

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

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

**Wednesday, 28 May 2008**

**(Extract from book 7)**

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

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

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**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. 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*): Mr Noonan, Mr Perera, Mrs Powell and Ms Wooldridge.

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

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

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

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

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

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

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

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Coote, Mrs Andrea	Southern Metropolitan	LP	Mikakos, Ms Jenny	Northern Metropolitan	ALP
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Elasmarr, Mr Nazih	Northern Metropolitan	ALP	Rich-Phillips, Mr Gordon Kenneth	South Eastern Metropolitan	LP
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## Wednesday, 28 May 2008

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

### PAPERS

#### Laid on table by Clerk:

Auditor-General —

Report on Patient Safety in Public Hospitals, May 2008.

Report on Piping the System: Incorporating the Wimmera–Mallee Pipeline and the Goldfields Superpipe, May 2008.

Report on Project Rosetta (Streams 1 and 2), May 2008.

Report on Results of Audits for Entities with other than 30 June 2007 Balance Dates, May 2008.

Report on Review of South East Water's Works Alliance Agreement, May 2008.

Victorian Law Reform Commission — Civil Justice Review Report.

### MEMBERS STATEMENTS

#### Croajingolong National Park: Shipwreck Creek camping ground

**Mr P. DAVIS** (Eastern Victoria) — Last night during the adjournment debate the Minister for Environment and Climate Change responded to a matter I raised with him on 17 April concerning the Shipwreck Creek camping ground in the Croajingolong National Park. In part the advice in his response was that while firewood is supplied it is not guaranteed in that location. As recently as last week I again visited that area, and while Parks Victoria's advice to the public and to park users is that firewood is generally supplied, again there was no firewood at that location.

This is an important matter to raise because visitors to the Croajingolong National Park and Shipwreck Creek camping ground will plan to arrive at their camp site and expect to have firewood available. They are liable to prosecution, as the minister advises, if they collect firewood within 500 metres of the camp site. Of course there is no firewood within 500 metres of the camp site. It has already been collected because Parks Victoria continually fails to supply firewood to that location.

People who pay a fee for camping, with the advice that firewood is likely to be available, are being misled by Parks Victoria and misled, therefore, by the minister.

#### Taiwan: election celebration

**Mr KAVANAGH** (Western Victoria) — Last Tuesday I had the pleasure and honour of being a guest of the Chinese Community Society of Victoria and the Melbourne Taiwanese Chamber of Commerce at a celebration of the elections in Taiwan earlier this year which saw the election of President Ma.

I had the honour to be asked to sing the Chinese song *Mei Hua*, an unofficial anthem of the Republic of China. This was a great joy for me, though given the quality of my singing, perhaps not a pleasure for the large audience.

Mei hua is a flower which blooms in adverse conditions. It is an appropriate metaphor for the Republic of China on Taiwan, which, under the most difficult circumstances, has managed to develop a society which is genuinely free and prosperous. Taiwan is also now a true democracy by any standard.

Taiwan's stunning achievements, especially in respect of its democratic development, show that a vibrant democracy is not unachievable in a Chinese society. It is to be hoped, first, that Taiwan's democratic transition will serve as an inspiration for all of China, and second, that President Ma Ying-jeou's policy of constructive engagement will contribute to an enduring peace across the Taiwan Straits to the benefit of all the Chinese people and the whole world.

#### Prostate cancer: awareness

**Mr EIDEH** (Western Metropolitan) — On budget day we passed on the front steps of Parliament House the preparations for a fundraising event that was later to raise several hundred dollars for research into prostate cancer, an issue all too often ignored by far too many, except for victims and their families. I would like to take this opportunity to thank the members of the Sunshine Lions Club and members of the parliamentary Lions Club, led by Mr George Seitz from the other house, for their hard work and commitment towards such an important research program. The aim was to raise not only some funds but also some awareness of the seriousness of the issue, even though the members of Parliament who were cooking and serving had a few chuckles with the customers who recognised them.

After the age of 40, one in four men will notice some of the symptoms of prostate cancer. By having regular check-ups they can determine if they have this cancer and thus begin early treatment, or dismiss it entirely after medical tests have been made. Lions Australia regard this as a major issue and so far is one of the main

groups involved in supporting greater research into this deadly disease. I again congratulate the Sunshine Lions team members and the parliamentary Lions who gave so much of their day for this good cause.

### **Clearways: small business**

**Mrs COOTE** (Southern Metropolitan) — This government has had almost 10 years to fix the complex and seriously inadequate situation of traffic congestion in Victoria. We have seen no funding in the budget to deal with this issue of relieving road congestion, which is now a serious concern to all motorists and all people on Victorian roads. However, in 2005 the then Treasurer, John Brumby, announced that the Victorian Competition and Efficiency Commission would undertake an inquiry into managing transport congestion. It brought down a report in 2006 that says:

Seeking to expand road capacity through clearways is not the answer. This reflects poor transport options, sends the wrong messages to commuters and undermines activity centre policy.

He should have read this report before he came out and made a unilateral decision to impose clearways in a 10-kilometre radius from the CBD, affecting all the business traders in that area. Many of the businesses in my electorate are going to go broke, particularly those on the northern side of roads such as Toorak Road, High Street, Malvern Road and in parts of the city of Port Phillip as well, because they are going to have a clearway imposed upon them by a heartless Mr Brumby, who does not care at all for small businesses. They will only effectively be able to work for a 5-hour period a day. It is a scandal and it is short-term planning.

### **Clearways: small business**

**Ms PENNICUIK** (Southern Metropolitan) — In the same vein, this morning hundreds of traders have gathered on the corner of High Street and Glenferrie Road, Malvern, to voice their opposition to the extension of time at approximately 150 clearways in Melbourne's inner suburbs. This follows a similar protest at the corner of Chapel Street and Toorak Road, South Yarra, on 22 May at which Mrs Coote and I were present. These are both well-established and diverse strip-shopping precincts, two of many that are a well-loved feature of Melbourne and the cultural glue of local communities.

Extending clearway times will have an enormous impact on the small businesses in shopping strips all over inner Melbourne. Extending clearways will not reduce road congestion or assist trams or buses or their

passengers to get to their destinations more quickly or more safely. Nor will it help the government meet its mirage-like target of 20 per cent of all trips being made by public transport by 2020.

Extending clearways will just attract more cars. I use trams all the time. During clearway times the cars just whiz by them when people are trying to get on or off, endangering their safety. Cars also stop in front of trams and hold them up at traffic lights, and there is little that tram drivers can do about it.

This is just another case of wrong way, go back. The government is not serious about sustainable transport solutions for Melbourne. There is no reason why Melbourne cannot have a reliable and convenient public transport system like those in Vancouver, Amsterdam and Copenhagen, except for a total lack of vision from the government.

### **Rotary: Model United Nations Assembly**

**Mrs KRONBERG** (Eastern Metropolitan) — During the weekend of 3 and 4 May, Rotary District 9810 once again conducted the Model United Nations Assembly (MUNA). I had the pleasure of meeting student representatives from over 70 schools throughout metropolitan Melbourne, especially those east of Melbourne in the south-eastern and southern suburbs. The students participated in the assembly, which was conducted in the Legislative Assembly chamber of this Parliament and according to the practices of the General Assembly of the United Nations. Each student was allocated a nation to represent in the assembly, and they are to be congratulated on their appearance and their conduct. Students and their families must have invested many hours both in researching and creating the national costumes of the countries they represented. It was a very colourful spectacle.

During the proceedings and the debate on a range of issues recently debated in the United Nations itself, there was clear evidence that students had undertaken extensive research into the background of the issues before them, the countries they represented and the positions these countries adopted on resolutions. Rotary District 9810 and the organisers of MUNA are to be congratulated on their management of this important forum. The assembly was chaired by Mr Pat Lannan. The chairman of MUNA, Bob Richards, and the Rotary district governor, Dick Garner, are to be congratulated. All the people organising this event deserve recognition for their vision and their contributions to the ongoing support of this worthy initiative.

### **Illoura Residential Aged Care: opening**

**Ms DARVENIZA** (Northern Victoria) — Last Wednesday I was delighted to open the Illoura nursing home, a 62-bed Northeast Health facility located in Wangaratta. The name 'Illoura' is Aboriginal for 'peaceful place', and it is indeed a peaceful place. It is a beautiful nursing home that is delivering a very high-quality standard of care to the frail aged in the north-east. Not only will it be a great place for the frail aged to live and receive treatment and support in, it will be a great place for nursing as well and will attract and retain allied health and support staff in that area.

### **High Country Reservations: grant**

**Ms DARVENIZA** — I was also very pleased to announce a \$35 850 grant to the Mansfield-based High Country Reservations, which will include the training of staff in leading-edge technology with the expectation that we are going to be able to turn over an additional 20 per cent and boost sales as well as add jobs to that high country area. I want to congratulate the staff on putting together a very proficient and highly technical IT online booking service. It is certainly going to be one that I know all the staff there are looking forward to gaining the skills to be able to implement.

### **Eley Park community centre: funding**

**Mr DALLA-RIVA** (Eastern Metropolitan) — I rise to express my total disgust at the Rudd government's recent withdrawal of the \$250 000 funding grant that was committed last year for the Eley Park community centre. An email was sent to the Whitehorse council on 14 May, which said essentially that the funding has been withdrawn. The council had already started the development. For those who have been there — —

**An honourable member** — They were probably at the summit.

**Mr DALLA-RIVA** — That is probably right — they actually had to go to the summit. We now have a facility that is half developed. There is local government funding and state government funding from members opposite, but the federal government has decided in its wisdom to pull the money from the Regional Partnerships program. This is an outrage.

The community has an expectation of this program being completed. It had a written guarantee from the former minister who held that portfolio, but because there was a change of government, a change of heart, a callousness towards the people of the eastern suburbs yet again by Labor, we now find that this important

community development is really at a crossroads. It is a disgraceful decision by the government, and it is disgraceful that the decision was made via an email to the Whitehorse council. Now the Whitehorse council and the residents of Blackburn South are left scratching their heads and wondering how they are going to fund the remainder of this project.

### **Buses: south-eastern suburbs**

**Mr SOMYUREK** (South Eastern Metropolitan) — I rise to commend the Minister for Public Transport in the other house, Ms Lynn Kosky, on the introduction of vast improvements on bus routes 892 and 893, which has meant there are more flexible and better services for residents of Cranbourne, Dandenong and Narre Warren South. Long distances between estates, train stations and shopping centres in these growth suburbs mean that residents without cars and the elderly often feel isolated. These improved services will assist in reducing some of the social isolation felt by residents who live in these estates.

The improvements on route 892 include longer operating hours, all new Sunday services and increased weekday services and frequencies. Route 892 now runs until 9.00 p.m. on weekdays, Saturdays and Sundays, with a Saturday timetable operating on public holidays and a Sunday timetable operating on Christmas Day and Good Friday. The improvements to bus route 892 mean more flexible travel options for Dandenong and Narre Warren South residents. Route 893 on the other hand has been operating until 9.00 p.m. on weekdays, Saturdays and Sundays since 2006. These changes also complement the minister's announcements of an increase in the frequency of services on weekdays. The changes to routes 892 and 893 represent a combined — —

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

### **Transport: east-west link needs assessment**

**Mr FINN** (Western Metropolitan) — Along with Ms Hartland I addressed a recent rally in Yarraville which was called to protest against the obscene number of trucks on local roads. A local Labor luminary took the microphone to tell us all, 'My friends, Eddington is the answer'. I, for one, hope he is right; I, for one, sincerely hope the report by Sir Rod Eddington will be the answer to many of the traffic problems plaguing the western suburbs of Melbourne.

I trust this report will be actioned. I understand it is currently under review. Surely only a Labor government would require a report on a report. Let us

hope that the government breaks the habit of a lifetime and does not shunt this report, after the review, off to a committee, working party or further inquiry, or indeed to a task force. We need action now. The inner west of Melbourne has been suffering for too long to be subject to this government's usual procrastination and indecisiveness. The report must not become just another dust covered shelf-filler in some bureaucrat's back room. We are told Eddington is the answer. I say to the government, and I am delighted to see that the Treasurer is in the house as I say it, 'It had better be!'

**Water: north-south pipeline**

Mrs PETROVICH (Northern Victoria) — The CSIRO Murray-Darling Basin sustainable yields project has clearly determined that the Goulburn-Broken region is in dire straits. This should set alarm bells ringing in this stubborn, arrogant government's ears. The report released last week found that, if the climate conditions of the last 10 years were to continue, average surface water availability would be reduced by 41 per cent and the volume of water diverted for use within the region would be reduced by 25 per cent.

It is, without question, time to plug the pipe. Instead of fooling with our future, this government needs to admit it was wrong. It can no longer afford to hang out to dry the people in rural and regional Victoria in favour of Melbourne. There are so many things wrong with the way this government has gone about this process, pitting the country against the city, sacrificing country water to appease city voters, with no community consultation and no regard for the future of country Victorians. The CSIRO report shows what we in the country already know, that there is not enough water to go around and certainly not enough water to go south.

Last week Ted Baillieu, the Leader of the Opposition in the other place, my colleague Wendy Lovell and I visited Yea Wetlands, where the riverbed was bone dry. We saw firsthand the ongoing effects of the drought and the potential devastation that the north-south pipeline will cause. Last week the federal government announced a number of projects to improve and monitor the river and the health of the wetlands. The federal Minister for Climate Change and Water, Senator Wong, said that this was an important part of her government's Water for the Future plan, and yet if Mr Brumby has his way, there will be no water for the country.

I wholeheartedly support those who are prepared to stand up and be counted rather than be bullied by this

Brumby government. Next week there will be another protest rally on the steps — —

The PRESIDENT — Order! The time for members statements has expired.

**PORT SERVICES AMENDMENT (DISPOSAL OF MATERIAL) BILL**

*Introduction and first reading*

Ms PENNICUIK (Southern Metropolitan) introduced a bill for an act to amend the Port Services Act 1995 and for other purposes.

Read first time.

**WATER: INFRASTRUCTURE**

Mr D. DAVIS (Southern Metropolitan) — I move:

That this house welcomes the Victorian Auditor-General's report on *Planning for Water Infrastructure in Victoria* tabled in this house on 9 April 2008 and —

- (1) notes that the matters raised in the report relate to a very serious matter of public policy, namely, the need for the Victorian community to, through appropriate supply and conservation measures, ensure that Victorian towns and regional cities and Melbourne are able to look forward with confidence and security to sufficient high-quality water being available in the future;
- (2) in welcoming the Auditor-General's report, the house is aware that the Auditor-General relied on a number of key documents and reports in reaching the many conclusions and in framing his recommendations to the Parliament and notes also that many of these documents are not publicly available;
- (3) in noting these points, the house believes that given the seriousness of the matters and issues raised in the Auditor-General's report it is in the public interest that these critical documents are made available to the Parliament and the Victorian community at the earliest feasible opportunity; and
- (4) that in accordance with sessional order 21, there be tabled in the Council by 4.00 p.m. on 11 June 2008 the following documents:

Report page reference no.	Document
3	Catchment management authorities operating reports
3	Catchment management authorities compliance reports
21	Final business case covering the food bowl project

31	RMCG, <i>The Food Bowl Alliance — Modernising the Goulburn Murray Irrigation District</i> , final draft report prepared for the Department of Sustainability and Environment (DSE), 2007
36	PricewaterhouseCoopers, <i>Desalination Procurement Options Analysis — Full Report</i> , prepared for DSE, Melbourne, 2007
41	Business progress reporting (BPR), DSE database
42	DSE internal departmental paper on the proposals to restructure the Office of Water, June 2007
45	Individual reports generated by water companies and catchment management authorities tracking some aspects of the strategy including water conservation and recycling
45	<i>Annual Review of the Central Region</i> — referred to in PricewaterhouseCoopers and Snowy Mountains Engineering Corporation, <i>DSE Central Region Sustainable Water Strategy Annual Review Framework</i> , prepared for the DSE, Melbourne, 2007, page 6
46	Spreadsheet reviewed by the Auditor-General tracking all of the 129 strategy actions, October 2007
47	Draft text for inclusion in the DSE 2007 annual report in response to reporting requirements for regional sustainable water strategies under section 22J of the Water Act 1989.
47	Draft document from DSE setting out proposed reporting protocols
48	Mid-2006 Victorian Water Trust (VWT) evaluation report
48	VWT progress report to the VWT advisory council for period up to June 2007, assembled by the VWT secretariat within DSE
48	VWT project register, listing of actual expenditure by project produced by the DSE finance division covering the period up to June 2007
48	Business Progress Reporting (BPR) documents for VWT projects, November 2007
54	PricewaterhouseCoopers, <i>DSE Water Industry Governance Review</i> , draft report, prepared for DSE, Melbourne, 2006
65	DSE draft terms of reference — integration working group

In moving this I want to make the point — and this has been said many times in this chamber — that water is one of the most important issues that faces this state and this nation. We face a crisis that is partially man-made and partially due to certain climatic changes that are

also likely induced by the actions of man. Nonetheless Victoria is, in a sense, a captive of its climate, and it needs to undertake sufficient projects and put in place sufficient measures to enable our irrigators, our small rural towns, our regional cities and our capital city, Melbourne, to all be in the position where they have secure water supplies and are able to undertake their business domestically, industrially and in farming practices without fear and without excessive concern about the impact of water scarcity.

