should be able to choose also 'with whom' they will live and 'in what type of housing'. People with a disability do not choose what type of housing they are going to live in; they live at home, unless they are one of the lucky ones who might get a CRU. If they have one of the smaller problems I have spoken about, they might find a bed in a supported residential service.

The government wants people with disabilities to live just like the other members in the Victorian community. I am afraid they just do not! So I do not know why this government has this document that it swears is its bible in relation to the disability sector, because what it says does not happen. It continues:

The government will also continue work to close Kew Residential Services (Kew Cottages) and will develop plans to close other older, large-scale institutions in Victoria.

It is no secret that this government wants to close the institutions in Victoria. There are only three of them in existence: there is Kew; there is Colanda, down at Colac; and there is Sandhurst in Bendigo. I am afraid that if we have a group of government officials and bureaucrats who want to close Sandhurst, they have no idea what they are doing. Sandhurst is meeting a need

that the community desperately needs to have met, and the 50 or 60 residents in there, plus the amount of people who come in on a daily basis to receive its services, desperately need those services to be increased — not just maintained and secured for the future, but increased.

The Medcals are a couple who came to see me — as did dozens of other couples who have come along — about their daughter Leah. Leah was wrecking their house and wrecking herself. People whose families include autistic adolescents will appreciate what this family was going through. Everything that could be broken was broken, and there was also self-harm. Their lives were an absolute mess, and their marriage was on the brink. They were in tears in my office. I gave them a call a couple of months ago to see how they were going. I received a letter back, and I will read the middle part of the letter:

We are very thankful for your help in obtaining support for Leah and ourselves from DHS and especially Dean Seearly and staff at the Sandhurst Centre. If everyone working in the disability sector had this man's vision and expertise, families like ours would not have to end up in the predicament we found ourselves in last year.

Leah has become her happy self again with Sandhurst's help, and on Monday she will start a course at Continuing Ed.

This organisation, Sandhurst, feels as though it is under continual threat by people who want to close it down because — gasp! — it is an institution. A group of people in DHS who are writing up the policy for this government cannot stand the thought that an institution, by definition, is performing so many brilliant feats within the disability sector. I urge the government to look at what it is saying and what is in its policy.

The disability plan says what the government will do: that it will provide more housing options for people with disabilities, give people greater choice and enable them to participate in their local community — but that is not what actually happens. You stay at home, and if you are absolutely lucky, if you win the lottery, you might find yourself in a CRU (community residential unit). The idea of putting these people into the community with the thought that the next-door neighbour will invite them over for a barbecue shows that this government is in la-la land. It needs to wake up and realise how severe this problem is and how tough it will be to solve. We need to get behind this inquiry so we get a true indication of the unmet needs in this sector, so we realise how deep the extent of this problem is. The committee needs to do work similar to the Senate inquiry that took place last year. That inquiry was able to identify the fact that just perhaps this unmet need could be met throughout Australia. It might take

approximately \$10 million to fix it between the states and the federal government, an enormous amount of resources, but unless governments are at least prepared to do the study, to talk about the unmet need, they will not realise that we have a huge problem within the community that is currently unfinanced.

We are simply tipping all that unfinanced responsibility back onto the families, back onto the aged parents, and putting our heads in the sand and washing our hands of the problem until we have a government that is prepared to say, 'That is simply not fair. That is not good governance'. Over a period of time we have to do whatever it takes to find the money so we treat this sector of vulnerable citizens in exactly the same manner as we treat other sectors in the community that get assistance, such as our aged-care sector.

With our aged-care sector we know exactly how many are over 65 years of age. Of those over 65 years of age we know exactly the percentage of people who live independently at home. There is another percentage who need some assistance through home care — maybe a visit by a nurse — and there is a further percentage that may need one day a week at a hostel. As the percentages dwindle and the age groups get higher, we know exactly how many people need accommodation in a hostel. That accommodation is available. Then there obviously is the intermediate and high care, right through to critical care patients who will eventually pass on.

We have throughout Australia a situation where our aged-care sector is understood and funded. It is well known that it takes anywhere from 35 beds and beyond for facilities in the aged-care sector to become financially viable. If you have less than 35 beds the chances are the aged-care facility will not be financially viable. We know that, and small communities lose a lot of money trying to hang on to their aged-care facilities. If it means we need a greater critical mass of people with a disability sharing a network of accommodation — these are terms that send a shudder up this government's back — such as cluster housing and congregate care, this government says, 'We can't talk about that. That might be construed as an institution. We might get smacked over the face with a wet lettuce by the do-gooders. We cannot possibly have that on our gravestone. To invent congregate care and actually put five or six facilities in the one area so they could share resources — we could not possibly do that!'

But that might be what it takes to have some answers for this sector, maybe. At the moment what we have is a government that tends to just want to put its head in

the sand and keep holding up its disability plan for 2002–12. It is so far away from reality. Ms Wooldridge, the member for Doncaster in the other place, moved a motion saying that we should inquire into this and she went very thoroughly through all the aspects in the disability sector and the mental health sector that need assistance, need help and need to be investigated so that we can come up with yet another data collection of unmet need. Just maybe when we do it this time we will have a government that, because it has the finances — an \$800 million to \$900 million surplus every year — could direct a small portion to this sector over a sustained period, which just might, over an eight or nine-year period, get us to a situation where with matching commonwealth funds we could do something about this sector other than putting our heads in the sand.

I make one more point about this: Kevin Rudd, prior to his being elected as Prime Minister, came out in strong support of population-based benchmark funding models.

In effect, what he said prior to being elected to government was that he was prepared to go in and find out the unmet need. He is prepared to go in and find out how many of the 21 million people living in this country have problems and what the extent of those problems is. Let us find out exactly what the unmet need is in comparison to the population, and then we will cost it out. Kevin Rudd says he believes in using that as a model for working out the funding formula. We all know that historically this sector is funded on whatever was paid last year plus whatever can be aggregated out of it this year. There is no correlation between the unmet demand and the bucket of money we throw at it every year. We hit 60 per cent or 70 per cent of all the sectors every year, and we will throw a truckload more at it next year and we will hit 68 per cent or 72 per cent, but the unmet needs will remain unmet.

We do not have anyone with the guts in government who is prepared to look at the unmet need, put a cost to it and say, 'We are going to put a sustained program over a period of time and make sure that this government, in conjunction with the federal government, following up on one of its promises, actually gets this problem fixed'.

Ms DARVENIZA (Northern Victoria) — I am very pleased to rise and make a contribution to this debate. Mr Drum raised a number of issues in his contribution. He talked about not being able to trust anybody and nobody on this side of the chamber being genuine or having any understanding of what is going on. I want to

say to Mr Drum that he can trust me; I am genuine in my commitment to services for the intellectually disabled and for those who are in need of mental health services. I know what has gone on over a long period of time in these circumstances. I have not forgotten the way the previous National-Liberal coalition government treated both intellectual disability services and mental health services in this state.

Mr Drum talked on a number of different levels. He talked about services and what sorts of service models are going to best meet the needs of those who have an intellectual disability or mental illness. On another level he talked about intellectual disability services from a very old-fashioned approach. Mr Drum talked about the need for institutions. He is a very big supporter of institutions. He opposes the closure of institutions. In fact he was a very strong advocate of Kew Cottages not closing but remaining open. Mr Drum has a very blinkered view about individuals who have an intellectual disability and their rights to be able to make choices and decisions about their lives.

He went on and on about family and how families need to be making decisions. Often people with an intellectual disability do not want their family making a decision for them. Often a person with an intellectual disability might be working with a carer or somebody who is close to them, and they would prefer it if decisions about how they live, where they spend their time and their rights as an individual were actually discussed with carers or people other than their family. That is not always the case.

There are lots of very loving, close families out there that have an intellectually disabled member. There are lots of loving, caring families out there without someone who has an intellectual disability. We all know that there are families that perhaps interfere too much and believe that certain members of the families, particularly children, perhaps do not have the necessary know-how to be able to make decisions for themselves and make informed choices. I am sure many of us here, including Mr Drum as a parent, have experienced some of that for ourselves.

If you have a family member who has an intellectual disability you are even more likely to be overprotective and to want to make all of those decisions about their lives. It was not long ago that people with an intellectual disability were not able to have an intimate relationship with someone of the opposite sex. It was actually frowned upon; sexuality and intellectual disability could not even be spoken about in the same breath. It was thought that if you had an intellectual disability, you did not have any such sexuality. You did

not have any sexual urges. You did not have any desire for an intimate and caring relationship with someone of the opposite sex.

Many parents find it very difficult, even when their own children reach maturity, to accept that their children want to have and will be having sexually intimate relations with people of the opposite sex.

Mr Barber — What if they are gay or lesbian?

Ms DARVENIZA — Or the same sex — good point.

Mr Barber — Appropriate sex.

Ms DARVENIZA — Yes, thank you for that. To say that if you have an intellectual disability your parents have to be involved in every decision and that, if you fall on this side of the line with your intellectual capability, then mum and dad — regardless of their capability or their emotional ability to let go — and brothers, sisters, uncles and aunts are going to make decisions about your life is not a good way to go. I do not think the idea that if you fall over the other side of the line and you have a certain intellectual capacity so you get to make all the decisions about your life is necessarily right at all.

People who work in this area accept, and I accept, that there are levels at which people are able to take some responsibility in making decisions and have a capability of making decisions. That has shifted enormously over the last couple of decades. Our view as a society and the view of those who care and work closely with people with an intellectual disability has shifted enormously over the last couple of decades. But I am afraid that Mr Drum's attitude towards it is very much an old-fashioned attitude towards who should be making decisions about someone who has an intellectual disability.

This government, along with many of the progressive thinkers in the area of care and responsibility for someone with an intellectual disability, believes an individual has the right to be consulted on how they want to live their life and the choices they may want to make.

Mr Drum — And stay home with mum and dad.

Ms DARVENIZA — I will take up Mr Drum's interjection — some of them do want to stay home with mum and dad. Some of our own children want to stay at home with mum and dad too; we have a tough time getting rid of them! But a lot of them do not want to live at home with mum and dad, and they certainly do

not want to be conducting their inappropriate relationships with others under the same roof as mum and dad. Someone with an intellectual disability has the right to make these choices, whether they be the right choices all the time or whether sometimes they are the wrong choices. In life sometimes we make good choices, sometimes we make bad choices, and hopefully what we do is learn from the bad decisions we make and not fall too hard when we make them.

In relation to institutions, I want to talk a little about institutions, because I take up the point Mr Drum made in his contribution, particularly in relation to the Sandhurst Centre. He pointed out that some constituents who came to see him were very pleased with the support they got from the Department of Human Services through the Sandhurst Centre. I am very familiar with the Sandhurst Centre, and I am glad that those constituents who came see to him got good service for their daughter.

The difference in attitude towards institutions between our governments, the Bracks and Brumby Labor governments, and the Liberal-National coalition when it was in government, is in stark contrast. Mr Drum does not like it when I go down this track, because he does not like to be reminded of it. When the Liberal-National coalition government was in power, it closed many institutions. I will name a few: it closed the Beechworth joint facility, which had both mental health services and intellectual disability services; it closed Aradale Mental Hospital, which was a joint facility with some intellectual disability services and some psychiatric services; it closed the Kingsbury Centre, which was an intellectual disability service; and it closed the Janefield Centre, which was an intellectual disability service.

It is not the only government that closed institutions. The Cain and Kirner governments were involved in closing a number of institutions as well. They closed the Caloola Centre, which was an intellectual disability service facility, and they closed the one that was next door to Kew Cottages — I cannot remember the name of it; it will come back to me — which was a big psychiatric institution. The difference between Labor governments and the Liberal coalition government is that we did it by taking the services offered to the intellectually disabled from an institutional base and shifting them to a community base.

What the Liberal-National coalition government did when it was in office was cut services. It absolutely slashed and burnt, and cut services, and it did not replace those services. It did not replace those beds with community-based services, and it did not replace the staff. During the National-Liberal coalition years under

Kennett, what did it do to both intellectual disability services and mental health services? It cut staff, it cut beds, and it cut facilities — and not just a little; it did not just trim them around the edge: it slashed and burnt them.

Mr Drum interjected.

Ms DARVENIZA — Mr Drum does not like to hear it, but it is the truth. Hundreds of psychiatric nurses were made redundant. They were given packages to leave our facilities, and many of them moved to Queensland, where they still are today.

Training is not something that Mr Drum touched on, but I want to touch on it because it was a very big issue for intellectual disability services during the National-Liberal coalition government years under Kennett. What the Kennett government did was stop training in intellectual disability services. There was no more training for anybody in intellectual disability services, and what they had was a classification called a TIDSO, which meant a trainee intellectual disability services officer who had no prospect of ever getting training because the training just did not happen.

The staff numbers and the programs were cut, so there were no extracurricular activities for people who had intellectual disabilities. People who were in institutions no longer went out to day programs, nor did people living in community residential units, because the programs no longer existed; they were all cut. The staff who cared for them no longer had training; they were trainees, but they never got any training.

To come in here and move a motion like the one the opposition has today shows an enormous amount of hypocrisy on the part of the opposition. Our government, since coming to office, has worked from the very low base we inherited from the previous Kennett years of slash and burn, cut staff, cut services and cut facilities. It has put an enormous amount of funds into providing intellectual disability services and mental health services.

I am not saying that there is not more to be done. I am not saying that we do not need to revise and continue to stay abreast of new trends and new ways to do things, and to meet the needs and challenges in these services as they arise. I am not saying that families do not need support; of course they need support, but we also need to recognise the right of individuals to be able to make choices about the way they conduct their lives.

What the government has also done, apart from putting in place a very significant injection of funding, is to put in place a whole range of programs. We have done a lot

to meet the needs of people with intellectual disabilities and those with mental illnesses. We have done a lot more than the other side ever did when it was in government.

When we next go to the polls, Victorians must remember — I am sure they will never forget, because I will never forget and will continue to remind people as long as I am able to stand here and make a contribution — the way those opposite when in government grossly underfunded and cut services, and how they failed to even put adequately trained staff in place to deliver care to the very vulnerable clients.

Ms LOVELL (Northern Victoria) — In starting I would like to congratulate the member for Doncaster in the other place, Mary Wooldridge, on the work she did to bring this very important motion before the house.

What the house heard from government speakers was disappointing. Ms Tierney spoke about dollars and cents, not about people. What Ms Tierney needs to realise is that this is not about the dollars and cents that are put into these programs, this is about people, and you cannot measure in dollars and cents the human cost of someone not having a home.

Ms Darveniza only looked to the past. She keeps on looking backwards; she cannot look to the future, which is why this review is so important. We need to look to the future. Ms Darveniza did not even mention the region where we come from.

In the Hume region where I live this is one of the most important issues. There are three big issues which come into my office: water, supported accommodation and public housing. The issue of supported accommodation, which is a genuine human cost and a human need, comes into my office.

In the Hume region there are 30 people on the priority list. There are a further 84 people waiting on the normal list. I have spoken to families who come into my office who have had their disabled offspring on the list for over 20 years. These families consist of elderly parents who are still caring for their adult disabled offspring. In recent weeks, two mothers have told us that they have tried to commit suicide because they cannot find a placement for their adult disabled offspring. We have had people tell us that Department of Human Services workers have advised these parents to take their offspring to a respite service and leave them there so that someone will have to do something about them.

Last week when we were trying to get a placement for one young man in supported residential accommodation we were told that his wait would be

long; his mother is in her 60s and she is quite able to look after him. But some of these people on the actual priority waiting list have parents who have already died. Those people still do not have a placement under this government. That is appalling.

I presented a petition in 2005 that had nearly 2200 signatures on it from local parents in the Hume region who were concerned about what is going to happen to their adult disabled offspring when they can no longer care for them. It is time this government stopped talking in dollars and cents and started to count the human cost and address this need.

The motion proposed by David Davis on behalf of Mary Wooldridge, the member for Doncaster in the other place, involves a thorough review. It will deliver results. The government's review is a reaction to Mary Wooldridge's work and is a very light version of her work. I encourage everyone in this house to support this motion and to ensure that we have a thorough review of supported residential services in this state.

Mrs COOTE (Southern Metropolitan) — I will be very brief because our debate is being curtailed this evening. There is a lot I would like to say about this issue, but I am not going to be able to do that. I will be extremely brief to the point of being very succinct. I came across this issue of unmet need when I was the shadow minister of this sector some years ago. I could see that the government is in total denial of unmet need. It has continually discriminated against the most vulnerable people in our community.

The government made a big fuss about the Disability Bill of 2006. It was supposed to have been all things to the disability sector; in fact it was a monumental disappointment to the extent that the government legislated to ratify a service. It was a bill that we, the Liberal Party, vehemently opposed. The bill went to the Legislation Committee. I commend the work of our former colleague Bill Forwood and Damian Drum on that committee. That work got a lot of important things onto the record about unmet need. The Disability Bill at the time provided the perfect opportunity for the minister of the day, Mr Jennings, to address the issue and to put proper funding towards the issue —

Mr Lenders interjected.