There are a number of ways that this can be done. Recently members of this chamber heard discussions led by Mr Hall and debated a bill that was introduced to this chamber that proposed putting in place procedures that would see water savings in metropolitan Melbourne. That is certainly a very big part of the picture and I commend Mr Hall on his advocacy for measures relating to savings, recycling and using the water we have in Melbourne more effectively. That is a base start for what we have to do.

At the same time we have to face the challenge of climate change. Much has been said in this chamber about this. It is not my place today to begin a large discussion, but I do want to place on record that part of the challenge is our response to climate change locally, statewide, nationally and internationally. All those levels are important. We know from what the Stern review report said and in particular from what Ross Garnaut has said that southern Australia will face a particular challenge. The period of the last seven or eight years, and indeed slightly longer than that, may well be part of that long cycle that Mr Garnaut and others have pointed to. In particular, the last five to six years have been a period of low rainfall. There is no question of that, or that 2006 was a year of extremely low rainfall.

I make the point, though, and I make it very strongly — and this is a very direct criticism of the current government — that the management of water has been characterised by the failure to react and put in place the proper systems and procedures. There are a number of possible responses. One of them is to look at new ways of augmenting the water supply, on which a number of options could be put on the table — and the opposition certainly did that at the last state election. It looked at a modest and reasonable desalination plant of 50 gegalitres modelled on what Perth has, that could have been managed sensibly in terms of its greenhouse issues and could have been sited in a place that would have caused minimal environmental impact.

**Mr Leane** interjected.

**Mr D. DAVIS** — That was part of the process, Mr Leane. Through the Chair, unlike Mr Leane's government, we were prepared to consult with the community; the government has not been prepared to consult with the community about the placement of the 150-gigalitre outfit down in Kilcunda on the coast. This is part of exactly what I am about to say in this debate. This government cannot manage major projects; it has no concept of how to manage major projects. It does not do the forward planning that is required. It has not put in place the water savings measures. It has not augmented the water supply, and it has now been pinged for it by the Auditor-General in this very important report that has come down today, the one I have referred to in this motion.

The report that was tabled in this house recently entitled *Planning for Water Infrastructure in Victoria* could not have been a more damning report of the government's mismanagement of water infrastructure and water procedures in this state. I commend the Auditor-General for his sensible and grounded work. I make some points about this. Essentially this is a document that seeks to examine the processes which the government put in place, and which the Auditor-General is now examining, as its response to the gathering water disaster that is facing the state.

Very sensibly the Auditor-General has looked at a number of these parts, and I want to step through them and indicate to the chamber why the documents I have outlined in the schedule attached to the motion are important. In his report the Auditor-General makes reference to a series of documents, some of which are in the public domain, some of which are not. More evidence has appeared before the chamber today with the tabling of another report by the Auditor-General. I make the point in this motion that the Auditor-General's report is important, and given the crisis with water management in this state the community is entitled to understand the full background to how he arrived at these damning recommendations to enable it to properly respond and to enable the opposition, the Greens, the DLP, The Nationals and others to respond in a systematic way to what is going on. His report is the linchpin; it is the start of the response. It is the start of how we can unpick the catastrophe — the mess — that has been left by this government's mismanagement of water policy over the last nearly nine years.

I want to step through this in a systematic way. Those who have a copy of the motion and the table may well want to follow me as I step through the mechanics. I want to start with the Auditor-General's overall conclusions and put them on the public record again.

He looked at the issues around the \$4.9 billion *Our Water Our future* which is the next stage of the government's water plan for 2007; he looked at the sustainable water strategy; and he looked at a number of other government documents. I want to quote from the conclusions on page 2 of his report, which states:

Our review of the department's records shows that most of the actions within this strategy have been progressed. Some, however, have fallen behind schedule as resources have been diverted to address the demands of a worsening drought.

While the white paper and the central region strategy have been viewed positively by stakeholders in the sector, the level of information provided to the community on water supply projects has been inadequate and needs to be improved.

This motion is the first step in improving that information flow for stakeholders and the community, for farmers, for consumers, for small towns, for large towns and for Melbourne as well. The Auditor-General continues:

While the audit recorded a favourable conclusion about the development of the white paper and the central region strategy, the same is not the case in relation to the recent Victorian water plan.

He goes on to say that the Victorian water plan:

... fell short of the standard the department applied when developing the white paper and the central region strategy. In particular, the plan was finalised with:

minimal stakeholder consultation

inadequate levels of rigour applied to estimate the costs, benefits and risks of some of the key component projects.

It is incumbent on the government to provide full, accurate and timely information on its financial commitments and projects put before the community.

I agree with the Auditor-General on this. I believe most reasonable Victorians agree with the Auditor-General on this, and I believe most members of the chamber agree with the Victorian auditor.

It further states:

The Victorian water plan did not provide this information. There were wildly varying levels of rigour around the plan's costs and expected water savings benefits. The documentation did not explain this. This is essential information, especially when an emergency situation requires streamlined processes.

In his recommendations he made a number of important comments, and I am quoting from recommendations 1.2 and 1.3 of his report where he said that the department should:

progressively inform the community about the costs and benefits of projects included in the Victorian water plan ...

publish the detailed analysis underpinning the estimates of water savings and costs for the food bowl modernisation project.

Over recent weeks we have seen increasing evidence about the shonky figure work underlying the food bowl modernisation project. It might be a worthy project, it probably is a worthy project, but it has not been worked through properly by this government. The government has asserted a certain level of savings, and we know from what the Auditor-General says here and from the information that has come out of the community in recent months, that those assertions are not underpinned by facts.

The Auditor-General also says that the government needs to work with the central agencies and the relevant portfolio minister to explain to the community the level of rigour underpinning project costs and benefits and publish information on the progress and impact of projects funded by the Victorian Water Trust. The VWT is a mysterious thing that is hardly mentioned in the budget papers, and the community does not understand how it works. This is something on which the community needs to be brought into the trust of the government, and achieving the release of these documents is one small step in doing that.

The Auditor-General goes on to say that the department needs to validate the flow compliance information provided by catchment management authorities. It is no good the catchment management authorities reporting — and I am a great supporter of catchment management authorities — if the community is not absolutely confident about the information they are providing. We have seen the disappointing federal Minister for the Environment, Heritage and the Arts, Peter Garrett, slash into catchment management authority budgets in Victoria. He slashed the budgets of those important catchment management authorities by 40 per cent this year, and next year it will be 100 per cent. They will have to bid their entire money against criteria that are unfavourable to Victoria.

Environmental projects, environmental actions and environmental protections delivered by catchment management authorities in Victoria will be cut drastically because of the criteria that Minister Garrett, the former rock singer, has put in place in his new role as federal environment minister.

That is a far cry from what Mr Garrett promised before he was elected. People thought he would be in favour of protecting the environment; instead he has not only disappointed on almost every turn and on certain major projects but in particular for Victoria his approach and understanding of catchment management programs has

been disappointing — and he has chosen to slice in with a sharp knife.

Page 3 of the report references the catchment management authority reports and those for the period relevant to the Auditor-General's report. They are what is being sought, and I put that to the house.

Page 21 of the report details other key findings, and it is again important to put these on the record:

The white paper was comprehensive, balanced and well supported, but did not clearly prioritise, schedule and cost the 110 planned actions.

It is all very well to put out a wish list of things that you think should be done, but in government you have to say what is important and what you are going to do first; how you are going to pay for it; which year you are going to fund it in; and which budget the money is going to come from. You cannot just write out a wish list. We need to get to the bottom of the government's decision-making processes here.

The strategy was issued in October 2006 after water inflows had reduced massively, which led the Department of Sustainability and Environment (DSE) to develop the water plan under the guidance of an interdepartmental committee. I note the presence of that interdepartmental committee, and I believe it is important in the end that the work of that committee be closely scrutinised. I do not believe there has been enough work done to fully scrutinise that committee.

Page 21 also refers to a final business case covering the food bowl project. I believe that document should also be made public. Page 31 of the report refers to a number of documents, but particularly the final draft report entitled *The Food Bowl Alliance — Modernising the Goulburn-Murray Irrigation District* prepared in 2007 by the Department of Sustainability and Environment. It is absolutely urgent that that full report is made public.

I will make some comments about the process I have gone through in bringing this schedule of documents to the chamber. I have closely examined this report and have tried to source every document the Auditor-General has relied on. Either I, my staff or others in the opposition or the parliamentary library have been able to locate many of those documents. Some — and they are the ones in this schedule — people in the parliamentary library could not locate. We went one step further: we asked parliamentary library staff to liaise with those in the Department of Sustainability and Environment library. They spent a lot of time doing that, and I pay tribute to the work of

the library staff in assisting me in bringing in this motion today. It has not been an easy task.

**Mrs Peulich** — Frustrated by Brumby.

**Mr D. DAVIS** — Indeed. It has not been an easy task for the library staff to try to source as many documents as possible. This cluster of documents in the schedule are the ones that are not publicly available and that the library staff could not obtain from the DSE library.

Page 31, as I said, refers to that very important final draft report on modernising the Goulburn-Murray Irrigation District. Page 36 refers to another document which is not yet in the public arena, the PricewaterhouseCoopers *Desalination Procurement Options Analysis — Full Report*. The Auditor-General has closely relied on this for some of his assessments. Given the size of the desalination project — said to be worth \$3.1 billion, with other estimates going up to \$4.5 billion and some estimates perhaps even higher than that — which is a major project that will have a huge impact on the Victorian budget and the Victorian water supply, the community has every right to understand these issues and to put in place a process to secure those documents into the public arena.

I am also seeking the DSE business progress reporting (BPR) database referred to on page 41 of the report. I am not fussed about which way it is presented. It might be sensible for DSE to simply provide a disk that would be available to members of this chamber. I believe that business progress reporting database that has been relied on heavily by the Auditor-General should also be in the public arena. The report states that:

Of all the projects captured by the BPR system, 20 per cent required a management review and a full risk assessment.

The department conducted a review which rated projects in terms of their:

attributes including size, risk profile ...

the level of documented management ...

performance taking account progress against milestones ...

In May 2007 the review recommended that:

6 projects ... required a full risk assessment —

we do not know which projects they were, and we should —

a further 15 projects ... were tracking well ...

the remaining 48 projects required management responses to the small number of categories identified as underperforming.

The Auditor-General says:

We have taken account of this information in our assessment of project monitoring and implementation.

At page 42 there is reference by the Auditor-General to an internal departmental paper on the proposals to restructure the Office of Water. For the benefit of the chamber I will step back in time and indicate that the Office of Water has been restructured and a major projects unit has been put into the Office of Water. Some in the chamber may remember some of my questions to the Minister for Major Projects, Minister Theophanous, at an earlier point in this current electoral cycle when I asked him, knowing full well that we were going to have to undertake some large projects in the water area, whether he would undertake those projects through his division of Major Projects Victoria. He gave evasive answers. Of course what happened was that Major Projects Victoria had that responsibility ripped away from it, and it has been given to a new major projects unit inside DSE. I want to see that internal departmental paper in order to understand why, given the non-performance — the basically very poor outcomes from that process and the management by that office — the restructure was ordered in the way that it was.

Page 45 of this document refers to individual reports generated by water authorities and catchment management authorities tracking some aspects of the strategy, including water conservation and recycling. Given the paltry efforts on conservation and, in particular, recycling, at other spots — not necessarily by people in large towns — those reports are important. In my view all reports viewed by the Auditor-General should be in the public domain. Regarding the reference to the annual review of the Central Region Sustainable Water Strategy referred to in the PricewaterhouseCoopers report, I believe we need that report. It would be helpful in understanding the broader issues.

At page 46 there is a reference to the review by the Auditor-General of a spreadsheet tracking all 129 strategy actions under the central water strategy. In my view they should be reported regularly. There is no reason why the whole community should not be brought in. The report says of the Central Region Sustainable Water Strategy:

Its 129 actions are now being implemented — some accelerated in response to ... drought conditions in Melbourne and Geelong — by government in partnership

with a wide range of stakeholders including water authorities, catchment management authorities and Victorian communities.

...

We reviewed a spreadsheet tracking all ... 129 strategy actions dated October 2007 and found that the information did not allow us to understand each project's status ...

Even the tracking information inside the Department of Sustainability and Environment (DSE) is insufficient. This is the body that has the responsibility. Understand what we are being told here: the only central tracking system is this 129 strategy action list — it is some sort of rolling spreadsheet — but even this list is not accurate, according to the Auditor-General. I continue to quote from the document:

58 projects were 'in progress' ... 11 of these had been accelerated in response to the drought ... we did not have sufficient information for 55 projects to understand their status ...

This is just a list — spare us! This is the most important immediate issue that must be dealt with by the government. It has an interdepartmental committee working on it — a committee that should be getting to the nub of things, tracking what is being done, accelerating what it can, but instead we have this:

we did not have sufficient information for 55 projects to understand their status

four projects had been completed

the remaining projects had been delayed by the continuing drought, and in one case abandoned.

I do not think I need to say more about that.

Page 47 quotes from the draft text for inclusion in the DSE annual report. I make the point that the department needs to lift the standard of its reporting on this issue. I will be very interested to see what the department is prepared to report in the annual report that is due in the next couple of months or so. Clearly the text referred to was intended to be included, but was not. I believe that full text — not the Auditor-General's extract but the full text — should be released so that the community can get a better understanding of what has gone on.

Page 47 also refers to a DSE draft document setting out proposed reporting protocols. Again, this is about transparency and getting the facts out into the public arena. Given the inadequate reporting pointed to by the Auditor-General, this is a helpful document that will enable us to decide where the benchmark for reporting ought to be set.

Page 48 refers to the mid-2006 Victorian Water Trust evaluation report. I believe that should also be in the public domain, as should the VWT progress report to the advisory council and the project register listing the actual expenditure by project, which is produced by the DSE's finance division. Why should the Victorian community not know how much is being spent on these individual projects? Why on earth shouldn't that information be reported? It should be available on the website. I do not have a problem with the costs and spending being put up by the government at some sensible interval. This would help, as people would know where projects were. I do not see why the government does not put these documents into the public arena. The information in the business progress reporting documents for the VWT projects, dated November 2007, again would provide an important database, and we should see the details. I do not mind how the department reports it — it could do it electronically or via documents — it is the information that is important.

Page 54 refers to the draft report of the PricewaterhouseCoopers *Department of Sustainability and Environment — Water Industry Governance Review*. This version should be in the public domain. It would be helpful in understanding the governance of the water industry — and I will come to the problems of governance in the water industry in a moment when I refer to an Auditor-General's report that was released today.

Page 65 refers to the draft terms of reference for the integration working group. We need to understand what riding instructions these capital projects divisions and others are being given. We are setting up new structures — they are patently not performing — and we need to understand what riding instructions organisations have been given and how they can sensibly be improved.

As I said at the start, I am very thankful that the Auditor-General has reported in the way he has in this report. It is an important step. I note that today the Auditor-General released a further report, *Piping the System — Incorporating the Wimmera-Mallee Pipeline and the Goldfields Superpipe*. If members do not think there is a problem with the management of water projects in this state, I suggest they take this document — a bit of bedtime reading — with them when they go home tonight and have a good read.

It is important to put these matters on the record, given the fact that the report has been tabled today. The introduction to the report starts by saying:

The Wimmera Mallee pipeline project is Australia's largest water saving project. It is being funded by the commonwealth government, the state government and the Grampians Wimmera Mallee Water Authority (the authority).

Mr Koch will remember our visit with others to the Wimmera–Mallee pipeline project, looking at infrastructure throughout his region. It is a very important project that has been supported by the opposition for many years.

**Mr Koch** — All along.

**Mr D. DAVIS** — All along. The government has been very slow. This is a classic example of a case where the government should have got on with the water-saving measures much earlier when the steps at Wimmera Mallee were understood.

The introduction to the report goes on to say:

The pipeline is projected to save 103 000 megalitres of water currently lost from the existing system.

Water savings are important, but they have to be thought through, they have to be costed, they have to be understood. This is where the food bowl modernisation project has not been fully thought through and not been properly costed. The idea that those savings can be made just at some arbitrary level is fanciful. Water savings in irrigation systems are very dependent on the particular circumstances. They are dependent on the terrain and the climate. In sandy soils the loss of water is much greater than in clay soils. These are all relevant. I could go through a long list of issues that directly affect the water savings that can be achieved.

If those savings are not durable and you are spending a lot of money in an area where you are not going to make savings, this can be unwise. You may be much better directing that money into an area where you can make greater savings. The preliminary work, the advance work, is very important — the costings and the understanding of how the savings can be made.

The auditor said at page 2 of his report *Piping the System — Incorporating the Wimmera–Mallee Pipeline and the Goldfields Superpipe* tabled today:

While the authority's board and management were provided with general assurance by the probity auditor regarding the probity of the tender process, there was no specific assurance that all of the requirements of the probity plan were completed.

Let us think about what the Auditor-General is actually saying here. Let us do a little bit of a double-take. The Wimmera–Mallee pipeline project is Australia's largest

water-saving project, but the Auditor-General says today:

... there was no specific assurance that all of the requirements of the probity plan were completed.

We are doing the largest water-saving plan, but we do not have full confidence in the probity plan. The guys running these sorts of projects are clowns. They have got to get this right because it is very important that it is run properly.

The report continues:

Stage one of the project received a poor tender response and higher than expected tender prices.

The Auditor-General makes an important comment at dot point 3 where he says:

The authority's decision to enter into an alliance agreement with a preferred tenderer, who was selected following a traditional fixed-price tender process, was unwise.

In moving to the alliance contract, the authority reduced the tenderer's risk and increased its own risk, without obtaining a corresponding reduction in the tender price. This reduced value for money for the community.

That is my point. We need to understand these projects and scrutinise them very closely. In the old parliaments that undertook the water projects, built the irrigation systems, built the Thomson Dam there was a Public Works Committee, and that committee scrutinised all of those projects.

**Mr Lenders** — You abolished the Public Works Committee.

**Mr D. DAVIS** — No, you did. The former Minister for Planning and Environment, Tom Roper, abolished the Public Works Committee. Go back and read in 1984 and 1985 — —

**Mr Lenders** interjected.

**Mr D. DAVIS** — I have got to say that Tom Roper was the one who abolished it. Your lot were the ones who abolished it.

There needs to be greater scrutiny and greater oversight. The old Public Works Committee used to bustle in and find out what was going on. It had the expertise; it had people with long durability on those committees. They had the knowledge and the expertise to scrutinise these people to make sure that the projects were delivered on time, to make sure they were delivered on budget and to make sure that what they promised was actually what came through. But, no, this government has gone off willy-nilly with an uncostered

set of water plans that have not delivered in the way that is required, that are behind budget and behind time. It is a shambles.

**Mr Koch** — Move the blame to authorities!

**Mr D. DAVIS** — But they are the government, Mr Koch. You can point your finger at the authorities but those authorities are set up under state statutes. The boards are appointed by the minister. They administer public funds, they administer ratepayers' funds. Those boards have responsibilities, but the ultimate responsibility rests with the minister. In this case it is Tim Holding, the Minister for Water in the other place — Tiny Tim, as they call him.

The Auditor-General's report continues:

By undertaking the system two trunk pipeline as an extension to the contract for the construction of systems one and seven, the authority cannot be assured that it achieved the best price for this work.

Here is another clincher in the report today to back up the point I made about the earlier report just a few weeks ago, *Planning for Water Infrastructure in Victoria*. The Auditor-General says:

However, the project is estimated to cost significantly more —

Wait for how much more: \$248 million, or 50 per cent more.

**Mr Koch** — It is 56 per cent.

**Mr D. DAVIS** — It is 56 per cent more than was provided for in the project delivery agreement. The report continues:

The authority should have formally notified the state government sooner that the estimated cost of implementing the project was likely to increase.

The cost overruns have resulted in the need for the authority to significantly increase its debt and the prices charged to its water customers. The proposed increase in debt creates a risk to the authority's business.

This is serious stuff going on here. It is about the economic future of the state. The Brumby government — like the Bracks government before it — is hopeless. It has not been looking at what is important for the security and future of the economy of the state: the basic provision of water to irrigators, to farms, to small towns, to regional cities and to metropolitan Melbourne. These are very important aspects that have to be dealt with, and my motion today is a modest step. I do not overstate the significance of this issue. It is simply one step in getting greater transparency and

accountability for what is occurring with these major water projects.

As I have said, I compliment the Auditor-General on his work. I have carefully reviewed those documents. I have found every document I could that is in the public domain, and many more as well, but there are a number of key documents that are not in the public domain that should be. Those documents should be available for groups to look at, they should be available for stakeholders to look at and they should be available for consumers to look at.

We need to understand who are the losers from this government's mismanagement. The losers are industry; the losers are farmers; the losers are a variety of horticulturalists, irrigators and so forth; and the losers are consumers. The list of losers also includes the environment. If projects are hopelessly mismanaged and water is lost and not accounted for properly, all of the groups and users of that water will suffer, whether they be environmental users, the irrigators, the town users or the city users. For the reasons I have outlined it is important that these documents come into the public domain and that we begin, with this small step, a process of greater scrutiny of this government's water projects. We need to continue with a greater series of steps to put in place better systems that will deliver water security for Victorians.

**Mr VINEY** (Eastern Victoria) — I always welcome an opportunity to speak on the great work the government is doing in relation to water infrastructure. It is probably the largest investment in water infrastructure this state has seen in 100 years. It is a massive investment at a time when climate change is a reality and particularly when the current drought has been severely affecting Victoria's water supply. It is so severe that in 2006 water inflows were dramatically lower, in some cases only a quarter or less of what the normal inflows into our river systems would have been.

Over recent times we have heard the opposition floundering around on the issue of water, trying to scramble together unthought-through policies. We have seen political opportunism of the worst sort, particularly in Gippsland, where the Liberal Party and The Nationals have been taking entirely different views on water. We had The Nationals running a disgraceful campaign in Gippsland, talking about Melbourne stealing Gippsland's water and — in their words not mine — sending back its poo. It was operating at the basest level of political opportunism on the issue of water.

At the same time that the opposition was saying that Melbourne was stealing Gippsland water, it was calling for the damming of the Mitchell River or the further damming of water out of the Macalister system. The only reason you could possibly want to dam the Macalister or the Mitchell rivers would be to send the water to Melbourne. There is no other sensible reason to be damming them. The position The Nationals has taken has been one of base politics and absolute hypocrisy. Not even the Liberal Party had the gall to take that position and support the damming of the Mitchell, but the Liberal Party has jumped on The Nationals bandwagon by talking about Melbourne stealing water from various places when it well knows that the state has a population base that needs to be serviced, and the state has river systems that need water in them. To dam the Mitchell River would be denying water out of the Gippsland Lakes, which is a fundamental economic goldmine for Gippsland in terms of the economic activity that takes place around the lakes in Gippsland. It is also an absolute environmental gem.

The government's position on water has been that we need to reinvest and modernise our water infrastructure. We started on this with the Wimmera–Mallee pipeline proposals right back when we were first elected in 1999. We have continued with the food bowl modernisation project. I know other members on the government side want to talk about that in a bit more detail later. What we are doing is creating water savings by modernising the infrastructure and delivering those water savings equitably to irrigators, to consumers of water and to the environment.

The infrastructure is not being paid for by people from a particular region; it is being paid for by all Victorians. The modernisation of the infrastructure across the state is being paid for by all Victorians, and all Victorians are entitled to a share in that investment. It is not a question of any particular group in our community stealing water from another group. This is a divisive and completely unnecessary campaign that could be done for no other purpose than to score political points and to try to divide one group of Victorians against another.

It is so inconsistent, because The Nationals people are arguing that, instead of the food bowl modernisation process taking place, we should dam the Mitchell, but of course they were pretty silent about damming the Mitchell in Gippsland. They are not too keen on it down there. It is not trumpeted from the rooftops there.

**Mr Thornley** — And send it to Melbourne?

**Mr VINEY** — That is right. As I said, the only reason that you would want to dam the Mitchell River is to send the water to Melbourne.

**Mr Hall** — It might be the only reason why you would build such a dam and put it to that purpose. It is not our intention.

**Mr VINEY** — There is no need for damming the Mitchell in Gippsland. The only reason you would do it is because of the demand for water in Melbourne.

How else are we dealing with the water issues across the state? As I said, we are modernising the infrastructure. We have also been requiring people to use less water, so over the last years we have seen reductions of over 20 per cent in Victorians' water use on a per capita basis. Hundreds and hundreds of megalitres of water have been saved in Victoria through those savings and the extra care that Victorians are taking in relation to their water use.

Another thing we are trying to do is encourage greater reuse of water through such projects as the Gippsland Water Factory, where there is a massive investment that will deliver significant benefits to industry and will increase environmental flows. We are looking at the improved use of water out of the eastern treatment plant, which The Nationals tried to make a lot of hay out of in winning the seat of Morwell, completely misleading people about that project.

The work is still being done, but it makes sense, if it is possible, to use recycled water in one form or another in our power stations rather than potable water. That makes fundamental sense, but The Nationals ran a campaign against it — for no other than a very base political purpose, absolutely exploiting people's fears and concerns and of course defying all common sense and logic.

**Mr Pakula** — Scaring the people they pretend to represent.

**Mr VINEY** — Absolutely.

*Honourable members interjecting.*

**The ACTING PRESIDENT (Mrs Peulich)** — Order! Mr Pakula is out of his place and disorderly. If he wishes to participate in the debate, he should return to his place.

**Mr VINEY** — What we know is that the government is encouraging greater savings in water use and greater reuse of water and is investing in major infrastructure, one of the largest infrastructure projects

on water the state has seen and probably ever will see. Across the whole state it will create a statewide grid for water and increase water supplies through improvements to very old irrigation systems, from which sometimes as much as 60 per cent — and even up to 80 per cent — of the water is lost through leakage and evaporation. In some instances the systems have been so inefficient because of the way they were designed and developed over 100 years ago.

The final thing the government is trying to do is provide more water, and that will be done through the desalination project. The desalination project will deliver significant water benefits to Victorians — I think 125 megalitres of water, which is equivalent to about a quarter of Melbourne's total annual water use. The proposal is for its development just out of Wonthaggi, and there are some reasons for that. One is that obviously you need to have the plant somewhere close to the water grid and somewhere to place the water. The intention is to take the water and put it into the Cardinia Reservoir, from where it can be added to the water system.

The desalination plant could not be built at the Surf Coast, for example, because the pipe systems tend to flow east–west, so you would be required to have it coming back in the opposite direction. The plant also needs to be located where there is decent open water rather than taking it from a bay. The Wonthaggi site suited a number of those requirements.

There has been some opposition — fairly isolated opposition, I would have to say — to the desalination project. I understand the concerns that some people may have in relation to this project, but when you look at the potential objections you see that one is around the return into the ocean of the residue after the osmosis process. All the evidence I have read indicates that all the residue is dispersed into the ocean within less than 100 metres, and there is an extremely small footprint into the ocean from the return of the residues.

When I was in Western Australia with the Environment and Natural Resources Committee — —

**Mr Barber** — Who needs an EES process?

**Mr VINEY** — I do not pay much attention to the Greens in this debate, because they did not even bother to nominate a person to be a member of the Environment and Natural Resources Committee. I did become a member of that committee, and I have been to Perth and had a look at the desalination plant there. From all the evidence I have read and what I saw during my visit and from the information I gained from

the operators of that system, there is an absolutely minimal environmental impact as a result of a desalination plant.

**Mr Hall** — How big is that plant? About 45 gigalitres?

**Mr VINEY** — The plant is about a third the size of the proposed plant in Wonthaggi. I can tell Mr Hall that it is not a particularly monstrous building — in fact it is a very modest-sized building — and I cannot see any architectural impediment to creating a building on the site in Wonthaggi that would be reasonably acceptable in that region.

The last and final objection to the desalination plant is really based on the landscape, and it shows why this issue is fairly local. Obviously the desalination plant will have an impact on the landscape and it will be a reasonably significant building. Last week I was talking to the U3A (University of the Third Age) people in Sale about the issues of water. They asked me about the project and the size of this plant. I have seen the plant in Perth and I pointed out to them the port of Sale building, which is right on the Princes Highway when you come into Sale, and said that the proposed desalination plant will not be much bigger than that building. Most of the people at the U3A meeting were surprised by that. They thought it was going to be some monstrous industrial complex, and it simply will not be of that sort of scale. I cannot see that there is an architectural problem with designing something that would be reasonably sympathetic in that environment.

Of course there will be an impact — there will be a landscape impact — but it will not be a monstrous sight. The Liberals opposite are saying that they think it is going to have a major landscape impact; this is the same party that proposed Wonthaggi as a potential site for a nuclear power plant. It wanted to put a nuclear power plant in Wonthaggi, but a water desalination plant is not acceptable.

**Hon. T. C. Theophanous** — Is that right?

**Mr VINEY** — That was their plan, Mr Theophanous. That was the Howard government's plan. Wonthaggi was one of the sites that it nominated for a nuclear power plant.

Coming to the specifics of the motion, which calls for a number of documents to be tabled, I looked at the processes listed in our sessional orders, and I thought, 'What is going on here?' We all know the politics of what is going on on the other side. Mr Davis is scrambling to maintain his relevance and his leadership over there.

**The ACTING PRESIDENT (Mrs Peulich)** — Order! The member, on the motion.

**Mr VINEY** — I am on the motion, and I will stay on the motion, because I am getting to the purpose of this motion being brought before the house. The purpose is not about Mr Davis's professed concerns about water, because it does not stack up with the historical record. This is about going down the same path that Philip Davis went down in relation to documents on gaming; it is about going down that path to create some kind of crisis or problem in the house and saying, 'There is a constitutional issue and the government will not produce documents'.

David Davis has listed a number of documents. In fact in his contribution he said that his office tried to get these documents and failed; it could not get those documents. That is what Mr Davis said. I am afraid that my office was able to get some of them pretty easily. We were able to get the *Food Bowl Modernisation Project — Steering Committee Report* of November 2007, which I think is one of the documents that Mr Davis has called for here. Another one that he has called for is *Accelerating Sustainable Water Management — An Evaluation of the Impact of Investment from the Victorian Water Trust*, and another one is the PricewaterhouseCoopers report titled *Department of Sustainability and Environment — Central Region Sustainable Water Strategy — Annual Review 2006–07*, which is dated 18 December 2007. How was my office able to obtain them?

**Mr D. Davis** — You probably asked the minister.

**Mr VINEY** — No, Mr Davis, we did not. We went on the World Wide Web — 'www.' — did a little search with Google and, lo and behold, here we go! We were able to get those documents while Mr Davis was speaking.