Mrs COOTE — It was Mr Jennings who brought the bill into this house. The Treasurer is quite correct — the bill was introduced into the other place by Mrs Garbutt, the former Minister for Community Services. She had a perfect opportunity to rectify this situation, but she overlooked it despite numerous

deputations to the government by a whole range of interested parties which, I might add, put together a very comprehensive and well-thought-through deputation. I commend people like those from Gippsland Carers Association: Jean Tops, in particular, Margaret Ryan, Max Jackson and several others who in fact put together a very clear reason for addressing this issue.

Apart from having a totally inadequate Disability Act, this government continues to deny the extent of unmet need in Victoria. As other members in this debate have suggested, the government cannot come up with the exact numbers regarding unmet need and refuses to look into the issue. It has refused to accept the dollar-for-dollar commonwealth state territory disability agreement funding offered by the previous federal Minister for Families, Community Services and Indigenous Affairs, Mal Brough. That was scandalous. There was an opportunity for the Victorian government to do a decent thing for once. But it did not take it, and the whole opportunity lapsed. It was a disgrace. There was an opportunity that could have been taken, but this government is so mean-spirited that it did not want to see what was an important issue for the disability sector.

Then there was a debacle this week. A letter that Jean Tops wrote to all members of the Legislative Council reads:

The government has decided to try to 'upstage' the Liberal Party motion to hold an inquiry into disability-mental health accommodation in Victoria by putting their own motion forward in the Assembly ...

We implore all of you to support the Council motion as put by the Liberal Party ...

She went on to say that both houses of Parliament are moving these motions with entirely different agendas and that the families who are now providing over 92 per cent of all care accommodation in Victoria are hurting badly. She begged for support for the motion we are debating at this moment. It is absolutely important and vital that we have a transparent, in-depth and bipartisan review of the exact extent of unmet need in Victoria. I support this bill.

Mr HALL (Eastern Victoria) — I first stepped into this chamber the best part of 20 years ago and throughout that period of time I have listened to the absolute despair expressed by families of people with disabilities in their efforts to gain adequate services for their family members and also accommodation for their family members. I am almost afraid and embarrassed to say that nothing much has changed over that period of 20 years. Those cries are equally as loud today as they

were 20 years ago. I think it reflects poorly on governments of all persuasions, state and federal, over that period of time that we have failed to address the needs of people with disabilities.

Twenty years ago there was an organisation called the Latrobe Valley residential services association. Through that organisation I met one of the most admirable people that I have ever met in my life, Mrs Jean Tops. She headed that organisation at that time and she now heads the successor organisation, the Gippsland Carers Association. I joined that association almost out of respect for that one lady, but also for the other members of that organisation who have fought so long, hard and admirably over that time to improve the circumstances, services and accommodation options for people with disabilities. Throughout that period they have clung to crumbs of hope. What we are discussing tonight is a reference to a parliamentary inquiry that gives all those people like Jean and her colleagues a further ray of hope that something might be done to address the huge amount of unmet demand for services for people with disabilities.

Time limits my saying much more, but it would have been remiss of me not to stand on my feet and recognise that these people have a right to be heard. They have a right to have their views expressed, and this Parliament should consider their very legitimate pleas of hope to provide services for their family members. This is important to those people, and it is important to all the people of Victoria that we support this inquiry. I urge all members of the house to demonstrate a bipartisan approach to this. We should all get behind the inquiry and give those people, who deserve that ray of hope, cause for optimism for the future.

Mr O'DONOHUE (Eastern Victoria) — I am pleased to support the motion moved by David Davis and also to acknowledge the work of the member for Doncaster in the other place in putting this motion forward. It is a most worthy motion.

When I entered this place, I did so as someone who had been very lucky in life and had had very little exposure to the disability sector or the mental health sector. Soon after becoming a member of this place I came into contact with the Frankston-Peninsula Carers Group. I commend Joy Jarman, Karl Hell and all the other members of that group for the work they do. I had no idea there were members of this society who live in absolute despair over what will happen to their children when they are gone. As Mrs Coote said, over 90 per cent of care is provided in the home by parents or other carers. Many of those people do not know what will

happen to their children when their time comes. There are people in their 70s, 80s and even 90s caring full time for their children without the resources to do it properly or a long-term plan for their children's future. It is a great tragedy. The situation should not be the way it is.

I say to the two government speakers in this debate: many people who are in that situation will look for a ray of hope when they read *Hansard* tomorrow. They do not give a damn about what happened 8, 10 or 12 years ago; they are interested in the future and in whether there will be some assistance for them. In that context I commend Mr Davis on moving the motion. I hope this leads to a genuine change in what happens in this sector.

Motion agreed to.

Business interrupted pursuant to standing orders.

ADJOURNMENT

The PRESIDENT — Order! The question is:

That the house do now adjourn.

Rail: level crossing safety

Ms LOVELL (Northern Victoria) — I raise a matter for the Minister for Public Transport in the other place regarding the upgrade of level crossings on the Bendigo–Swan Hill line. The action I seek from the minister is that she conduct a review of all 98 level crossings on the Swan Hill line to establish an accurate assessment of those that need to be upgraded. I also ask that the minister release the list of 139 level crossings that have been found to be more dangerous than the Fairley crossing just outside Kerang.

Northern Victorian communities have this week been rocked by news of a level crossing death on the Swan Hill line. This is the second tragedy of its kind in less than a month. Of the 37 level crossings the Brumby government claims it will upgrade in 2007–08, just one is on the Swan Hill line. That, of course, is the Fairley crossing, where the Murray Valley Highway crosses the Swan Hill railway line and where 11 people lost their lives in 2007 when a truck struck the afternoon passenger train from Swan Hill. The government appears to have a policy of waiting for fatalities to occur before it acts. Of the 98 crossings on the Swan Hill line, 71 are equipped only with warning signs — there are no flashing lights or boom gates — meaning that there are 71 potential deathtraps in the distance between Bendigo and Swan Hill.

Across Victoria there are more than 1400 level crossings with only warning signs. Each is a potential deathtrap. A total of 13 passengers and motorists have died on the Swan Hill line in less than nine months, including a 31-year-old Echuca man at Mitiamo on Monday and a 48-year-old Bendigo woman at Dingee on 31 January. Both victims were drivers of vehicles that collided with trains at level crossings.

Consultants Ernst & Young have compiled a list of 139 level crossings more dangerous than the Fairley crossing outside Kerang, where 11 people lost their lives in June last year. Unfortunately the government has failed to release that list, so we cannot notify the people of the state about where the most dangerous crossings are. We call on the government to release the study. Every Victorian motorist and train driver has a right to know the location of these 139 dangerous crossings. Most importantly, every passenger on a train and driver of a vehicle has a right to expect a certain level of safety. Warning signs alone are not enough; more needs to be done to ensure that all Victorian level crossings are made safer. I particularly ask the government to review all the crossings on the Bendigo–Swan Hill line.

Western Port Greenhouse Alliance: funding

Mr SCHEFFER (Eastern Victoria) — I raise a matter for the attention of the Minister for Environment and Climate Change. In January I received a letter from Mr Mike Tyler, the chief executive officer of the City of Casey, expressing concern at the decision of the Department of Sustainability and Environment to withdraw core funding support from the Western Port Greenhouse Alliance. Mr Tyler explained in his letter and in a follow-up conversation I had with him that the shires of Cardinia, Bass Coast and Mornington Peninsula and the cities of Casey and Frankston are members of the partnership that makes up the Western Port Greenhouse Alliance. I understand that the alliance was formed in response to the Victorian government's Greenhouse Regional Partnership program and that it has taken the lead in championing important greenhouse gas abatement projects and in producing effective responses to global warming at the regional level.

Mr Tyler's letter drew my attention to the plan by the Department of Sustainability and Environment to transition the alliance away from the existing funding model — referred to as establishment funding — to a project-based model. Mr Tyler stated in his letter that while the work of the alliance has been beneficial to the City of Casey, it is finding it difficult to support its part of the program without ongoing state commitment to

core funding. Mr Tyler asked me to support the city's efforts to obtain a review of the decision on the funding models.

I noted that in his response to a question on this matter during question time earlier today the minister indicated that the establishment funding model is structured so as to support the work of the alliance through the early establishment phase while the organisation finds its feet and then to assist its transition into a self-sustaining entity that can receive government funding linked to specific projects and policy outcomes. I can understand that such transitioning may well be standard practice, but it is not unreasonable for different parties to have different views as to the appropriate point at which to shift from one type of funding to another. That has been the case in this instance, where the review process has caused some anxiety to members and supporters of the alliance, so I ask the minister to extend the current funding period beyond 1 July 2008 as he feels appropriate, so that the Western Port Greenhouse Alliance can better prepare for the transition to the new funding model.

Gaming: poker machines

Mr DRUM (Northern Victoria) — My adjournment issue for the Minister for Gaming in the other place, Tony Robinson, relates to the electronic gaming machine licence renewal processes currently being undertaken by the government. I ask for some specific information from the minister on how the whole collection of licences will be packaged up and offered under a tender or licence renewal process. We have the hotel sector and we have the club sector, and currently the licences are shared by the duopoly of Tattersall's and Tabcorp. We also have the metropolitan sector and we have a set number of machines in the regions. I would like the minister to inform me specifically whether it would be possible to split the clubs as one licensing option that we might look to offload and then have a separate hotel sector that we might also look to offload and to tell me exactly how the process will handle that.

While the licensing renewal process is still very much in the embryonic stages, I ask the minister if he could give me that very specific information, because it may lead to opportunities for those licences to be dealt with in a more appropriate manner than if they were just left as the one conglomerate of licences, which is the current situation.

Caulfield Racecourse: Crown land

Mr THORNLEY (Southern Metropolitan) — I wish to raise a matter for the Minister for Racing in the other place. It relates to the use of Crown land at the Caulfield Racecourse reserve, a topic that —

Mr D. Davis — You are not pre-empting the inquiry, are you?

Mr THORNLEY — You have been on the sauce already, have you?

Mr D. Davis — You have spent all this time criticising the inquiry, and now you have actually picked up some points.

Mr THORNLEY — I am actually taking this one up, Mr Davis.

Mr D. Davis — You voted against the inquiry.

The PRESIDENT — Order! Does the member have a specific matter for the minister?

Mr THORNLEY — I do have a matter for the minister, thank you, President. I appreciate Mr Davis's assistance.

The Caulfield Racecourse reserve is, from recollection, about 57 hectares of Crown land. It is a very large and important land area, and it performs a very important role on the 20 days a year when races are held there. That is a terrific thing for people who enjoy racing and are part of that industry. There is also training on the track every morning from about 5 o'clock until 9 o'clock. But for the rest of the time that land is essentially vacant.

We now have a situation where the suburbs in the inner city or middle ring, depending on how you want to describe it, about 10 kilometres from the city have severe land shortages including shortages of recreational space. Soccer teams cannot find a spare paddock to play on on a Saturday morning. For some time the Glen Eira council has been taking up this issue with the Melbourne Racing Club but has really been given no assistance at all. There has been a pretence of assistance — there have been a few renovations to the facilities so they look like facilities somebody might actually want to use — but when questioned about whether anyone does actually use them, the club proudly told us that about a dozen people used them.

I have since checked on the usage figures for a similar-sized piece of recreational land just around the corner, at Caulfield Park. The best estimate I can get is

that per week about 12 000 people get to use that piece of land. My request of the minister is that he writes to or otherwise gently encourages the Melbourne Racing Club to reconsider its position on and its attitude to this, because the Glen Eira council and the many community activists who are campaigning on this issue represent a groundswell of community opinion. That is supported by all five political parties represented on the Legislative Council Select Committee on Public Land Development, who expect a little bit better from the Melbourne Racing Club in its sharing of facilities which it currently gains access to through its long-term lease arrangement.

If the minister can encourage the club to cooperate in this so that some sensible solution is found, that would be good. If that is not the case, my next adjournment matter will be a request for the Minister for Environment and Climate Change to ask the trustees to intervene.

Taxis: regional and rural Victoria

Mr KOCH (Western Victoria) — My adjournment matter is directed to the Minister for Public Transport in the other place and concerns the effect of government policy on the survival of locally owned and operated country taxi services.

Taxi operators in country communities are telling me they are in crisis. They feel victimised through ever-increasing regulation and restriction on how best to operate their businesses. Major issues affecting the viability of country taxi services include increasing fuel and maintenance costs, banning commercial advertising on taxis, the high cost of standardising the yellow cab livery with no government compensation and, most significantly, competition from government-funded and heavily subsidised community transport. Government and organisation-funded community transport provides a much-needed service, particularly to the aged, the housebound and other disadvantaged members of the community. But this type of transport competes with country taxis on an uneven playing field, as it is directly funded from the government purse and does not need to be financially viable.

Despite the Department of Infrastructure undertaking a review of the Victorian country taxi industry in 2005 and the government then announcing new measures in an attempt to address some of the key issues, country taxi operators are still haemorrhaging. The review was established after specific issues were raised by the Essential Services Commission during its previous review of taxi fares and was meant to find ways to promote the long-term viability of country taxi services.

Although it was initially welcomed by the country taxi industry, by the time the report was presented in May 2006 those in the industry considered the review to be very superficial, as it did not include longstanding policy fundamentals.

In September 2007 the Minister for Public Transport called on the Essential Services Commission to conduct another investigation to report on taxi fares. I note that in its submission to the inquiry the Victorian Taxi Association commented on the limited amount of time the Essential Services Commission made available for comments or submissions on its issues paper and requested that 'in future a longer period, at a more appropriate time of the year, is provided for interested parties to make their submissions'.

Submissions were called for in December 2007 to be received by 25 January 2008, resulting in just seven responses. Not one country taxi operator was able to provide a response in the required time. This is yet another example of the Brumby government's addiction to the secret state mentality, making a mockery of a commitment to open and accountable government. I request that the minister ensure that country taxi operators are given the opportunity to express their concerns about the future of their industry.

Schools: crossing supervisors

Mr TEE (Eastern Metropolitan) — My adjournment matter is for the Minister for Roads and Ports in the other place and relates to the issue of school crossing supervisors. School crossing supervisors play a vital role in ensuring that our schoolchildren get to and from school safely. The obvious presence of school crossing supervisors ensures that cars slow down, and that children and their parents cross the road safely and slowly. The school crossing supervisors are, as we know, part of the package of initiatives that the government has put in place to make roads near our schools safer. Thirty million dollars has gone into installing electronic speed signs, and the reduction in speed zones around schools has seen a 24 per cent reduction in crashes involving pedestrians or cyclists outside schools.

The government's obvious commitment to ensuring our schools are safer is clear, as is its commitment to school crossing supervisors — a commitment that has been demonstrated by the increase by some 300 in the number of supervisors receiving government funding. I am aware that a review into school crossing supervisors has been initiated by the Municipal Association of Victoria and that that review has been undertaken by VicRoads. The very existence of that review has led to

some concerns in the community that the outcome of the review may include a recommendation that the school crossing supervisors scheme be scrapped.

I ask the minister to investigate and to confirm that, consistent with the government's support for that scheme, the school crossing supervisors program will not be scrapped. I also ask the minister to consider and support programs and proposals that will help local councils in providing school crossing supervisors to the community.

Forests: management

Mr P. DAVIS (Eastern Victoria) — I raise a matter for the attention of the Treasurer and I reflect on representations that have been made to me consistently over recent times concerning the management of our forest industries, a matter which the Treasurer has claimed a significant interest in as the minister responsible for VicForests.

The objective of forest industries is a sustainable balance, with the environment, recreation and passive enjoyment and forest industries all co-existing. But this is unachievable while the state maintains the present division of management: the Department of Sustainability and Environment (DSE) is the forest manager with no commercial orientation and VicForests has no management responsibility but has a totally commercial focus. VicForests, a state-owned enterprise that began operating in August 2004:

... was set up to develop an open and competitive sales system for our publicly-owned timber, to ensure that the Victorian community secures the greatest possible returns for the valued hardwood timbers entrusted to us.

That is a direct quote from the VicForests website.

VicForests has taken its charter as a state enterprise literally, in fact to the detriment of its principal stakeholders, the forest industries of country Victoria and in particular of East Gippsland. The government's catchcry of sustainability and its pledge of a certain future for the timber industry are being dishonoured like bad cheques. The timber industry's problems include a lack of resource security, jeopardising the future of both forest harvesting and cartage contractors and sawmills; business operators with large investments at stake; and an industry that is the mainstay of the East Gippsland economy. There is a haphazard sawlog auction system. There are excessive packages of 35 000 cubic metres, far more than contractors can manage, particularly because of the auction system. Sometimes they have to tender for more than one package and therefore they are locked into their tender

bids with no way out. There is an absence of effective forward forecasting, and all this is leading to a battle to survive on the part of those involved in the harvest and haulage sector and sawmills.