Mr Davis said his office was not able to get the documents. I could suggest a couple of people in the Liberal Party who would have been able to do it. They are experts at web work, they are experts at blog work. Perhaps he ought to get them into his office and have them do a little bit of a Google search to find the documents that he so desperately wants and has talked about as being such greatly secret documents. In half an hour I was able to get three of them. That demonstrates that Mr Davis — —

**Hon. T. C. Theophanous** — Doesn't tell the truth.

**Mr VINEY** — I am not sure, Mr Theophanous. Perhaps Mr Davis does not have an efficient office. Perhaps he does not know how to get onto the World

Wide Web. I will give him the benefit of the doubt, but I reckon members on this side all know a few people who could have done it for him. We have all read about them in the newspapers recently; there were a couple of guys in the Liberal Party head office who could have done this in a heartbeat.

This is all about Mr Davis hanging onto his leadership of that moribund lot on the other side. What has been exposed is that David Davis lacks the competence and the capacity for hard work necessary to be a leader of the opposition in this place. We will take this motion on advisement, if you like. We will have a look at the documents being asked for and we will decide whether or not it is appropriate for them to be handed over to the house, based on all the normal things that this government has always taken into consideration.

Matters that are cabinet documents should not be made available to the public, and there are good and sound reasons for that. Matters that are of commercial significance and commercial confidence need to be protected in order for the state to continue to do business with the private sector, and there are great principles as to why those things are the way they are. There are great principles about civil society that say that matters of advice that go to the cabinet need to be treated as confidential, and they need to be treated as confidential so that cabinet and ministers can get frank and fearless advice from their public service. That is a fundamental principle of the Westminster system. We will maintain that principle in our response to any call for documents.

But this government has made a significant commitment to being open and accountable. This is the government that restored the powers of the Auditor-General, who Mr Davis was so happy to quote at length here today. It was Mr Davis's party, when in office, which decided to nobble the Auditor-General. We are the ones who restored his powers. This government has had a significant commitment to that. Not only did we restore his powers, we made him an officer of the Parliament and accountable to this Parliament. This is the government that is absolutely committed to openness and accountability, and where it is appropriate to release documents, the government has always done so. Where it is appropriate to release them on the World Wide Web — 'www.' — they are always available.

I advise Mr Davis that it took half an hour to get three of them — half an hour! Perhaps he could go and get the couple of guys they want to expel from the Liberal Party who used to be over there at Exhibition Street and get them to come and work in his office. They might

even volunteer to show him how it is done; I do not know. What is required of a good leader of an opposition is not laziness but hard work, and that is what Mr Davis is demonstrating he is not able to do. He does not want to do the hard work — not even the hard work of typing ‘www.’ on his computer! He does not want to do that level of hard work. He wants to put up a motion and have the government do it for him.

**Mr HALL** (Eastern Victoria) — I appreciate the opportunity to be back here again on a Wednesday morning during general business time talking about water. It is a subject that I have persistently pursued over a long period of time, and I am pleased to again have that opportunity here this morning.

I am going to speak in strong support of this motion. I have a number of points I want to make, which I will get to, but first of all I cannot help but start with a commentary on Mr Viney’s contribution to the debate this morning. Mr Viney is a person who has no shame. He says what he wants to say, and he tends to make it up as he goes. We have heard some fantasy stories this morning about Liberal Party policy and about The Nationals policy in the past. Mr Viney is perpetuating myths again, and the people of Victoria deserve to know the facts.

Mr Viney said that The Nationals were intent on damming the Mitchell River and claimed that the only reason for a dam on the Mitchell would be to supply Melbourne with that dammed water. First of all, I want to clear the record and state that The Nationals as a party have never said categorically that we need to dam the Mitchell. It always should be an option, as a dam in any part of Victoria should be an option, and the proper evaluative studies need to be undertaken before any new water storages are built in Victoria. We have said consistently, though, that the people of East Gippsland need greater security of water supply, and consequently we believe — like East Gippsland Water, which has built an off-stream storage dam in part of East Gippsland — there is potential to increase the volume of off-stream storage. We know what can happen during times of flood. We have seen repeatedly and regularly over the years in Gippsland that at times of flood some of those off-stream storages can be filled. We say that the government should be looking towards doing that more frequently than it is now.

At Woodglen, just out of Bairnsdale, East Gippsland Water has already built a substantial off-stream water supply, but we need greater security in East Gippsland for the vegetable growers, for the irrigators, for the tourism industry and for business in the area of Bairnsdale and beyond Bairnsdale in other parts of East

Gippsland. I was down there last week speaking with council officers, and they raised with me an issue relating to water supply for industrial purposes in and around Bairnsdale. Indeed the pressure was such that the businesses and industries there were having to spend some tens of thousands of dollars to supplement their own water supply and increase their water pressures. It is an issue that I will take up with East Gippsland Water. The needs in East Gippsland are very strong, and if ever there were further water storages captured on-stream or off-stream of the Mitchell, it would not be to take that water back to Melbourne, but it would be for the use and benefit of the East Gippsland community. I put that on the record.

Mr Viney also perpetuated the myth that during the last state election The Nationals were spreading rumours or trying to create controversy about treated water being pumped from Melbourne back to Gippsland. Yes, we did express views about that, and we said this: our principal view was that we should be using recycled treated water, but that it should be used within its own catchment first and foremost. What we say now and what we consistently said prior to the last state election is: fix your own problems to the best of your ability in your own backyard, and beyond that we will help you out. After all, Gippsland supplies 60 per cent of Melbourne’s water already, and maybe there is capacity for more, because the government is in the process of reconstituting a link from the Tarrago Reservoir back to Melbourne, and I think that something like 15 gegalitres of water will come online fairly promptly in respect of that. There is a great transfer of water from non-metropolitan catchments now to meet Melbourne’s water needs, and we say that Melbourne has the capacity within its own structures to utilise treated water and water from other sources.

Mr Viney also talked about the modernisation of the food bowl being paid for by all Victorians. It is an interesting concept when we are using cost-reflective pricing structures across a lot of utilities now, including water utilities. In respect of the Gippsland Water Factory, yes, that is something that we have strongly supported, because what it is doing is treating Gippsland-based wastewater and reusing that water for industrial purposes in Gippsland. That is absolutely appropriate, but expensive. Indeed the Gippsland Water customers will end up with double their current water tariffs in the next few years. I think that over a period of three or four years the water tariffs will, as I said, actually double, and that is because we are doing the right thing by putting in place a major recycling plant in terms of the Gippsland Water Factory, which will supply industry needs. When that is fully operational it will mean that at least 25 per cent of the wastewater

generated in Gippsland will be treated and reused even for purposes other than agriculture, which is the most common use of treated water now. We are doing the right thing, but we are paying for it. Equally the people of Victoria, in Melbourne or other places, should be looking after their own problems and accommodating their own needs with their wastewater supplies.

Mr Viney also suggested that the desalination plant in Wonthaggi was attracting, in his words, only isolated opposition. I think that opposition is growing, and I think it is strongly growing, because people in Victoria now know that this government is committing them to the most expensive additional water option available — \$3.1 billion is the government's own figure. The Auditor-General's report, *Planning for Water Infrastructure in Victoria*, which has been the subject of commentary today, suggests that that is the least possible figure, and it is more likely to be a whole lot costlier than that.

I also want to draw the house's attention to the seminar that was organised by your good self, President, and the Speaker just recently in Parliament where we had a couple of expert people talking about water recycling, engineering and health issues — all those issues associated with water recycling. I asked at the end of the presentations what the comparative costs were between recycling water as opposed to desalinating water, and the answer I got was this: if the respective treatment plants were sitting on the same block of land side by side, the cost for desalinated water would be between two and three times that for recycled water. Then the comment was made that the real costs — significant additional costs — are incurred when you are pumping water over long distances, and that would be the case with the proposed Wonthaggi plant. It would not be two or three times dearer than the recycled water that could come out of the eastern water treatment plant; I suspect it would be closer to four or five times dearer. I think the people of Melbourne need to have some consultation with respect to that as to what options they would want to pursue, given that they will be the people who will be paying for that particular project. I believe that in Mr Viney's contribution this morning he made it up as he went.

The final thing I want to comment on is his statement that it is a priority of the government to require people to use less water. If that is a priority of the government, I want to know why government members did not stand up and support the motion that I moved two weeks ago in this chamber, which required a greater use of the substitution of potable water for non-potable purposes. The government did not even have the courage to vote on the issue. It had two speakers who made a limp

defence of the proposed government position, and then when the motion was put to a vote the government members did not even have the courage to put their names where their mouths are and say very clearly, 'We oppose this'. We can only say that that motion has now been passed without opposition from the government, because it did not vote against it. If Mr Viney were serious in his claim that this government is making it a priority for people to use less water, that is a hypocritical statement, given the government's failure to support the motion I moved in here two weeks ago.

That being said about Mr Viney's contribution, I want to move on. There is no doubt that changes to the current climatic conditions mean we all have to be diligent about our water use; there is no issue about that whatsoever. I believe that the priority should be in water conservation first of all and then water reuse. These are not the priorities of the government, as Mr Viney claims they are. Even in the water plan, which is the subject of commentary by the Auditor-General, water conservation and water reuse were numbers four and five out of a list of five priorities. The first one was the food bowl modernisation project; the second was the desalination plant; the third was building more pipelines to take water all around different parts of Victoria; and then finally the plan got to the issues of the conservation and recycling of water.

The people of Victoria are entitled to know the comparative cost of supplementing Melbourne's water supply. After all, they are the users; they are the people who have to pay for it. When members look through the Auditor-General's report and his recommendations and findings, they will see that the single biggest finding he made was about there being a lack of consultation with the people of Victoria and a lack of information given to them by the Brumby government. If members look at the recommendations under heading 1.3 on page 3 of the Auditor-General's report, *Planning for Water Infrastructure in Victoria*, they will see that he has made 10 recommendations, including to:

progressively inform the community about the costs and benefits of projects ...

publish the detailed analysis underpinning the estimates of water savings and costs ...

work with the central agencies and the relevant portfolio minister to explain to the community the level of rigour underpinning project costs and benefits when publishing information on committed projects —

to track and report on strategies, to publish information, and finally:

strengthen the processes it uses to review water authority plans to verify they conform with government policy objectives and that their projects and initiatives meet value for money criteria.

The flavour of the Auditor-General's report is exactly that. In the establishment of the water plan, this government has refused to consult and to disclose all the information on which its assumptions are based, and I think the people of Victoria deserve a lot better.

In the conclusions which are set out at the start of the report on page 2, the Auditor-General has said of the water plan that it was finalised with minimal stakeholder consultation and:

inadequate levels of rigour applied to estimate the costs, benefits and risks of some of the key component projects.

There is a far greater range of ways in which Melbourne's water supply can be supplemented than just the two preferred options which the government seems hell bent on pursuing. I have said it before, and I say it again, that the first two options — to conserve and to recycle water — should be the priorities of any environmentally responsible government, and they are not in this government's plan — they are numbers four and five.

Desalination is an option which people should consider. The whole idea is that we should have a clearly set out comparison of the costs of desalinated water with the costs of extra stormwater harvesting or extra recycled water. You can also supplement water supplies with water from underground aquifers, and that is possible within the Melbourne district. Many communities in country Victoria are already using bore water for that purpose. The city of Sale in Gippsland has used groundwater for a long time to meet its domestic needs. People have also suggested to me that sewer mining is a potential rich source of additional water for Melbourne. Even piping water from Tasmania to Victoria has been put up by some as an option. All I am saying about all of these is that we should be looking at them and making some comparison about the yield from those additional sources and the cost-benefit analysis.

**Mr Thornley** interjected.

**Mr HALL** — I am not sure what Mr Thornley is about to say, but his mutterings suggest that the reports were bad. They were not all that bad when you look at them. I have gone to the Web and found several reports — for example, the *Melbourne Augmentation Program — Water Recycling Options* comes up with some pretty good possibilities when you look at the costs and benefits of recycled water compared with desalinated water. Another one, *Stormwater Recycling*

*Feasibility Study*, which was undertaken by Sinclair Knight Merz for Melbourne Water and is dated 8 June 2007, again lists areas where it is possible to harvest stormwater and put it back into the system. Financially I think it stacks up pretty well with the desalination plant, but I am no expert in the area. What I want, and what I think the people of Victoria want, is a rigorous process by which the comparative cost of supplementing water supplies is able to be determined.

I have been contacted by a range of people who have put forward ideas related to water issues. I had one suggestion from Brad Evans, a civil engineer, who looked at the potential to recover stormwater and use aquifers underneath Melbourne as storage basins. The dams would already be there, if you like, in the form of an aquifer underneath this great city, and stormwater could be left there until it was needed to meet water-use needs within the Melbourne metropolitan area.

I even had some comments from Andrew Dawson, who sent me a detailed proposal about reducing mains pressure and how that could result in significant water savings in the area. I am not an expert on this, but I am saying that they are all options which this government should be considering. The *Seawater Desalination Feasibility Study*, put out by Melbourne Water, did not compare desalination with any other option to supplement water supply. It was largely based on a comparison of different sites which have been proposed around Victoria, and it looked at the environmental and financial costs associated with them. If members look at some of the work undertaken, they will see that the cost of piping water is a significant component of the cost of desalinated water. If there were a desalination plant on the Bass Coast, then close to one-third of the cost of water would be in the cost of piping it back into Melbourne's system. But it makes no comparisons with other sources of potential water to supplement Melbourne's water supply.

The point I am making here is that the government should be demonstrating why it has chosen to modernise the food bowl and construct a desalination plant as the two first and foremost options to supplement Melbourne's water supply. As I said, desalination is probably the most costly exercise. Water coming from the north of Victoria is desperately needed in the north. Lake Eildon and other major reservoirs are at 15 per cent capacity. Some reservoirs in the Wimmera are at far less than that. We still have a serious problem and it seems to me to be crazy to be taking water from the north of the state, where it is desperately needed, and bringing it to Melbourne when there is significant potential for Melbourne to cater for its own needs. That is what the people of Victoria want.

I note that yesterday in this chamber the Minister for Planning made some comments about Your Water Your Say, the community action group against the proposed desalination plant at Wonthaggi. Those people have said to me quite publicly, 'Show us your justification for desalination as a prime option for the government. Where is the cost-benefit analysis? Where is the rigour in terms of the costs which the government has determined?'. The Auditor-General made similar comments in respect of that project. He also raised the issue about this particular project being a private-public partnership, and says as part of one of his key findings on page 22 of the report:

The Partnerships Victoria process requires a further value-for-money analysis before the preferred procurement form is confirmed in 2009.

Again it is a simple request that the cost-benefit analysis should be undertaken. When I have talked about water in this chamber over a period of time, including on 19 September last year when I gave a reference to the Environment and Natural Resources Committee of the Parliament to look at the various options for augmenting Melbourne's water supply, my point has been that the government should do that cost-benefit analysis. It is the people of Victoria who are paying for these projects. They want to make sure they are getting the best value for their money. Are there cheaper options which could deliver us the same security of water supply? I think there are, but there needs to be some rigorous evaluation of the costs and benefits of those various options.

Indeed nobody would object and nobody in regions other than Melbourne wants to suggest that this water is ours and ours only. That is not the issue. What we want to say is that before taking more water from our regions, which has an impact, whether it be environmental or social, the government should look to see if there are not easier ways in which to supplement water supplies. The work to prepare that comparative data has not been undertaken. Numerous reports have looked at it, and I have listed some in my contribution this morning. In his report the Auditor-General indicates a whole range of sources on which he relied to draw knowledge. However, as he says in this motion, Mr Davis was unable to find something like 18 reports.

Let me make a quick comment about Mr Viney's claim that in half an hour he was able to find three of the 18 reports listed in the notice of motion. Mr Viney started looking only half an hour ago, but this motion was drawn up on 8 May, the best part of three weeks ago. One would have thought that if the government was coming out to defend its position then during that three-week period it might have told us exactly how

many of these reports are publicly available and how many are not, and how many of the three reports that Mr Viney has produced to the house this morning — by way of a cover from those reports — have actually been slipped onto the internet in the last three weeks.