There are also issues relating to the firewood industry that I have referred to earlier. Again, although a small component — only 2 per cent — it is a challenge, all because of the way that VicForests operates its primary interest in the commercial activity as distinct from a holistic management of our forest industries. VicForests stands at the heart of the industry's state of peril. It is monopolistic, arrogant, unheeding, unbending, inconsistent and impossible to deal with. It is quite evident that staff are leaving in droves and going back to DSE. Vacancies are unfilled, which shows a clear change in support for that organisation.

I put the case to the Treasurer that there needs to be a review, and I ask him, in cooperation with the Minister for Environment and Climate Change, to initiate a review to introduce an effective, sustainable, practical resource management arrangement and a long-term strategy to ensure certainty, scrap VicForests and establish a forest industry division within DSE.

Dimboola Bowling Club: synthetic green

Ms PULFORD (Western Victoria) — My adjournment matter this evening is for the Minister for Sport, Recreation and Youth Affairs in the other place, Minister Merlino.

It is always a great delight to me to spend time travelling throughout my electorate and to visit different parts of the large area that is the region of Western Victoria. Earlier this month I travelled to Nhill and had an opportunity to visit the Nhill Bowling Club for the second time. I saw the newly installed synthetic bowling green and heard from club members about the amazing amount of volunteer labour involved in getting it shipshape. Members of the club indicated that they are the envy of the region and that people are travelling with great frequency to the Nhill Bowling Club to play on the new synthetic green.

The drought is, of course, still having a significant impact in many parts of Victoria. It is important in those parts of the state that are most severely affected that people can have a break from their worries and participate in sport and other recreational activities. It is essential to all people's wellbeing at all stages of their life that they can participate in sporting activities.

It has come to my attention that not far from the Nhill Bowling Club the Dimboola Bowling Club, with the

Hindmarsh Shire Council, is seeking some funding from the state government through the community facility funding program. It plans to replace its greens and to move into the new era of wonderful synthetic bowling green surfaces. The cost of the project is estimated to be \$132 000, with \$45 000 coming from the federal government. The club itself will contribute \$22 000, with another \$4000 of in-kind support.

The Brumby Labor government is committed to assisting communities with sporting facilities. Synthetic greens obviously require much less maintenance by club members, which means more time to play and less time to work. I ask the minister to consider favourably this application for funding.

Boarding houses: controls

Mr GUY (Northern Metropolitan) — My issue tonight is for the Minister for Planning and concerns boarding houses and, in particular, the need for the minister — the government — to develop appropriate boarding house controls. Increasing population pressures are creating all sorts of unforeseen and very difficult problems for many Melburnians. In particular, due to the flawed policies of the Melbourne 2030 document pressure is now being placed upon many people seeking to enter the rental market.

Indeed, Melbourne's rental market is now in a state where we have record low vacancies — lower than 2 per cent across many suburbs. It is of concern that we are building almost 35 per cent fewer homes than we were five years ago — too few houses, too many people — and this situation is now leading to many people being priced out of the market in suburbs right across the city both in home purchases and in the rental market.

Melbourne is now in a phase known as an owners market — that is, those who own the properties have the upper hand in any rental negotiation. This is what comes from a supply shortage, and in Melbourne's case we have a chronic supply shortage. People trying to get into the rental market now find themselves in the difficult circumstance where rental properties that become available are the subject of bidding between prospective tenants, sometimes behind their backs and sometimes by agents or landlords.

This is one of the effects of unplanned population growth combined with a planning policy that seeks to reduce land supply and constrict growth across the metropolitan area. Any person with a concept of logic understands that if you restrict supply, prices will rise for both homes for sale and homes for rent. One of the

effects of such a rental market shortage is that many people do not have anywhere to go. In desperation, simply to get a roof over their heads, many are turning to boarding houses, a lot of which are located in Melbourne's eastern suburbs.

Under the current legislation any boarding house with fewer than 10 habitable rooms is not subject to a specific planning permit. That has led to a situation where numerous clandestine boarding houses have sprung up right across the suburbs — most with fewer than 10 habitable rooms and thus under the radar of the law. Local councils appear powerless to scrutinise and regulate these boarding houses and to date the state government appears reluctant to tackle the issue and make headway in solving what is a growing issue across the metropolitan area.

Recently I visited the Ferntree Gully electorate with the local member in the other place, Mr Nick Wakeling, to discuss this issue. Mr Wakeling has been a leader on this issue and has raised it a number of times in the Parliament — in fact, more times than any other current or, I am informed, past member.

I seek action from the Minister for Planning — not in three months time, not in four months time, not next year and not just before the 2010 election; I seek immediate action from the minister — to develop the necessary planning controls to regulate the boarding house industry and boarding houses with fewer than 10 habitable rooms.

Disability services: support program

Ms PENNICUIK (Southern Metropolitan) — My adjournment issue is for the Minister for Children and Early Childhood Development in the other place. Rebekah Turner is a 16-year-old student who has a severe language disorder and learning disabilities. The education department has denied her assistance since 1999. She is one of many students with disabilities or special needs for whom the department has failed to provide adequate assistance.

In May 2007 the Victorian Civil and Administrative Tribunal found that the department had discriminated against Ms Turner and was in breach of the Equal Opportunity Act. It noted:

... there are a number of serious shortcomings in different aspects of the —

disability support program —

... particularly the language disorder category of that program. There seems to be an urgent need for

comprehensive and expert review of the program. I would urge the government to undertake that review.

The tribunal's comments confirmed what the Greens have long suspected — that is, that the government has a deliberate policy of rationing funds for disabled and special-needs students by restricting eligibility. Funding is capped at 3.4 per cent, when according to the Australian Bureau of Statistics the percentage of students needing assistance is 9 per cent.

On 7 February VCAT handed down its decision on remedies. It ordered that the department pay more than \$80 000 in compensation to Ms Turner. In addition to compensation, the department was ordered to provide her with a full-time teacher's aide, remedial tuition and an individual learning plan for the rest of her time at school. VCAT noted that the government had not provided Ms Turner with 'adequate or reasonable educational assistance' and that this had diminished her educational opportunities. The decision may spark a flood of claims. It appears that the government may be set to appeal the decision.

I have raised a number of questions on notice about this issue, to which a response was five months in coming. One of my questions asked how much the government has spent in defending legal proceedings brought against it by students with disabilities. In response, the Department of Education and Early Childhood Development says that it does not collect data regarding expenditure on or costs associated with internal legal practitioners, teachers and other staff regarding legal proceedings brought against it in relation to students with disabilities.

The department says that all details of legal expenses are in the *Government Legal Services Annual Report*. This report does not present the data in a meaningful way, although appendix B of the latest report released in April 2007 shows that the department of education's expenditure on litigation costs has almost doubled from 2002–03 to 2005–06.

I request that the minister not proceed with an appeal, that she uphold the government's clear legal and moral obligation to provide assistance to students with disabilities and that she conduct a comprehensive, independent review to ascertain the real level of resources needed to support Victorian students with disabilities and tailor the program accordingly.

Grimwade Park, Lismore: playground

Ms TIERNEY (Western Victoria) — My adjournment matter is for the Minister for Sport, Recreation and Youth Affairs in the other place, and it

relates to an application put forward by the Corangamite Shire Council for the replacement of an existing playground at Grimwade Park in Lismore with a much more modern playground.

The playground area has traditionally been well utilised by the local community and particularly by the passing traffic. As I have previously mentioned in the house, Lismore is a great spot to stop on a long trip and grab a coffee, use the amenities and stretch your legs. Many use Grimwade Park as an opportunity for children to run around before they get back in the car.

In June last year I was in Lismore and made the announcement of \$90 000 of government funding for the Lismore small township revitalisation project, which was funded through the Small Towns Development Fund. I believe the new playground facilities the Corangamite shire is now seeking will be a perfect adjunct to the work that is currently being planned in that town.

In 2002 the Corangamite Shire Council adopted a playground policy and development plan and it has been really active and proactive in upgrading and developing playgrounds across the shire at Skipton, Noorat, Camperdown and Simpson. On this occasion I urge the minister to support the funding application by the Corangamite Shire Council for the Lismore community playground upgrade.

Mr O'Donohue — On a point of order, President, I seek your guidance as to exactly what the member was requesting. An application for funding is before the minister. I understand there would be an objective set of criteria for the minister to consider in making a decision about that funding request, and therefore I am unclear as to exactly what the member is requesting.

The PRESIDENT — Order! I will hear the rest of what Ms Tierney is saying.

Mr O'Donohue — She is finished.

Ms TIERNEY — I have finished, but as I have done on previous occasions, I am lobbying on behalf of constituents.

The PRESIDENT — Order! There is no need for an explanation.

Yarra Valley: mining and prospecting licence

Mr O'DONOHUE (Eastern Victoria) — My issue this evening is for the Minister for Energy and Resources in another place. The member for Evelyn and I have been contacted by the president of the Yarra

Valley Winegrowers Association, which represents 87 wineries, vineyards and associated businesses. The winery industry — viticulture — is a very important industry to the Yarra Valley, not only because of the wine that is made but because it helps the vibrant Yarra Valley tourism industry and helps make farming land close to Melbourne viable for farming. That is very important, especially with the creeping urbanisation that the Yarra Valley is encountering.

The president of the Yarra Valley Winegrowers Association, Mr Howard Carter, who is a forceful and effective advocate for the group and the industry more broadly, has expressed concerns about the potential impact the granting of a prospecting licence to a mining company may have on the Yarra Valley and particularly on the wine industry. I understand from Mr Carter that the licence in question, no. 5072 issued in October 2007, covers a significant geographical area to the north-east of Yarra Glen. The winegrowers are concerned that the licence, once it becomes active, may impact on vine arrangements, create eyesores as a result of exploration and drilling or impact on water quality and other environmental aspects. The growers are also concerned that part of the licensed area falls within the Maroondah phylloxera-infected zone, in which among other things the removal of soil from the area is prohibited.

The action I seek from the minister therefore is to investigate the situation to ensure that arrangements are in place so that the integrity of the zone is not compromised and that any exploration that takes place does not impact unreasonably on the wine and tourism industries of the Yarra Valley — in other words, so that a reasonable balance between the interests of prospectors and the wineries and businesses of the Yarra Valley is struck.

WorkChoices: promotional mousepads

Mr LEANE (Eastern Metropolitan) — My adjournment matter is for the Minister for Industrial Relations in another place, Rob Hulls. The action I seek is for the minister to assist the federal Minister for Employment and Workplace Relations, Julia Gillard, in her endeavours to disperse 100 000 promotional WorkChoices mousepads that she has been finding — —

The PRESIDENT — Order! Mr Leane knows full well my previous rulings on matters relating to the principal responsibility of a member of the federal government. He is clearly out of order, and I will move on to the next speaker.

Crime: Boroondara

Mrs COOTE (Southern Metropolitan) — My adjournment matter this evening is for the Minister for Local Government, and it concerns the provision and monitoring of closed-circuit television (CCTV) in and around various hotspots throughout the city of Boroondara. The citizens of that municipality are very concerned about the increase in crime and violence on their streets and believe, as does the council itself, that more CCTV cameras should be put throughout the municipality to ensure the safety of the residents.

I would like to just alert the house to the increases in the crime statistics in the city of Boroondara, which are horrifying. Rape is up 430.8 per cent; arson is up 32 per cent; property damage is up 28 per cent; aggravated burglary is up 53.2 per cent; residential burglary is up 21.7 per cent; theft from motor vehicles is up 24.2 per cent; theft of motor vehicles is up 10.5 per cent; drug-related offences are up 25 per cent; and going equipped to steal is up 37.5 per cent.

The reality here is that the people of Boroondara are increasingly feeling threatened, and if CCTV cameras were provided throughout the major areas and the major shopping centres, people would have some comfort that something was being done. The government is in fact taking a head-in-the-sand approach to fighting crime. As we have seen in a number of other areas throughout metropolitan Melbourne, CCTV cameras are in fact deterrents and it is important that they are put up and properly monitored. I think the police do a terrific job — I do not think there is any doubt about that — but the police need additional resources as well. It is up to the Minister for Local Government to provide the CCTVs to give people the sense of security and wellbeing they deserve.

Crime statistics do not lie. It is important that we take on board what is in fact happening within our communities, and this government should do something about it. The Camberwell Traders Association is concerned to have CCTV cameras installed in Burke Road, and the Glenferrie Road late-night amenity working group has also expressed interest in having cameras installed in Glenferrie Road. The action I am seeking tonight is for the minister to ensure, as a matter of priority, that adequate funding is allocated to the City of Boroondara for the installation and monitoring of CCTV cameras for designated crime areas within the municipality.

Rail: Bendigo line

Mrs PETROVICH (Northern Victoria) — My matter on the adjournment is for the Minister for Public Transport in the other place, Lynne Kosky, and it relates to issues of railway service in the Macedon Ranges. Just a week before Christmas, V/Line axed its stationmaster at Macedon station, leaving the station unattended and open to vandals — a great Christmas present for the stationmaster and commuters! I have been contacted by a number of irate local residents who have expressed their concern at the way it was handled, the increased threat to their safety and the further decline in country services.

The stationmaster at Macedon was much appreciated. He would assist patrons and let them know if the trains were running late, which they sometimes are, and keep the station clean and free from graffiti. He continually surveyed the patrons for feedback in order to improve the service. For some inexplicable reason V/Line has pulled the exit cord on this service. It is not fair for country Victorians to be treated in such a poor way — another example of how this government treats people in its rural communities as second-class citizens.

The population of Macedon Ranges is growing, and as more people will discover, it is a commuting community — and it is God's own country. That is why people want to live there. There is also a problem on the Bendigo line with rail crossings at Woodend, Macedon, Gisborne, Riddells Creek and Sunbury, which have been manned 24 hours a day by V/Line contractors working 10-hour shifts. The problem seems to be around the triggers for the crossing signals and timetabling, which often leaves anxious drivers at boom gates for up to 5 or 7 minutes at a time.

The action I seek of the minister is to address the issues of manning Macedon railway station and to come clean on the problems at level crossings at Woodend, Macedon, Gisborne, Riddells Creek and Sunbury.

Environment: Blackburn service station site

Mr ATKINSON (Eastern Metropolitan) — My matter is for the Minister for Environment and Climate Change, who has responsibility for the Environment Protection Authority (EPA). The Blackburn Chamber of Commerce and Industry has brought to me an issue which it believes ought to have been long resolved in its community, and certainly that is a view held by the broader community and me.

In fact, it has taken some 11 years. We are about to celebrate the 11th anniversary of a former Caltex

service station site located at 24 Blackburn Road, Blackburn, being closed through an Environment Protection Authority contamination order in respect of soil and groundwater at that site. Interestingly enough, the authority believed the business operating at that site, J & J Dynamotive, was responsible for that contamination, but subsequent investigations have shown that it was not that company's fault that the contamination occurred.

However, the company continues to lose money and have its business impacted by a continuing order of the EPA, which has not been resolved despite the EPA in 2004 issuing a press release indicating that within three or four months the issue would be resolved. It has not been resolved despite interventions by the member for Mitcham in another place and, as I understand, also inquiries by the Whitehorse City Council.

This particular property is a fairly important property in terms of the approach — or entry, if you like — to the Blackburn shopping centre. It is a property that stands derelict. It is a property that has on it two buildings that are no longer used for any purposes associated with business enterprise. It should have been cleared, the site remediated and returned to some other useful business or even perhaps a residential use which might well have provided a better gateway to the shopping centre and certainly might recognise the significance of the site in the community.

In its frequent inquiries made of the EPA, the Blackburn Chamber of Commerce and Industry has been consistently rebuffed and in fact has recently been told that the only way its inquiries will be dealt with is if it makes a formal freedom of information application on this matter. This is outrageous, especially given that the EPA decided in 2004 it could have the matter resolved within three or four months. I ask that the minister intervene in this matter, that he find out what are the current outstanding issues and that he seek to have the contamination order lifted or works conducted on the site to fix it.

Planning: Boroondara developments

Mr D. DAVIS (Southern Metropolitan) — My adjournment matter tonight is for the attention of the Minister for Planning. It concerns the apparent targeting of the City of Boroondara for certain special treatment by the minister and his department. I note that in the application of Melbourne 2030 planning principles and the various planning laws in Boroondara there has been a very high rate of interventions by the minister and decisions in a number of specific cases to intervene to the detriment of the municipality.

I want to put on the record for the minister's attention the situation at Camberwell railway station, where there is still widespread community opposition to the government's plans and the overriding of council control of the future management of the land surrounding that station, and the situation with Kew Residential Services, well known in this chamber, where 27 hectares of prime land in Kew is being developed by the government through a contract with Walker Corporation in a medium-density arrangement that will see the destruction of an enormous number of trees.