**Mr Pakula** interjected.

**Mr HALL** — That could all have occurred, Mr Pakula. We just want to know. The government has had three weeks to prepare a better defence than I think the one Mr Viney brought forward by claiming that he could find three of the 18 reports. If all those reports which have been relied upon by the Auditor-General were available, I am sure a defender of the government would have come in and plonked all 18 of them on the table. I think there is still a lot of information which this government is covering up.

I want to conclude by re-emphasising the view I take in respect of all these issues. I do not rule out desalination and I do not rule out additional pipelines, but I want to be satisfied that this government is spending my dollars wisely and that the costs I am going to meet because of the need to improve water infrastructure are the cheapest possible while providing me with the same resource security. This government talks about the opposition being lazy, but it is the government that is lazy on this issue. It has not prepared any comparative data. It is interested in flagship projects like desalination and the north-south pipeline and that is all it is interested in. It is not interested in looking at other alternatives which might not be so publicly acceptable, or indeed so publicly known about.

I implore the government again. I hope the Environment and Natural Resources Committee does that work shortly and provides some instruction to the Parliament on these matters. What needs to be done is the comparative cost analysis before committing ourselves to \$4.9 billion. They are the government's own figures, but we all know that it is going to be substantially more than that when those projects are completed.

I strongly support the motion moved by Mr Davis today. It seeks information which the government has access to. If it is available it should put it on the table this morning. If not, government members should take a long hard look at themselves and ask, 'Why can't the people of Victoria have access to this further information?'. I think they deserve it.

**Ms BROAD** (Northern Victoria) — I rise this morning to speak on this motion. I have previously referred to the report presented to Parliament by the

Victorian Auditor-General entitled *Planning for Water Infrastructure in Victoria*. That report contained 10 recommendations directed at improving the processes we use to track the progress of water strategies, the information provided to the community about the strategies, and the review of water authorities plans. I have previously welcomed the Brumby Labor government's commitment to adopt and implement the recommendations contained in that report, and I take the opportunity to do so again since we have a motion before us which refers to this very important report.

May I also make reference in passing to the fact that this is a very regular occurrence with the Brumby Labor government — that is, welcoming and accepting recommendations from the Auditor-General. That is because the Victorian Auditor-General's Office is an institution which Labor has respected and it has taken steps to ensure that it reports directly to Parliament, which is in marked contrast to the treatment that the Auditor-General received from the former Liberal-Nationals coalition when it was last in government.

Eight of the 10 recommendations contained in the report go to providing information to the community on an ongoing basis, and of course the motion before us today goes to the matter of providing information in the way of various documents that are being called for. Previously Mr Viney from the government side referred to the availability of that information. The recommendations contained in the Auditor-General's report about the provision of information to the community on an ongoing basis are very much consistent with the government's commitment to finding new ways to engage with Victorians. This was demonstrated again recently by the Brumby Labor government through the Premier's new website, as well as the new opportunities provided through the 2008 statement of government intentions presented to the Parliament by the Premier, which is something that was dismissed out of hand as some sort of stunt by the opposition but which lays out the government's entire legislative program for the year as well as opportunities for the community to engage around each and every one of those items contained in that statement, something which has never been done in the Victorian Parliament before.

The recent launch by the Minister for Water in the other place of a new water-saving information and awareness campaign was very timely. It followed the government's adoption of the Auditor-General's recommendations. That campaign focuses on saving, creating and sharing water. It informs the community about the \$4.9 billion water infrastructure projects

being rolled out across the state, and it follows the successful Our Water Our Future campaigns which have already helped to make water saving very much second nature for all Victorians. This water-saving information and awareness campaign includes a free kit which is available to all Victorians. It contains information about what business is doing to save water, how to apply for rebates to save water and a great deal of information about how to sustain gardens in dry times. These are just some of the examples of the practical information that is made available for Victorians through this water-saving kit.

I am very pleased to say that the campaign has been run not only on television and in the print media in the metropolitan area but also in regional Victoria. It combines all the elements of a campaign required for saving, creating and sharing water.

This is a further demonstration of the fact that the Brumby Labor government has a clear water plan, and that it is getting on with the job of building vital water projects right across the state to provide a secure water future for the people of Victoria.

That is the reason, to give another example, that \$1 billion is being invested in Victoria for stage 1 of the food bowl modernisation project in Northern Victoria Region in my electorate, and it is the reason why another \$1 billion has been committed for stage 2 of that project by the federal Labor government as a result of reaching agreement on a new national water plan after securing safeguards that protect the legitimate interests of Victoria's rivers, communities, families and farmers into the future.

These are important safeguards that the Victorian Labor government has worked very hard to secure with the new federal Labor government. I might add here that these are safeguards that the Liberal Party and The Nationals were very happy to throw away — safeguards that would not have been put in place if Victoria had signed up to the previous Howard government's proposals.

In contrast to the Brumby Labor government's clear water plans for the future, the Liberal-Nationals coalition has no plans to secure Victoria's water supplies. The coalition parties simply criticise government policy, which is something you might expect an opposition to do, but as well as that they cynically exploit local communities for their own short-term political gain.

This would not be so bad if it were not for the case that this is a time when Victorians are facing huge

challenges as a result of record drought conditions, record low inflows to rivers and reservoirs, and climate change impacting on water supplies right across the state. These are conditions that are confronting for whole communities as well as for primary producers.

Worse than having no plans to secure Victoria's water supplies for families, communities, businesses or the environment, the Liberal-Nationals coalition defends wasting water when everyone knows that we cannot afford to keep wasting water any longer. To give an example of that, again from my own electorate of Northern Victoria Region, Lake Mokoan was a very controversial exercise in saving water. Closing Lake Mokoan was targeted as a way of saving water because it wastes 44 000 gigalitres of water a year in evaporation.

To give an idea of how much Lake Mokoan water is being wasted every year, it is twice the amount of water that Shepparton uses in a year. That is not my estimate, it is an estimate that comes from the Goulburn Broken Catchment Management Authority. This is something which the Liberal-Nationals coalition wanted to continue and campaigned to have continue. To this day, to the best of my knowledge, the coalition parties have not changed their respective positions on this and continue to attack the government's plans to save the water that is currently being wasted, despite the fact that the plans to return the area to a wetland will protect irrigators entitlements, something that the government was very keen to ensure were protected.

Those are some examples of the abject failure on the part of the Liberal-Nationals coalition to put forward alternative plans as well as their, in the government's view, indefensible arguments for continuing to waste water in northern Victoria. That is just one part of the state.

In contrast to the position of the Liberal-Nationals coalition, I come back to the massive injection by the Brumby Labor government in infrastructure to secure irrigation, investment and jobs in northern Victoria, and in particular through the food bowl modernisation project, a \$2 billion project which, as well as securing those savings, is going to create very welcome jobs in northern Victoria.

This has been described as a once-in-a-lifetime investment in an old infrastructure system, a system that is now 100 years old and currently loses, depending on which estimates you look at, up to 800 billion litres of water a year, which is more water than all of Victoria's households and industry use in a year. The investment that is proposed by the Brumby

state Labor government, together with the Rudd federal Labor government, will save around 425 billion litres of water. Again to demonstrate to members what that quantity of water represents, it represents more than three-quarters of the amount of water in Sydney Harbour. Alternatively, it is more than half of what is currently lost through the very leaky, 100-year-old system that is currently in place.

This leaky, 100-year-old system, as well as being in place for a very long time, has for a considerable period of time been understood to be a major problem, but we did not see any plans from the Liberal Party or The Nationals to do anything about it the last time they were in government, and the Labor government's plans to do something about this have, of course, been opposed without putting further alternative proposals. The coalition's response to sharing water between all the needs that have to be met — the environment, our rivers, our businesses and our communities, including metropolitan Melbourne — has simply been opposition.

Eighty-two per cent of the saved water will be shared equally between farmers and rivers when both stages of this project are completed, with just 18 per cent going to urban use. But apparently according to the Liberal Party and The Nationals that is still not an acceptable means of sharing water. Out of these arrangements farmers will have access to 175 billion litres of water in addition to water they currently have access to. This project is designed to guarantee the future of farming in the food bowl as well as secure jobs in farming and to keep our river systems alive, with all of the flows and benefits that that brings. But seemingly this is still not an acceptable arrangement according to those in the Liberal Party and The Nationals, who have no alternative plans, who do not stand for anything and who simply criticise the actions which the Labor governments, state and federal, are getting on with.

In addition to the food bowl modernisation project I will also touch on the Ballarat goldfields super-pipe. As I am sure my colleagues will refer to later on in this debate, on 19 May water flowed for the first time through the Ballarat leg of the goldfields super-pipe, marking the completion of a \$180 million project to secure the city's future water supply. But before that, in August last year, we also had the Bendigo goldfields super-pipe connection, transferring up to 20 billion litres of water each year to the region through a 46.5 kilometre pipeline. Those in the opposition parties — the Liberal Party and The Nationals — had a great deal of difficulty in making up their minds about whether or not they supported that pipeline, which is vital to the future growth of the Bendigo region. The

super-pipe will provide water for Bendigo to successfully manage supplies through all of the challenges that the region faces as a result of drought, climate change and population growth. The water will meet the urban needs of the Bendigo region for the future.

A further 10 billion litres of water — a one-off allocation of flows from the Goulburn system environmental reserve — will be made available if required to secure the region's needs. We saw this project being funded once again by the Victorian Labor government through a contribution of \$30 million, as well as through a \$43 million contribution from Coliban Water and \$25 million from the commonwealth. These are important projects. We have not seen any leadership or any plans coming forward from the Liberal Party and The Nationals in the Parliament, in the community or elsewhere.

It might therefore be understood that when motions are moved in this house by the coalition parties professing to want to now make water savings and paying attention to recommendations coming from the Auditor-General's report on water infrastructure that priority might be viewed, to put it charitably, with a big dose of scepticism on the part of the Labor government and its members, given the daily attacks on their plans. The government is getting on with the job of securing Victoria's water supplies not just for tomorrow, not just for this year, but well into the future, and securing those water supplies for families, for rural communities, for farming businesses and for industrial businesses, as well as for metropolitan areas.

They are all the reasons I want to put forward to support the position I have expressed in relation to the Auditor-General's important report *Planning for Water Infrastructure in Victoria*. I reiterate that it is a very welcome report as far as the government is concerned. The Brumby Labor government has accepted the recommendations of the report, in line with its usual practice in relation to Auditor-General's reports, and is getting on with implementing the set of recommendations.

**Mr BARBER** (Northern Metropolitan) — This government loves the Auditor-General and never ceases to remind the world that it restored the powers of the Auditor-General when it came to office in 1999 — and good on it. But I suppose its members could show a lot more respect for the institution of the Auditor-General if they occasionally picked up on his recommendations and implemented them with great vigour and enthusiasm. In the case of the document we have all been discussing this morning, the

Auditor-General's report *Planning for Water Infrastructure in Victoria*, it just cuts a little bit close to the bone, because this was an audit on the efficiency and effectiveness of the policy and decision-making processes of the government in relation to these major water projects. It is not your standard audit of how many hospital beds there are or whether we got a good deal on a particular tender, it is literally a report on the process the government went through in developing a number of overarching policies for water and how it subsequently, in a bit of a panic post the election, scrapped them and then leapt forward with a number of large projects not previously discussed.

There is a bit of a history behind the Auditor-General's reports. Anybody who wants to get up in this chamber and talk about the Auditor-General should probably make the effort to read the official history of the Auditor-General in Victoria. The chapter on the Kennett years is plenty racy, but there is also an interesting bit of a curtain-raiser to that period, which is the late Cain and Kirner years. A particular incident occurred where the then Speaker of the lower house refused to table an Auditor-General's report because it was argued that the scope, and obviously the report itself, was outside the requirement for the Parliament to receive such a report, although it was not argued that it was outside the powers of the Auditor-General. That caused a considerable controversy at the time and led to the Bracks government changing the role of the Auditor-General — that is, that the Auditor-General simply does not just count beans or count biros but audits the efficiency and effectiveness of government action.

The Auditor-General is using that much broader power for all it is worth. In this case he has audited the efficiency and effectiveness by which the government made up its mind on this particular course of action. When you read his recommendations, or his conclusions in this case, you can see it right there. He said:

The white paper, *Securing Our Water Future Together*, set out a comprehensive framework for the sustainable management of water resources in line with clear policy goals and within a legislated process. The department effectively applied the white paper's planning framework to deliver the sustainable water strategy for the central region of Victoria.

That is, the central region sustainable water strategy. So far, so good. Then he said:

While the white paper and the central region strategy have been viewed positively by stakeholders in the sector, the level of information provided to the community on water supply projects has been inadequate and needs to be improved.

While the audit recorded a favourable conclusion about the development of the white paper and the central region strategy, the same is not the case in relation to the recent Victorian water plan.

That is the crash-together water plan that emerged out of the black box immediately after the election. The Auditor-General also said:

Audit recognises that the department had to complete the plan as an emergency response to the record low inflows of 2006, and the risk that water supplies might run critically low within a few years. The time lines for finalising the plan were extremely tight and this explains the need to streamline the normal project development processes.

**Mr Scheffer** — That is the point.

**Mr BARBER** — That is the point. The government was caught short, and the Auditor-General acknowledges that it had to move really fast because of the slow rate of progress in the past. I further quote the Auditor-General:

It is incumbent on the government to provide full, accurate and timely information on its financial commitments and projects put before the community. The Victorian water plan did not provide this information. There were widely varying levels of rigour around the plan's costs and expected water savings benefits. The documentation did not explain this. This is essential information, especially when an emergency situation requires streamlined processes.

That is certainly a good conclusion, and it is effectively what the nub of the motion is about. We are now asking the government to do that by reference to a number of documents that the Auditor-General was able to cite.

Is that what the government did? No, it did not; it ran another ad campaign. It popped up on our TV screens two Sundays ago, I think — I first noticed it during *Brothers and Sisters*. The ad depicts a big tap turning, with water coming out; it depicts a lot of other things, including a desalination plant. The ad says we can send away for a free kit. Even if viewers get the kit — and earlier Ms Broad outlined what is in it — I do not think it meets the requirements of what the Auditor-General has laid out here.

We continue to stumble along in a world of mystery where we are not entirely sure what the government is doing, why it is doing it, what the costs are and who is going to pay. We keep getting little hints — we get an occasional drip-feed.

David Davis is to be complimented on this motion. It takes the Auditor-General's report very seriously and says that this is an extremely serious matter for the Parliament. Parliament, after all, will have to legislate on a number of things in relation to these projects —

planning scheme amendments, possibly other project legislation — so it would want to know well in advance what the game is. I suppose Mr Davis could have rolled out another freedom of information request. Most of us have any number of those on the board; it is an absolutely tortuous process. For an issue as important as this, which is not just the concern of a particular local member or a person with a particular shadow portfolio but is essential to what the Parliament as a whole will be deciding, I think it is more than appropriate that the Parliament uses its power to call for documents, and hopefully it will receive them as quickly as possible.

I am somewhat perturbed by the direction the government is taking on water. For most of those drought years we had varying levels of restrictions, programs that were well publicised to encourage and urge people to save water, small individual projects and rebates — just a mishmash of small initiatives, with no sense of what they add up to and no sense that they were achieving a particular target towards which the government was heading. That should be the overarching goal, and the government should not require the prodding of the Parliament to make that clear to the public.

There are some people — I will not say the government — who take the attitude that in this place the government members are the winners of the election and the rest of the Parliament are the losers, and it is because we are really unhappy about that that we are always yelling at the government. It is not a case of the government members being the winners and the rest of Parliament being the losers. The government is the government, and the Parliament is the people. The Parliament stands in the place of the people in between elections. If the government is being obstructionist or making light of the Parliament's very great need for detailed information about these projects, then it is really saying that the people do not need to know. The advertising campaign is just another manifestation of that. It says, 'You do not need to know. Don't worry about it. Leave it to us. You can trust us', but the government does not trust the community any more.