Already more than 170 trees have been destroyed on the site, and stage 2 will see another 70 trees pulled off the site if the minister accedes to the developer's proposed plans. There are further stages to go, meaning that in the end hundreds of trees, many of them established and important trees, will be removed from that site. I believe the loss of amenity and vegetation is a significant detriment to the area.

Under the government's planning provisions there has been a tragic outcome at the Henley Honda site, with a 14-storey tower to be built at Camberwell Junction. That will be completely out of character with the surrounding area and will set a precedent that could lead to the destruction of amenity through that area.

My point is that the government's planning arrangements are not working well in the city of Boroondara, nor, I would venture to add, in some others either. It appears that this municipality has been singled out by the government for special treatment. The municipality is under threat, and in my view the quality of life is at risk under the government's plans.

For this reason I ask the minister specifically to respect the role of local government and to desist from any further unnecessary and inappropriate call-ins in the city of Boroondara — —

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

Responses

Mr LENDERS (Treasurer) — President, there were 16 adjournment matters tonight that you accepted, and I will respond to each of them. On some of them I will respond and discharge them; they will be the ones where I can provide the answer now or where such an overt political statement has been made that I will respond with a political statement. In other matters, where information has been sought that either I do not

have available or where it is appropriate to pass them on to a minister, I will do so.

I commence with Ms Lovell's request to the Minister for Public Transport in the other place for a review of all level crossings on the Bendigo line and for further information. I will pass that on to the minister, because I cannot answer all the questions, but I will make a comment that I thought Ms Lovell's comment that this government was 'waiting for fatalities' was highly offensive.

If we wanted to go into a political debate on this, we could start on which party had spent more on rail upgrades than the other. But that is not in the spirit of Kerang, it is not in the spirit of what happened at the Fairley crossing and it would not solve the problem for anybody. However, if we want a political debate about 'waiting for fatalities', I will enter the debate and say to Ms Lovell that she should not come into this place at question time and say, 'Cut taxes, cut expenditure' and then come in here for the evening adjournment debate and ask the government to spend money, saying that it is waiting for fatalities.

I will refer this to the minister in a spirit of seeking information and community resolution to this problem, but I advise Ms Lovell and the house that, if political statements are made, the government will respond.

The second adjournment matter was from Mr Scheffer regarding environmental issues in the city of Casey and a withdrawal of funds. Mr Scheffer requested the Minister for Environment and Climate Change to extend the funding model. I will pass on to the minister that request from Mr Scheffer for the funding to be extended. I will regard that matter as discharged once I have passed the request on to the minister.

The third item on the adjournment came from Mr Drum, who asked a series of legitimate questions of the Minister for Gaming in the other place about input into the gaming licensing review and various particular models that could be considered for new tendering of gaming licences. I think these are issues of tendering processes and are therefore probably inappropriate for ministers to canvass across the world. I will regard it as discharged, but I say to Mr Drum that I will have the conversation with the minister. Obviously if the minister thinks it is not in breach of the tendering processes, then I will ask the minister to respond to Mr Drum, but I will regard it as discharged on the basis that — —

Mrs Peulich — That is the new tactic, is it?

Mr LENDERS — I take up the interjection that this is a new tactic and I will put it on the record. The opposition unilaterally, without consultation, moved amendments to the adjournment rules in this house — without consultation rammed them through 21 votes to 19 — asking ministers to either discharge the adjournment matters or to come back in writing within 30 days. The same opposition then nitpicks about whether a 30-day reply is in time or not. It is the same opposition that lodged 7000 questions on notice in the last Parliament!

This government will respond to these questions one by one. We will seek to discharge them on the night. If there is a political statement, we will rebut it. If there is a request for information, we will seek to respond. We are accused of not being open, transparent and accountable.

Mrs Peulich interjected.

Mr LENDERS — I take up Mrs Peulich's offensive comment about a Stasi closing down of democracy. Tonight in this Parliament we have a minister on his feet responding to 16 adjournment issues without notice. I will seek to address 16 out of 16 requests, and in some cases I will refer them to other ministers if I do not have the information. If that is Stasi-ism, well then I am looking in a different dictionary from Mrs Peulich.

The fourth adjournment item came from Mr Thornley to the Minister for Racing in the other place. Mr Thornley asked the Minister for Racing to look at the use of Crown land at the Caulfield Racecourse Reserve, and he asked for the Melbourne Racing Club to reconsider its use of that particular land. Mr Thornley advised that he may in future ask the Minister for Environment and Climate Change to intervene on these issues as well. I say to Mr Thornley that I will certainly pass his request on to the Minister for Racing. I regard the issue as discharged, because Mr Thornley's essential request was for that item to be passed on to the Minister for Racing.

The fifth adjournment item came from Mr Koch, who raised the undoubtedly genuine issue that a number of rural taxi operators in his electorate are having cost problems. Mr Koch asked for a range of things, including more time to be made available for the operators to make presentations, and I presume Mr Koch means to the Essential Services Commission and also to the minister.

Part of this is a political debate we are having, but I take on board in good faith what Mr Koch is saying. For the record I say to Mr Koch and the house that if what he is

asking is for more time for government bodies to make decisions, I would also hope that when government bodies do give more time, we do not have the opposition going to another section of the community and, because we consult, saying that we dither. I take in good faith what Mr Koch is saying, but I also ask Mr Koch in good faith if what he is saying — —

Mr O'Donohue — Is this a dummy spit?

Mr LENDERS — Mr O'Donohue asks if this is a dummy spit. This is a vigorous political debate because we have members in this place who get up, being all things to all communities. They come into this chamber having said one thing to one community and another thing elsewhere, in the same way as they have today. I am responding to Mr O'Donohue, President.

We have an issue here where we are told in one breath that it is hard for rural taxi operators to compete with other government-subsidised forms of transport services. It may have been an absolutely valid point on Mr Koch's part, but I know what will happen: Ms Lovell, who is sitting next to him, will come forward and say, 'You are not subsidising enough government services'. The opposition cannot have it both ways. It either supports subsidised services in rural Victoria or it supports a market, one or the other.

Ms Lovell — The Treasurer does not care.

Mr LENDERS — Ms Lovell says that the Treasurer does not care. I say to Ms Lovell that this Treasurer cares about delivering services to rural Victoria. This Treasurer cares about keeping the budget in the black so we can do that, and today this Treasurer has listened in this house to the opposition chanting at question time for the government to cut taxes. Yet when it comes to the adjournment debate, every single opposition member, with the exception of Mr Davis and Mr Guy, has called for more money to be spent. I regard that issue as discharged, because rural taxidrivers have access to the essential services commissioner and will always have the ear of the minister if they approach her.

Mr Tee raised an issue for the Minister for Roads and Ports in the other house, dealing with crossing supervisors. He talked of a Municipal Association of Victoria review into supervisors. He asked me to confirm that the service would not be cut. That is an issue that I will refer to the Minister for Roads and Ports for a definite response to Mr Tee.

Philip Davis raised an issue for me, as minister responsible for VicForests. Mr Davis raised a number of serious issues regarding the management of forest

industries. He also talked about sustainability. He wanted us to scrap VicForests, which I thought was an interesting prospect to bring forward. I say to Mr Davis that VicForests and the whole harvesting issues arose in *Our Forests Our Future* and the ongoing review since. The government continues to be engaged with stakeholders in an ongoing review of these areas, so we are obviously open to an ongoing dialogue — and that dialogue is happening with bodies; it can be a robust dialogue.

Mr P. Davis — What about sustainability interests?

Mr LENDERS — Mr Davis talks about sustainability interests. As I said to the house earlier, I think 47 per cent of the Central Highlands and East Gippsland forests have been burnt by bushfires in the last five years — do not hold me to the exact figures; that is an approximation. Sustainability is a tad challenging when natural events burn down half your forests. We will continue to work with the industry, and I am confident that we will achieve the expected outcomes.

Ms Pulford raised an issue regarding the Nhill Bowling Club and the Dimboola Bowling Club. What is unusual in these matters is that I can say I have been to both those clubs during a community cabinet visit to those two municipalities. She asked that the Minister for Sport, Recreation and Youth Affairs in the other place consider applications favourably. I take up Mr O'Donohue's point of order earlier about individual ministers making these decisions, but I will certainly pass on Ms Pulford's request to the minister and regard the issue as discharged when I pass on her issue.