People talk about governments with a long lifetime, but it is not a simple case of the passage of time causing governments to go downhill after many years; it is a change in the government's attitude when it has been in power for a long time. Right now the government has a kind of fortress mentality. We have Fort Brumby — the walls are getting higher and higher, and if anyone comes near the gates they have boiling oil tipped on them — and that is what gets you in the end. I was in local government for two and a half years, and I caught

that disease myself a couple of times. It is something you want to avoid as much as possible.

The government needs to stop, take stock of where it is at and not approach a motion like this with the sort of aggressive stance we saw from Mr Viney earlier on when he walked in here at the last minute and made light of it. The government should just simply treat the provision of information to the community, via the parliamentarians in a lot of cases, as normal and acceptable. It should envisage the kind of trust that we should have in the community, as not just the Greens but also the Auditor-General himself are now urging it to do.

**Ms LOVELL** (Northern Victoria) — The Auditor-General's report raised a whole range of issues about the government's water infrastructure plans for this state, or should I say, lack of plans. Ms Broad referred to the opposition not having any plans. Opposition members have been trying to push this government to have a plan for a long time. We have known of the problems. We identified many of the projects that could have solved the problems of this state, but government members preferred to keep their heads in the sand.

We are in the mess we are in now where water is being stolen from communities in the north to supply metropolitan Melbourne because this government had no plans. It had no plans to address the growing water crisis in Victoria. It sat on its hands and prayed for rain. We had in John Thwaites, former Minister for Water in the other place, a minister who was negligent. He was negligent when he was water minister, he was negligent when he was health minister and he was negligent when he was planning minister. In fact everything he touched, including this state, turned to dust because there was no plan for water. The only plan he had was to make artificial snow so he could continue to enjoy his taxpayer freebies up at Falls Creek.

Mr Pakula talked about drought. Let me tell Mr Pakula — —

**Mr Pakula** — I have not spoken yet!

**Ms LOVELL** — Mr Pakula interjected about drought, and he needs to know that at the time I was campaigning to be a member of this Parliament in 2002 when the electorate of Northern Victoria Region was suffering horrendously from the drought. We knew we were in drought a long time before this government recognised it. In fact in 2002, the then Premier, Steve Bracks, Mr Pakula's mate, came up to Kerang and picked up some dust from the ground — the rubble in

the paddocks that the farmers could not grow anything in because it was just decaying dust on the ground — let it sift through his fingers and said, 'We are suffering from dry conditions'. 'Dry conditions' was how this government described the drought for many years. It would not use the dreaded d-word because it knew that with no plans to address the water crisis in Victoria it was in great strife.

The Auditor-General has further exposed the government's lack of planning for this state. He has acknowledged that the government hastily grabbed hold of a document that was presented to it by unelected representatives in northern Victoria. It was a document that had no substance to it, no rigorous cost analysis or analysis of the savings that might be achieved by modernising the irrigation infrastructure, and this government grabbed hold of that and ran with it. The Auditor-General has identified the fact that it was a knee-jerk reaction by this government to move towards its current policy of modernising irrigation infrastructure and stealing 75 gigalitres of water from the irrigation district to pipe to Melbourne via the disastrous north-south pipeline.

In his audit the Auditor-General says there are a number of documents that have not been released for public scrutiny. I congratulate David Davis on bringing a motion before the house today that seeks to have those documents released for public scrutiny. I am concerned about all the documents, but the two that interest me most are the one referred to on page 21 of the Auditor-General's report, the final business case covering the food bowl project, and the one referred to on page 31, the Rendell McGuckian (RMCG) *Food Bowl Alliance — Modernising the Goulburn Murray Irrigation District*, final draft report, prepared for the Department of Sustainability and Environment (DSE). I would like to see both those reports released so that we can see exactly what it is that has caused the Auditor-General so much concern that he is scathing about the government's plan and its disastrous north-south pipeline.

We all know that the irrigation district is desperately in need of modernisation, and nobody argues about the need for modernisation of the irrigation infrastructure. It is well over 100 years old and leaky, and we suffer from evaporation and from other losses in the system. We want to see investment in that infrastructure, but the water that is saved from that investment needs to remain in the Goulburn Murray irrigation district. That district is part of the Murray-Darling Basin. We all know how stressed the river systems in the Murray-Darling Basin are, and any savings should stay there to be shared between irrigators for their productive use and to

improve the environment of the Goulburn and Murray rivers here in Victoria.

Our irrigators this year are only on 57 per cent of their supply, so any water that is saved should be kept in the system to ensure that those who rely on the Goulburn Murray irrigation district system receive 100 per cent of their supply before any water is shared anywhere — before it is shared with the environment, before it is shared with urban communities in northern Victoria, and particularly before it is shared with metropolitan Melbourne. This government has no plans to increase water supply for urban areas in northern Victoria for growth in places like Shepparton, Echuca, Bendigo et cetera. The only plan it has for urban water is to pipe water to Melbourne. It wants to steal water from irrigators, pipe it out of the Murray–Darling Basin and bring it over the Divide at great cost and at a great energy cost by creating greenhouse gas emissions that do not need to be created.

**Business interrupted pursuant to sessional orders.**

## QUESTIONS WITHOUT NOTICE

### Water: north–south pipeline

**Ms LOVELL** (Northern Victoria) — My question without notice is for the Minister for Planning. The advisory committee reviewing the Sugarloaf pipeline’s project impact assessment report was due to present its findings to the minister on 16 May 2008. Whilst there are concerns that this report will be inaccurate or at best incomplete due to inadequate studies of the removal of 75 gegalitres of water from the Goulburn River and new information on climate change from a CSIRO report which the committee did not have access to, there is still enormous community interest in the committee’s report. I ask: given the community’s concern, when will the minister release the committee’s report to the public?

**Hon. J. M. MADDEN** (Minister for Planning) — I welcome Ms Lovell’s question. It is interesting to note that I had basically the same question put to me at the Public Accounts and Estimates Committee hearings by Dr Sykes, the member for Benalla in the other place.

*Honourable members interjecting.*

**Hon. J. M. MADDEN** — Just so Ms Lovell understands — and just so David Davis understands the process, because he obviously does not; they both display their ignorance by the interjections they are making across the chamber — I will explain what happens when a report comes to me, whatever it might

be, whether it is a project impact assessment report or an environment effects statement report, as is the case in this instance, from those panels. When a report is provided to me I then have the department provide me with a response. I consider matters provided to me by not only the panel itself but also any additional advice — any complementary advice or any other additional rigour that might need to go with that report — which is provided to me by the department and the relevant experts within the department who have longstanding experience in these matters. When I receive that information I then make a determination.

The report was provided to me somewhere of the order of 10 days ago. I was briefed by the panel probably about a week ago, and I thank the panel for its briefing on the project. Since that briefing there have been other matters raised, even last week by Dr Sykes in the Public Accounts and Estimates Committee hearings, in relation to any additional information that might be provided or might complement that report from the CSIRO. I would anticipate that, given the rigour and expertise within the department, the department would also take on board that information in providing advice and recommendations to me about that report.

**Mrs Peulich** — But it sits on your desk for six months!

**Hon. J. M. MADDEN** — I advise Mrs Peulich that that is what is called due process and good governance. When I receive the information from the department, after it has provided that rigour, I look forward to making public announcements on these projects. I thank the panel in this instance for its consideration. It is also worth highlighting that the panel not only sat here in Melbourne but had a day or two of sittings in the regions so that people in those locations could make their representations. I also thank and show my appreciation to those community representatives who made representations. I often make the point, either in advertising these processes or in response to questions from members about these matters, that I encourage people to enter into the process. I encourage people to make a representation and have their say. Part and parcel of good planning is to take on board people’s concerns. They should be thoroughly considered and influence the determination and decisions that are made by this minister and this government.

I look forward to making those recommendations on the report in due course. But I wait enthusiastically for the information to come to me from the department. I look forward to publicly releasing that information so that we can all feel confident about the decisions made

by this minister to make Victoria a better place to live, work and raise a family.

**The PRESIDENT** — Order! I remind members of the gallery that it is not appropriate to be using mobile phones and other such items in the gallery whilst this house is in session.

*Supplementary question*

**Ms LOVELL** (Northern Victoria) — Given the limited and inaccurate study of the Goulburn River and the impact of removing 75 gigalitres of water, and given the new information available and the fact that the project is still being designed, how does the minister intend to present this report to the federal Minister for the Environment, Heritage and the Arts, Peter Garrett, when it is clearly incomplete? Is the minister concerned that providing false or misleading information to the federal minister is an offence under section 489 of the Environment Protection and Biodiversity Conservation Act?

**Hon. J. M. MADDEN** (Minister for Planning) — I thank Ms Lovell for the opportunity to answer such an obtuse question. I do not want to repeat my previous answer, but can I say that I am sure the department will provide me with advice not only on the report but on any additional information it believes is relevant to any decision making and any process which involves the federal government. I look forward to making those determinations, I look forward to receiving the advice from my department and I look forward to releasing that report publicly so Ms Lovell and everybody else on the other side of the house can have full confidence in the due process that is undertaken in relation to determinations for this project and other projects like it. We are making sure we are planning for the future, building on the prosperity of this state and making sure that we make Victoria the best place to live, work and raise a family.

**Emergency services: volunteers**

**Mr SCHEFFER** (Eastern Victoria) — My question is to the Minister for Environment and Climate Change. Can the minister inform the house of how the Brumby Labor government is recognising the efforts of our emergency services volunteers?

**Mr JENNINGS** (Minister for Environment and Climate Change) — I thank Mr Scheffer for his question and for the opportunity to say once again on behalf of the Brumby government that the outstanding contribution made by firefighters throughout Victoria is something that all members of this community should

be rightfully proud and appreciative of. Certainly the Brumby government on any number of occasions has tried to demonstrate that in very tangible ways, by providing additional resources and support to our firefighting effort. Indeed in the lead-up to the fire season, I outlined before this chamber our commitment of \$27 million of additional resources that were allocated to the firefighting effort over summer. I have reported to the house on the outstanding delivery of firefighting effort across Victoria during the last summer fire season, when Victoria saw an above-average number of outbreaks. Over 700 fires commenced in the Victorian landscape during the summer, and all those fires were repelled at an early stage. Indeed 32 000 hectares of the Victorian landscape was burnt during last summer, which is somewhere of the order of 20 per cent of what the annual average has been for the last 30 years.

As a community we can be grateful not only for the professional firefighting effort but for the effort of volunteers. There are about 59 000 CFA (Country Fire Authority) volunteers throughout Victoria. Last week the Minister for Police and Emergency Services in the other place, Bob Cameron, and I travelled to Traralgon to congratulate those volunteers and thank them for their effort and to provide an additional way of saying thank you. We provided, through the auspices of Parks Victoria, in terms of my responsibility, a pass for all volunteers throughout the CFA and the SES (State Emergency Service) — the 4000 SES volunteers — giving them free access to Victorian parks. They will be issued with a pass that will enable them and their loved ones to enjoy free access to Victorian national parks. As members of the chamber would know, there are 34 national parks throughout the state of Victoria. Indeed this opportunity will be available to thousands of families across Victoria to make sure that they can enjoy our natural environment and find some relaxation and recreation in Victoria's rich environmental parks and reserves system.

In particular the national parks they will be getting access to which under normal circumstances may involve a charge include the Point Nepean, Mornington Peninsula, Donna Buang, Mount Buffalo, Mount St Gwinear and Wilsons Promontory national parks. As many members of the community know, they are some of our most desirable locations for holidays, so families can actually enjoy their holiday pursuits. Whether those parks be in beach and seaside locations or up in the high country, they will get access to them.

My colleague Minister Cameron has already indicated to the Parliament this week the ongoing support the government will provide support to volunteers in a

number of other ways. There is an \$11 million program, which he is responsible for under the name of Valuing Volunteers, which is trying to provide support to volunteers who make this great contribution on behalf of our community. I join him and the rest of the Brumby government in congratulating and thanking our volunteers, and I hope they and their families will enjoy the recreational opportunities that the parks pass will provide them in the years to come.

**Planning: development assessment committees**

**Mr GUY** (Northern Metropolitan) — My question is for the Minister for Planning. Could the minister advise the house whether members of his new development assessment committees will be subject to the same level of scrutiny regarding potential conflicts of interest, such as the register of interests and conflict declarations, both of which local councils are currently required to disclose, or have probity issues once again been forgotten by this government?

**Hon. J. M. MADDEN** (Minister for Planning) — I welcome Mr Guy's interest in these matters about planning policy, because it is important to have policies before you can have a plan. I note his interest in policy matters, and eventually I am sure he will propose a plan.

**Mr D. Davis** — Your brown paper bag policy.

**Hon. J. M. MADDEN** — No doubt we will work through the detail of matters in conjunction with local councils in relation to all these matters, and I would expect that in relation to any of these matters — —

*Honourable members interjecting.*

**The PRESIDENT** — Order! Yesterday some references were made in the house by members on my left to the government having brown paper bag policies, or whatever, which is in fact in order insofar as you cannot offend a government, but when reference is made to a minister having a brown paper bag policy, that is a very different matter. I ask Mr Davis, as the Leader of the Opposition, to withdraw the comment he made in reference to the minister's brown paper bag policy.

**Mr D. Davis** — I withdraw.

**Hon. J. M. MADDEN** — President, I thank you for maintaining the standards of this chamber even though Mr Davis does not seek to enforce them himself.

*Honourable members interjecting.*

**The PRESIDENT** — Order! Having just reinforced my views about standards required in this house, I have to say I am disappointed to hear cross-chamber comments such as 'grubby grubs' or whatever. That is inappropriate and in my view is unacceptable. I ask Minister Theophanous to withdraw.

**Hon. T. C. Theophanous** — I withdraw.

**Hon. J. M. MADDEN** — As I said, I welcome Mr Guy's interest in matters of policy. Of course we will work through the detail of this proposition with local government and we will consult very broadly about how we expect to implement this. What is particularly important in relation to any good governance arrangements — and it would be taken as a given, I would expect — is that part and parcel of them would be a register for anybody with a potential conflict of interest or those sorts of interests that might pose a potential conflict or any probity issues in relation to any of these matters. They would be part and parcel of any good governance arrangements in relation to development assessment committees, and I look forward to implementing those types of arrangements in relation to these propositions.

*Supplementary question*

**Mr GUY** (Northern Metropolitan) — I thank the minister for his answer, and I further ask if the minister can now advise if and how the appointment process for the three non-council members of his new DACs (development assessment committees) will be open to public scrutiny, or does the minister see no need for probity in this area as well?

**Hon. J. M. MADDEN** (Minister for Planning) — Let me just make this abundantly clear to the opposition, having been before a number of committees of the upper house most recently. No matter how often I say and reinforce the word 'probity' and the mechanisms of this government in relation to probity or any process, the probity arrangements and the critical and profound nature of implementing probity in relation to these matters, the fact is that we maintain standards over and above those rigorous standards of governance in relation to these matters.

Not only that, but we have reinforced the role of the Auditor-General in all these matters. We know what the opposition sought to do to the Auditor-General some years ago. We are committed to maintaining the highest standards of probity in relation to all these matters in relation to governance. I look forward to seeing those matters implemented in the arrangements. Whether they be for the independent chair, the members of local

government or the representatives of state government, those arrangements will be consistent right across the board in relation to all members or any proposed members of the development assessment committees, and I look forward to seeing those implemented.

I remind the opposition that the development assessment committees have been welcomed by basically all sectors of the industry. I reinforce to opposition members that, no matter how they seek to criticise this policy proposal and no matter how they try to find something to bring it undone, this has been wholeheartedly endorsed by the property industry. It now allows the industry the opportunity to provide additional housing to this state. It is critical that we provide additional housing — plenty of it — right across Melbourne in order to assist with housing affordability issues. We will ensure the highest level of scrutiny and probity in relation to governance arrangements, but let the opposition not forget that this is about ensuring that we deliver more housing and provide affordability and sustainability to the housing market.