Mr Guy raised an issue for the Minister for Planning, and I notice that he is not in the house. The same comment can be made about David Davis. It effectively started off as an attack on Melbourne 2030. We started off with statements about the 'flawed policies of Melbourne 2030' and got onto a range of things.

Mr Guy raised a valid issue that the minister will need to examine: the issue of rental shortage in Ferntree Gully. He raised a range of issues and demanded action within 30, 60 or 90 days. I assure Mr Guy that this government has Melbourne 2030 to address the issues he has raised. The minister is cognisant of those issues, and I regard the issue as discharged by my answer.

Ms Pennicuik raised an issue for the Minister for Education in the other place.

Mrs Peulich — It is disgraceful.

Mr LENDERS — I will respond to Mrs Peulich's interjection that it is disgraceful. I agree with David Davis that her interjection was disgraceful.

Ms Lovell — It is a rant.

Mr LENDERS — Ms Lovell says it is a rant. We have had 16 members raising issues. We will respond to the ones that request action of ministers but which are not being used as a partisan rant.

Mrs Peulich — It is a partisan rant.

Mr LENDERS — Mrs Peulich accuses me of having a partisan rant. I say this government will respond. We will deal with each of the 16 matters.

Ms Lovell — Pass it on to the minister.

Mr LENDERS — I take up Ms Lovell's interjection 'Pass it on to the minister'. I know what her next press release to the *Shepparton News* will say. It will say 'Inaction by government evading and dumbing down Parliament. Passes on to the minister. Minister won't answer'. That is what you get if you pass it on to the minister, and if you actually answer you are accused of being Stasi. In absolute awe and shock I believe the opposition is not wishing us well, and I am genuine about that, President. Shock horror!

I give Ms Pennicuik credit for being consistent on the issue of the Rebekah Turner case. She asked a series of questions of the Minister for Education in the other place about information, and she says that the reply from the minister was that it was not forthcoming in annual reports of the department. Certainly the issue of requesting a minister not to appeal is an area that I could say is discharged. I will certainly pass on Ms Pennicuik's request to the minister, but I cannot expect the minister to give an answer to it. But I will pass to the minister the other part of — —

Honourable members interjecting.

Mr LENDERS — We are seeking to deal courteously with the house. I regard my passing on the issue raised by Ms Pennicuik — that she has a view that the minister should not proceed with a legal appeal — as discharging the matter. However, the second part of Ms Pennicuik's question, where she asks for more information — —

Mrs Peulich interjected.

Mr LENDERS — Mrs Peulich is not listening to what I am saying. The second part of Ms Pennicuik's request is for further information. I am not in a position

to say whether or not I can discharge that; I do not have the information. I will certainly pass on to the Minister for Education the second part of the question and ask her to respond directly to Ms Pennicuik as to whether or not that information is available.

The 11th item in the adjournment debate was from Ms Tierney to the Minister for Sport, Recreation and Youth Affairs in the other place. She spoke about the Corangamite Shire Council's policy and she talked about the Lismore playground. She urged the minister to support the funding application and further work in that area. I will certainly pass Ms Tierney's urging for support on to the minister, and I regard the passing on to the minister of her seeking of his support for those areas therefore discharges the matter.

The next question came from Mr O'Donohue and was in regard to energy. He raised an issue regarding Yarra Valley wine growers that he and another member of Parliament have concerns about. I found it interesting that he raised a point of order on another member, saying that a minister had statutory powers that they needed to exercise in accordance with the law and it was inappropriate for a member of Parliament to ask them to intervene. Then a couple of minutes later he asked me, as a minister, to ask another minister to intervene where there are statutory powers in place.

I find that interesting, let alone inconsistent in those areas. In view of what he suggests the answer to Ms Tierney should be, I think it is appropriate that I pass on to the minister Mr O'Donohue's concerns, so he will certainly be aware of them. I therefore regard that matter as being discharged in similar vein to how Mr O'Donohue was urging that we deal with the Corangamite shire matter.

The 13th adjournment matter was raised by Mrs Coote with the Minister for Local Government in the other place regarding closed-circuit television in Boroondara. She talked about crime statistics and the things we need to do and said the government had a head-in-the-sand approach. I would advise Mrs Coote and the house that crime statistics across the state are down. The most direct course of action of this government has been to invest in 1400 extra police, unlike the government that Mrs Coote was an adviser to, which cut 800 police out of the police force. I will certainly pass the item on to the Minister for Local Government, and I therefore see it as discharged.

Mrs Petrovich raised an issue for the Minister for Public Transport in the other place, which was the 14th adjournment matter, on a range of issues regarding V/Line services in Macedon and along the Bendigo

line. She said — and again this is in a political context — that the government does not care about rural communities and public transport services. This government has built regional fast rail to Bendigo, Ballarat, Traralgon and the Latrobe Valley, unlike the government that preceded us, which cut five regional passenger rail services. This state Labor government has reinvested. I take as advice to the minister that Mrs Petrovich thinks action needs to be taken along these lines. I will certainly pass on to the minister her concern, which presumably was not there eight years ago, and regard the item as discharged.

Mr Dalla-Riva — You hate country Victoria!

Mr LENDERS — I take up Mr Dalla-Riva's interjection about hating country Victorians. When I grew up on a dairy farm in Gippsland and got up at 5.00 a.m., I never thought I would be in the Legislative Council having to deal with Mr Dalla-Riva of Melbourne saying I hated country Victorians. Let us rest assured that this government's investment in the Regional Infrastructure Development Fund, restoration of services to rural Victoria, governing for the whole state, dispels Mr Dalla-Riva's statement. I well and truly regard the item as discharged.

Mr Atkinson raised an issue for the minister for the environment regarding a service station site in Blackburn. He said it was a contaminated site and it had been an incredibly slow resolution. The suggestion to him from, I assume, the Environment Protection Authority was that he should put in a freedom of information request if he wanted more information. I will certainly pass that on to the minister for his attention. I suspect the answer will be that the EPA is an independent authority. I could, in a sense, seek to discharge the matter, but in the sense that Mr Atkinson is seeking information and I do not have the answer to it, I will certainly pass that on to the minister for the environment for his response.

Last but not least, David Davis raised an issue. Going back to my opening remarks, David Davis opened his comments by saying the Minister for Planning — I paraphrase him, and I will be interested to see *Hansard* in the morning — was targeting the city of Boroondara. He then went through a range of issues — Kew Cottages, Camberwell —

Mr D. Davis — Like his predecessor!

Mr LENDERS — He extends it to the predecessor of the Minister for Planning as well. I regard the issue as well and truly discharged. Mr Davis's conclusion was to show respect for local government. This

government respects local government. We did not sack 209 municipal councils and replace them with unelected commissioners. We restored local government authority. No minister in this government would target a municipality. The fact that David Davis thinks it happens is obviously because he remembers what life was like in the time of the Kennett government, when people were targeted. I regard the matter as discharged. It was a political statement. Ministers in this government do not penalise, prosecute or target municipalities. I regard it as political. I regard my statement as discharging his adjournment item.

That concludes my responses to the 16 adjournment matters.

Mr D. Davis — On a point of order, President, I request your guidance, not necessarily now. You may wish to reflect on these matters in some detail because there have been a number of examples raised tonight and last night in terms of the approach of ministers — this minister and the minister who was in the chamber last night — to the adjournment. It is very clear that the government has in an arbitrary fashion decided to alter —

The PRESIDENT — Order! Your point of order, Mr Davis?

Mr D. Davis — My point of order is that the minister is not discharging his obligations in the adjournment in a proper manner. He is not discharging them in accordance with the sessional orders.

The PRESIDENT — Order! Some members may have thought I was being extremely patient and tolerant during the course of this adjournment. I can tell them that nothing could be further from the truth. I will not use the old union terminology to express my exact feelings, but I am extremely annoyed at the way this adjournment has gone tonight. We had, without question, a record number of interjections and the taking up of those interjections. We had responses, which should be as brief as possible and not developed into a speech or debate, clearly contravening the guidelines on numerous occasions.

Mr Davis's point of order was dealt with last night. I strictly applied the guidelines before me in the sessional orders of the house with regard to the adjournment debate. I have nothing further to add. If Mr Davis has a problem with the current sessional orders, then he has a capacity to do something about it. He is therefore out of order in his point of order.

I am putting both sides of the house on notice that I will not tolerate the sort of behaviour that we have seen

tonight in terms of the adjournment. I expect the guidelines to be both supported and adhered to strictly.

The house now stands adjourned.

House adjourned 11.06 p.m.