You cannot do that unless you have policies, and you cannot do that unless you have a plan. The opposition knows what our plan is, it knows what our policy is, it knows what our program is, and no matter how much the opposition seeks to undo this or bring it into disrepute, it is grasping at straws, and I look forward to making sure that this reinforces Melbourne's livability and ensures that Victoria continues to be the best place to live, work and raise a family.

### **Automotive industry: review**

**Mr PAKULA** (Western Metropolitan) — My question is to the Minister for Industry and Trade. I note that the federal government is currently undertaking a review of the automotive industry. Can the minister update the house on the government's submission to that inquiry?

**Hon. T. C. THEOPHANOUS** (Minister for Industry and Trade) — I thank the member for his question and his interest in the automotive industry. It is the case that there is a very important review taking place at the moment, headed by Steve Bracks, into the automotive industry that will make a number of decisions that will have a long-term impact on the automotive industry.

*Honourable members interjecting.*

**Hon. T. C. THEOPHANOUS** — Opposition members might not be interested in the automotive

industry and the 37 000 Victorians who work in the automotive industry; they might not be interested in the \$3 billion a year of exports that that industry generates for Victoria, but we on this side of the house are interested in it, and we want to try to ensure that in fact it continues. So we were very keen to make a submission to the federal government, and in that submission Victoria has argued for the retention of the existing level of 10 per cent in tariff protection through to 2015. As people are aware, it is scheduled to be reduced to 5 per cent in 2010. We are arguing that it should continue through to 2015 at the level of 10 per cent. In addition we are arguing that the automotive competitiveness and investment scheme, the ACIS scheme, should also be retained at current levels as a way of ensuring ongoing research and development in the industry. I might say that the two issues are in fact linked, because much of the revenue that is generated through the 10 per cent tariffs actually goes towards helping to fund the ACIS scheme, so there is a linkage of sorts between the two issues.

I was very disappointed because I had hoped we would be able to have a united position with the opposition in relation to this important issue of defending Victorian industry. So I was very surprised to hear on ABC news the opposition's manufacturing spokesman, Peter Ryan, the Leader of The Nationals in the other place, indicating that he thought Australia's economy was strong enough to absorb any job losses caused by further tariff reduction. 'Strong enough to absorb job losses' — that is the position that was adopted by Peter Ryan on behalf of the opposition in relation to this, and he was quoted on the ABC news as saying:

I think the government here in Victoria cannot have it both ways. They can't call on us on the one hand to be globally competitive, and yet on the other to be wanting to change the structure in relation to these tariffs, which was put in place after a number of reviews ...

So Peter Ryan, on behalf of the opposition, is saying that tariffs should stay at 5 per cent, and the opposition bases this on some reference to global competitiveness.

The government arranged for Lateral Economics and Monash University to have a look and give us an economic study on this issue. The preliminary results from that have shown that there is very little economic benefit to be derived from a reduction from 10 per cent to 5 per cent. Most of the benefit has already been taken up in the enormous reductions from about 60 per cent in years gone by to 10 per cent. The gain is very small, but more importantly our competitor nations are not reducing theirs to below 10 per cent. Here we are in a situation where the opposition, through Peter Ryan and The Nationals, wants us to reduce our tariffs. It wants

us to come down to 5 per cent and therefore to make us less competitive with the rest of the world.

Let me point out, for the benefit of The Nationals and Peter Ryan, that the automotive industry is not only based in Melbourne; it has significant reach right throughout regional Victoria, and I might indicate some of the businesses involved. In Geelong there are businesses like Viridian, Backwell IXL, Henderson, Aikman Engineering, Air Radiators and Ford that would be affected by a reduction in tariffs, which The Nationals on behalf of the opposition are saying we should do. In Ballarat there are Ceremet, FMP, CMI, Berklee Exhaust, Multitrans and Oz Press, and in Bendigo, Empire Rubber. All of those businesses should listen very carefully to what opposition members are saying, and they are saying, 'Drop tariffs from 10 per cent to 5 per cent'. They do not care about the job losses.

### **Water: Wimmera–Mallee pipeline**

**Mr D. DAVIS** (Southern Metropolitan) — My question is for the Treasurer. I refer to the Auditor-General's report, *Piping the System*, tabled today. How much of the \$248 million cost blow-out of the Wimmera–Mallee pipeline project — the price of Brumby government mismanagement — will be borne by water users, and what contribution will finally be made by the Victorian government?

**Mr LENDERS** (Treasurer) — I thank David Davis for his question, particularly on the Wimmera–Mallee pipeline, because we in this government take extraordinary pride in our investment in critical infrastructure, particularly as the government before us was asleep at the wheel on this particular issue. I have not had a chance to read through the whole of the report that was tabled today, but I say two things. Firstly, this government will always welcome an Auditor-General's report on the operations of government. The reason for that is that the Auditor-General is an independent officer of the Parliament whose duty is to report on government process, to report on government projects, to report on things that are done well — and that is an important learning thing — and to advise the government on things that could be done better. That is the second part of the learning process.

We will always welcome an Auditor-General's report. We will look to that report with great interest, and we will learn from that report and go forward. But firstly, we welcome the report. We were not the mob who tried to gut the Auditor-General, to neuter the Auditor-General and cut him out of the system because

we were afraid of scrutiny; that was the Kennett government, which Mr Davis was a part of.

Secondly, without having yet read the Auditor-General's report, I would urge Mr Davis to sit and reflect on what his federal leader, Dr Nelson, has been talking about in the last few days, and to sit and reflect on what his Treasury spokesperson in this house mentioned yesterday, and that is that there is this thing which our community is hurting from called the rise in fuel prices. If Mr Davis actually bothers — —

**Mr D. Davis** interjected.

**Mr LENDERS** — Mr Davis talks of mismanagement. I suggest that Mr Davis take a little bit of time — more than he did on the motion this morning, where Mr Viney pointed out he was saying all sorts of things to all sorts of people, when a Google search would actually find some information — to drill down into what the costs of the Wimmera–Mallee pipeline project are, drill down — —

**Mrs Peulich** interjected.

**Mr LENDERS** — Mrs Peulich ought to listen to this, because if her leader actually drilled down into what the single largest component cost of the Wimmera–Mallee pipeline project is, he would find it is pipes. And if he looked at what pipes are, he would find they are made out of petroleum products. They are called polythene pipes. If Mr Davis looked at when this project was planned, which was about a decade ago, and at when the work started, with federal cooperation, earlier on in the life of this government, he would find, surprisingly — Mr Davis may not have noticed, but the community has — that the price of petroleum has increased somewhat. It has gone from less than US\$40 a barrel when this project started to over US\$100 a barrel, and it is rising.

If Mr Davis wants to say that the rising cost of petroleum products — which flows through to polythene pipes and which is the largest single component of the cost of the Wimmera–Mallee pipeline — is somehow or other due to mismanagement by the state Labor government, then the power of this government over the Saudi Arabian petroleum minister, the power of this government over the Venezuelan petroleum minister and the power of this government over every single Organisation of Petroleum Exporting Countries petroleum minister is a lot greater than I ever knew. I am awed that we have this power to control petrol prices!

In response to Mr Davis, I look forward to reading the entire Auditor-General's report, as I value all the

Auditor-General's reports. I can also say to Mr Davis that this project would have happened a lot more quickly if the federal Liberal-National government had not played politics with it and slowed it down. But leaving that aside, I look forward to the project being completed and I look forward to the cooperation of the new national government. I say to Mr Davis that he should read the report, understand what his Treasury spokesperson in this place, Mr Rich-Phillips, knows — he knows more about economics than the leader and he knows more about economics than Mr Wells, the shadow Treasurer in the other place — and what Dr Nelson has worked out, which is that petrol prices are rising, and reflect on how that affects the cost growth in this project, and then perhaps Mr Davis should direct his question to the Saudi Arabian minister for petroleum.

*Supplementary question*

**Mr D. DAVIS** (Southern Metropolitan) — My, my; we did stray a little bit there! I thank the minister for his incomplete response as to who would bear the costs.

**Mr Viney** — I thought it was pretty comprehensive, actually.

**Mr D. DAVIS** — Yes, but who is going to pay? That is what he did not answer. Given the Treasurer's responsibility for public money and his stewardship of the state's finances, what action has he taken to improve tendering practices — reported as alliance contracts — that were labelled 'unwise' by the Auditor-General?

**Mr LENDERS** (Treasurer) — The issue of procurement, the issue of tendering, the issue of the financial directions, policy and responsibilities of the Victorian Government Purchasing Board are items for the Minister for Finance, WorkCover and the Transport Accident Commission in the other place, whom I represent in this place.

**Mr D. Davis** interjected.

**Mr LENDERS** — David Davis loves to twist everything to responsibilities. I will happily take on notice for the minister for finance the specific issues that Mr Davis raises. But I will say two things to Mr Davis in general terms. Firstly, this Labor government puts on the website all contracts of over \$100 000. They are there, the headlines of the contracts are there, and there is more on the website than ever appeared under the Kennett Liberal-National government. The problem may well be that Mr Davis does not know how to use the website, as was evidenced by his motion earlier today.

The second issue is that underpinning all of this are the safeguards that this Parliament and this community have with an independent Auditor-General who is an officer of the Parliament and who reports to government on these matters. We do not have the secretive practices of the 1990s where the community was kept in the dark. We have an Auditor-General who reports to Parliament and reports through the Public Accounts and Estimates Committee. This Parliament meets every month of the year other than at Christmas time, so this Parliament is open to questions, open to scrutiny and open to the Auditor-General's reports. That is a safeguard. I welcome the Auditor-General's report, as I welcome all his reports.

**Industry Capability Network: Wodonga**

**Ms DARVENIZA** (Northern Victoria) — My question is to the Minister for Industry and Trade, Mr Theophanous. I ask the minister if he could advise the house on the recent opening of the Industry Capability Network office in Wodonga and how this office will benefit north-eastern Victoria.

**Hon. T. C. THEOPHANOUS** (Minister for Industry and Trade) — I thank the member for her question and of course for her interest in the development of particularly jobs in that region of Victoria. It is the case that one of the things the Brumby government and the Bracks government before it can be proud of is the way in which we have increased employment in regional Victoria to the point that the unemployment rate in regional Victoria is now down to 4.7 per cent, a figure which would have been absolutely unheard of a few years ago and certainly during the Kennett period.

I was pleased to be able to go up to Wodonga and to be part of the opening of the new Victorian government ICN office — the Industry Capability Network office. Peter Yates, the head of ICN, was also present, as was the Hume region manager, Tammy Atkins, who will be working out of that office and helping to service businesses in that region. The ICN was established in 1984 and has achieved a significant amount of economic activity in Victoria, which is estimated at \$1.5 billion of import replacement activity and a further \$200 million in export wins for the state since that time, so it is an important organisation. It will now, with this office, have coverage over all five regions of Victoria and will be able to service businesses that are interested in export functions.

I might say that the other important role which the ICN plays in Victoria is that it oversees the VIPP program, which of course is the Victorian Industry Participation

Policy program, which is the program under which we test bids that come to government to see whether there is an adequate amount of local content in them. In the activities of the ICN in the Hume region already during 2006–07 the VIPP program has been applied to 15 projects which are valued at nearly \$40 million and equate to 134 new or retained jobs in the region. It means that we were able to achieve local content levels of up to 96 per cent for those 15 projects, and that means that there are 134 families in that region with a job directly arising from the ICN applying the government's VIPP program to a range of government-related contractual activities. One of the things that we have done, of course, is to lower the threshold whereby we look at programs under VIPP in regional Victoria. Even smaller projects and smaller contracts down to the level of \$2.5 million will be subject to examination through the VIPP program to see whether a local contractor can get that contract rather than it going overseas.

I am very pleased to see that this office has been opened. I might say that I was very impressed by the standard of the staff that we employ in the ICN, and I am absolutely certain that Tammy Atkins will do a fantastic job for that region. I would encourage local businesses who want to export to get in touch with the ICN office in Wodonga and get in touch with Tammy Atkins. The government is here to help them to grow their businesses, to export and to make Victoria a better place than it otherwise would be.

**Information and communications technology:  
greenhouse gas emissions**

**Mrs KRONBERG** (Eastern Metropolitan) — My question without notice is directed to the Minister for Environment and Climate Change. IT operations are increasingly demanding more energy because the machines run hot and need extensive air conditioning. These facilities are called 'power hogs', to quote the *Analyst Perspectives Consensus Report* of June 2007. Far from slowing down, emissions from IT are accelerating. Therefore I ask: what strategies is the minister proposing for the state government's future IT needs to ensure greenhouse compliance targets are met and what steps has he taken to address the growing greenhouse gas production by Victoria's IT industry?

**Mr JENNINGS** (Minister for Environment and Climate Change) — I congratulate Mrs Kronberg on asking an IT-related question, given that she is from the party that has particular expertise in IT, perhaps drawn to some degree from embarrassing circumstances for the party. I congratulate her on her bravery and her impeccable immunity to that actually being highlighted.

In fact her entire party is actually sitting there in quiet resolution — determined resolution — in relation to this matter. They are not biting in relation to this matter, and I congratulate them for that. That is very stoic.

Indeed beyond that capacity to generate ridicule — and I am very reluctant to participate in that sort of degree of activity — I actually have to congratulate Mrs Kronberg on asking a very sensible question in relation to public policy and industry considerations across the globe, because she quite accurately described the fact that there is an energy-intensive element to the IT sector. Beyond the use that is generated within the machines and the technology itself, there is significant cost and energy that is consumed in cooling those machines in terms of the facilities in which they are housed and in which either the computing facilities or the operators of that IT equipment are contained. In terms of design and the industrial challenge, she is quite correctly identified an area that will involve further policy considerations within this jurisdiction and indeed around the world.

I think at this point in time the largest contribution, in terms of addressing the net impact upon the accommodation in which IT confines itself, has been an interest of the Victorian government to support energy-efficient buildings which will house IT equipment. In terms of addressing this basket of issues, that is the area where the government has commenced work already by trying to make sure that we appropriately house our public sector, as an example, within the appropriate commercial buildings that are more energy efficient in their profile than they once were. That is an area where the government has made significant commitments.

Recently the government embarked upon a commitment with the Clinton Foundation and Industry SuperFunds to retrofit and bring Victoria's public sector buildings into line with what would be a progressive environmental performance in energy efficiency and in trying to provide for the ambient atmosphere to actually deal appropriately with the stresses and strains that IT equipment may place on air-conditioning systems. We have already moved in that space. We are thinking very much about the way we can perhaps drive those efficiencies through further regulation in the commercial building sector. Many major and significant reports have been issued about the — —

**Mr Leane** interjected.

**Mr JENNINGS** — Mr Leane is very keen to jump into this debate because he is an electrician and is well

versed in these considerations. I am very mindful that he knows about energy efficiency. As recently as yesterday afternoon my colleague the Minister for Planning and I had a discussion about ways in which we could try to drive further reforms in the energy efficiency and performance of the built form both within this jurisdiction and across the nation going forward. We are intending to do that.

In relation to the question about IT, in particular in either the manufacturing or the maintenance of IT systems, I know my colleague the Minister for Industry and Trade has commissioned a piece of work on greenhouse challenges and opportunities within the industry sector, of which ICT (information and communications technology) is an important area. That piece of work is currently in preparation, and I am absolutely confident that he and I will discuss the implications for industry development in terms of ICT and the ways in which the government might intervene within that sector to try to drive better performance, which I indicate is a global issue. The government will be very keen to know what it can do within this jurisdiction, and I think it would be appropriate to do that within the current review that my colleague the Minister for Industry and Trade has commissioned. I will be very keen to work with him on those policies when we receive that report.

*Supplementary question*

**Mrs KRONBERG** (Eastern Metropolitan) — I thank the minister for his answer. It is a slight departure from what I would have preferred to hear. I now ask him whether he will indicate to the house the quantity of greenhouse gas production emitted to power the state government's computer and information technology activities, and if not, when he expects this figure to be available.

**Hon. T. C. Theophanous** interjected.

**Mr JENNINGS** (Minister for Environment and Climate Change) — All members of my party want to join in this debate. Now the Minister for Industry and Trade wants to join in because — —

**Hon. T. C. Theophanous** — No, the Minister for Information and Communication Technology wants to join in.

**Mr JENNINGS** — The Minister for Information and Communication Technology, who also happens to be the Minister for Industry and Trade, wants to jump into the debate!

As I think I indicated in my substantive answer, if that evidence was available to me I would have shared it in that answer. I am very keen to work through what those implications may be to find the appropriate ways in which we can measure and report on that going forward.

I recognise that this is an opposition-driven theme which I am expecting to be more and more a feature of our political communications. I anticipate that in all aspects of community life one by one I will be asked to account for the carbon footprint of each and every industry — some that I might be responsible for, many of which I will not be responsible for. I know that is a hallmark of where the opposition is going, so I look forward to developing that capacity so that increasingly I can answer those questions with confidence.

**Planning: government initiatives**

**Mr LEANE** (Eastern Metropolitan) — My question is for the Minister for Planning. Given the rate of growth of our population, I ask the minister to inform the house how much funding the Brumby Labor government has allocated in this year's budget to ensure housing stock and services are delivered in our growth areas.

**Hon. J. M. MADDEN** (Minister for Planning) — I welcome Mr Leane's interest in this matter. He has a high interest in many planning matters, so I welcome his question.

As we are well aware, we have huge population demand pressures in Melbourne. We have enormous livability and attractive qualities in Melbourne, including job growth, so people come into Melbourne in huge numbers. What we are seeing is a need to respond to those challenges very rapidly. One of the best ways to do that is to provide more housing right across Melbourne, but a particular focus for our growth areas, where many of the challenges lie, is to speed up the process of getting land to market so we can provide housing on those additional blocks.

As I have mentioned, the holding cost is often passed on to the consumer. It is felt by the landowner but it is often passed on to the consumer at the end of the day if it is held for too long. If we can speed up the planning process and reduce the holding costs, no doubt we can have an impact in the marketplace by reducing the potential cost of that land.

I mentioned yesterday and I reaffirm today that \$37 million is being invested in a package of initiatives to manage the rising population through better planning

for growing communities. Of this an additional \$5.6 million will be provided to assist the Growth Areas Authority to focus on the delivery of precinct structure plans. Basically they are the master plans for our new suburbs out there on the fringes. Additional to that is a \$1.6 million allocation to the Department of Planning and Community Development to better streamline the growth area planning approvals. We know the Growth Areas Authority was established in 2006 to better coordinate development in the growth areas. That authority is playing a significant role in reforming the planning process and leading it to speed up the release of land. We want to see those 90 000 new house blocks get out into the market as soon as possible.

The implementation of the precinct structure plan, the master plan I talked about, is critical, and the urban growth zone, which was announced by the Premier, helps complement this. We anticipate we can reduce the holding cost or the delays in the system by about 12 months, which is a significant advantage to the marketplace, and we would expect those savings to be passed on to consumers at the end of the day.

What we are seeing is thousands of dollars potentially being cut from the cost of housing by increasing the supply and improving the planning process, particularly its streamlining. There has already been a lot of work done on the program. Forty precinct structure plans are currently being managed; three of them have already been approved. They are Cranbourne North stage 1, Point Cook at Homestead Road, and Merrifield Central. The release of land — because of the precinct structure plans being completed — will provide for 5500 new homes and around 17 000 new jobs. Importantly, as part of the precinct structure planning, they identify where areas for housing, employment, activity centres, community facilities, public transport routes and open spaces will be located, so that we do the planning right the first time and we make sure we do not overlay that master planning with more complex issues, given that we get it right the first time.

We are committed not only to making sure that we maintain the livability of Melbourne and ensure its affordability, which is a key attractor, as well as job growth and economic prosperity, which are critical components of attracting people to this state, but also to maintaining that livability in the face of sustainability and even exceeding Melbourne's reputation as a great place to live, work and raise a family.

### Payroll tax: manufacturing

**Mr KAVANAGH** (Western Victoria) — My question is for the Minister for Industry and Trade, Theo Theophanous, but it is also relevant to the portfolio of the Treasurer, Mr Lenders. It relates to the effect of payroll tax on Victoria's manufacturing industries. During recent visits to factories in western Victoria payroll tax was raised with me as a heavy burden on business and a real obstacle to employment and growth. What is the minister's analysis of how the \$3.8 million plus per year that is collected in payroll tax affects maintenance and growth of manufacturing industries in Victoria, and in particular how it affects regional Victoria and employment opportunities?

**The PRESIDENT** — Order! Mr Kavanagh is horribly close to asking the minister for an opinion, but not so close that I have to rule it out. I remind all members of the house that in future they should be aware that they cannot ask for an opinion.

**Hon. T. C. THEOPHANOUS** (Minister for Industry and Trade) — I thank the member for his question. I also commend him for going around and speaking to businesses and being prepared to come into the chamber and seek to represent the views of those businesses by asking questions in this place. In his preamble he mentioned that this was also perhaps an issue for the Treasurer, and certainly in terms of setting the payroll tax levels the Treasurer is the responsible minister.

However, the impact of that payroll tax on the manufacturing sector is important to me. I think one of the things the Treasurer would certainly be proud of, and we are proud of, is the ongoing reduction that we have been able to give in payroll tax so that we have cracked the 5 per cent level. We are now down to 4.95 per cent for the first time, which puts us very much at the low end compared to other states.

The main issue for Victoria in how business input costs are managed is not even in one particular thing, although I know that businesses sometimes focus in on payroll tax. Mr Kavanagh should bear in mind that payroll tax in any case is not applied to all businesses; payroll tax is applied to larger businesses.

**Mr Drum** — Why?

**Hon. T. C. THEOPHANOUS** — The member asks why. The reason we do not charge small businesses is that we do not think small businesses ought to bear the cost of that or are in the position to be able to bear that cost. If The Nationals want to expand payroll tax to

smaller businesses then they should put it up as a policy and go to the next election on it. It might stand really well next to their other policy of reducing tariffs from 10 per cent to 5 per cent.

The question is an important and serious one. The point I am trying to make is that when you look at these input costs you have to look at who pays them. The first point to make about payroll tax is the low level that it has reached in Victoria. The second point to make is that it only applies to larger businesses and not to small businesses, and we want to retain that position. The third point I would like to make is that it cannot be seen in isolation, because there are other input costs as well that businesses face. In particular I mention WorkCover costs. The cost of WorkCover has been successively reduced over a period of five years with four reductions of 10 per cent and a further reduction in the last budget of 5 per cent. We now have probably the lowest WorkCover charges that historically we have ever had at 1.47 per cent or thereabouts. It is a very low level of WorkCover payment.

What we are trying to do is reduce the input costs over a range of variables, one of which is payroll tax, but others are important as well. The most important thing to bear in mind is looking at the outcome. I advise Mr Kavanagh that the outcome is that we put on more jobs in Victoria last year than any other state. We put on a significant number of new jobs — I think from memory it is in excess of 90 000 new jobs. Our unemployment rate is down to 4.7 per cent in regional Victoria and 4.3 per cent elsewhere. It is an historically low unemployment rate, and the economy is growing also and has grown for a number of years at a rate close to 3 per cent — I think it is around 2.9 per cent — which indicates that the conditions are there for maintaining strong growth and a strong economy. We want to keep that going forward.

We always monitor this every year, and I know the Treasurer is keen to make sure that our businesses are more competitive than those anywhere else in Australia. We think we have the mix right and that our local businesses will continue to be at the forefront of being competitive relative to other states.

*Supplementary question*

**Mr KAVANAGH** (Western Victoria) — I ask the minister if his department has done or commissioned economic modelling on the cost, in terms of jobs or of payroll tax, and if so what was the finding?

**Hon. T. C. THEOPHANOUS** (Minister for Industry and Trade) — Again I advise Mr Kavanagh

that my department does a great number of studies of economic modelling-type work. I am not in a position to specifically answer the member's question. I am not aware of specific modelling being done on payroll tax. I would have thought that that would have been something Treasury would do if there were to be such modelling. In any case I am willing to examine whether such modelling has been done.

The central point to make here is that, whatever model you use to try to measure economic activity, if you only use payroll tax as part of the model then you would be ignoring other input costs like WorkCover and so forth. We are mindful of and keep our eye on the level of competitiveness on a range of variables of Victorian business relative to other states. We think that Victorian business input costs are competitive relative to the other states, and that is one of the reasons we are experiencing such solid growth in Victoria.

**Planning: Dandenong development**

**Mr SOMYUREK** (South Eastern Metropolitan) — My question is to the Minister for Planning. The Brumby Labor government has focused on rejuvenating areas of socioeconomic decline throughout Melbourne and throughout Victoria for a number of years now. The city of Greater Dandenong is one of those places. I ask the minister if he can advise the house on how the 2008–09 budget will further contribute to the revitalisation of the central Dandenong project and particularly on how the Brumby Labor government is taking action to deliver better services.

**Hon. J. M. MADDEN** (Minister for Planning) — I welcome Mr Somyurek's question and his interest in these matters, because I know this particular issue is one of significance in relation to Greater Dandenong and Dandenong in particular.

We made a commitment to Dandenong to improve community access not only through co-locating government facilities in this area but also through significant investment, and that investment has translated into a number of initiatives. A funding commitment in this year's budget of \$19 million will accommodate government tenants in a new, 5-star green star building worth something of the order of \$73 million, and that will be part of an extra \$51.9 million over four years to make Victoria's transit cities more livable and vibrant centres for local communities.

In particular Dandenong offers enormous potential. It has been a major commercial activity centre for many years, but it is in decline for various reasons. The

impending opening of EastLink will provide easier access to Dandenong than ever before. It will make it an attractive proposition for commercial investment, whether that be in housing or business. As part of that we have committed that funding to this new, 5-star green star building to ensure that what will be a 10-level building providing 13 000 square metres of net lettable space will also house the Department of Human Services as an anchor tenant. Currently there are three separate Department of Human Services offices in Dandenong. That means that on occasions you have to go from one to the other if you are an employee or somebody accessing services. We want to improve the service efficiency, the deliverability and the amenity for those working in that location. This will be a great catalyst for what happens right across Dandenong — a great flagship development.

As well as that, VicUrban is the project manager for the Metro Village development just south of the Dandenong train station. This is also about getting more housing in and around these activity centres, particularly on what is known in the industry as a brownfield site. Between these two initiatives, the level of investment and the continued commitment to what will be one of the largest urban renewal projects in Australia we can expect — through the good work of many ministers; and I know many major projects ministers have been involved in this as well — more than \$1 billion of private sector investment over the at least 15-to-20-year life cycle of this urban renewal development.

This is a long-term development, it is a long-term proposition, but in the face of the growing population coming to Melbourne and the business prospects I suspect we will see this take off at a more rapid rate than anticipated. What is important is that this is an investment in urban renewal in a centre that has seen significant decline in recent years. This will improve Dandenong's livability and Melbourne's livability and reinforce Melbourne as a great place to live, work and raise a family.

## QUESTIONS ON NOTICE

### Answers

**The PRESIDENT** — Order! Are there any answers to questions on notice?

**Mr LENDERS** (Treasurer) — After yesterday's 202, I have one today: 2408.

**Ms PENNICUIK** (Southern Metropolitan) — I am still awaiting the answer to question 1599, which is about four months outstanding. The office of Minister Cameron has been reminded — in February, March and April.

**Hon. J. M. MADDEN** (Minister for Planning) — I am not across the detail of whether those have been provided or prepared, but I am happy to seek to provide that information to the member by reminding the relevant minister of the need to provide her with that information.

**Ms LOVELL** (Northern Victoria) — I also seek an explanation from the same minister, on questions 1880 and 1881, which have been listed since 11 March. I have written to both the minister in the other chamber, Minister Robinson, who the questions were for, and the Minister for Planning seeking answers to those questions.

**Hon. J. M. MADDEN** (Minister for Planning) — As members of the chamber will be aware, as ministers here we cannot compel our colleagues to provide this information, but I will seek to engage the minister in responding as rapidly as possible to the requests of the opposition members.

**Sitting suspended 1.04 p.m. until 2.13 p.m.**

## WATER: INFRASTRUCTURE

**Debate resumed.**

**Ms LOVELL** (Northern Victoria) — It is a pleasure to return to this item of general business. As I was saying before, I congratulate David Davis on bringing this motion before the house, because it is a very important motion. The Auditor-General has raised a number of concerns about the government's flawed water plans, and he has developed these opinions by looking at a number of documents that are not available to the public. The public should have the right to inspect those documents to see how serious the consequences of the government's flawed water policies will be for the state of Victoria. As I said before, I am particularly interested in two of those documents — the one referred to on page 21 of the Auditor-General's report, the final business case for the food bowl project, and the one referred to on page 31, the Rendell McGuckian final draft report entitled *The Food Bowl Alliance — Modernising the Goulburn Murray Irrigation District*, which was prepared for the Department of Sustainability and Environment in 2007.

In talking about the government's water plan, the Auditor-General's report says:

Nevertheless the processes used to develop the Victorian water plan fell short of the standard the department applied when developing the white paper and the central region strategy. In particular, the plan was finalised with:

minimal stakeholder consultation

inadequate levels of rigour applied to estimate the costs, benefits and risks of some of the key component projects.

This gives the community very little confidence in this government plan. We know that the department developed the central region strategy and that it went through green paper and white paper processes that involved some, although probably limited, consultation with the community. However, the Victorian water plan that the government grabbed hold of and ran with had virtually no stakeholder consultation. In fact, the stakeholder consultation in northern Victoria was a visit from the then Treasurer, John Brumby, on the Thursday before the plan was announced. He met with councils and said that if they did not agree with the plan the government would not go ahead with it. However, before the local councils could even respond to him and tell him whether they agreed — and, by the way, they all disagree with this plan — the government had announced the project, the TV ads were filmed, in the can and ready to go and the newspaper ads were booked.

The current Premier knew, when he told those councils that the plan would not go ahead unless they agreed with it, that it was ready to be launched, that TV ads were ready to run and that all the advertising spaces were booked on television and in newspapers. The government also knew that it would have to go out and sell the plan to the community, because it had not consulted on it. The community had no ownership of this plan; it was a purely knee-jerk reaction by a government desperate to find a solution to Melbourne's water problems.

The Auditor-General has raised a number of concerns about the plan and he makes a number of recommendations, including a recommendation that the government should publish the detailed analysis underpinning the estimates of water savings and costs for the food bowl modernisation project. As yet we have seen nothing on that. We should have the ability to assess all the data available. In recent days the government has shown how desperate it is to claim that its figures are correct.

A report was released recently by ACIL Tasman. That report was more about the benefits of investing in infrastructure than about following the federal government's plan to buy back water. I agree that there are more benefits to be gained from investing in infrastructure. The Premier has said this report reassured him that he was doing the right thing, because it — an independent report — showed that more savings could be made than even the government had estimated.

We got hold of a copy of that report, and it attributes the information used to substantiate its findings to the Victorian government. It was the same data that the government had used, so there was no independence to this report. The ACIL Tasman report also raised the issue of the Auditor-General's report and put a question mark over the savings mentioned in that report. The Premier misused the report. He used it for the purpose of spin doctoring, and he should be ashamed of himself for his deception in quoting from that report. It just shows that the Premier is prepared to use any figures to try to justify his flawed water plan.

In Parliament on 19 June last year the Premier said:

It is important to understand when you talk about the Murray-Goulburn system that the water that is released each year is around 3000 gegalitres: 2000 gegalitres is delivered, and 900-plus gegalitres go missing. If you put that in perspective, 900 billion litres is lost through this system each year.

He went on to say:

They are the distribution losses that occur whether it is at full capacity or whether it is at half capacity. It is the water that is lost when you operate the system.

He was saying that no matter how much water you put through this system you lose 900 billion litres of water every year. Goulburn-Murray Water does not agree with that. It has shown that its losses in the last two years were only about 500 gegalitres, and its estimated losses for this year are only about 450 gegalitres, so we do not lose 900 billion litres every time the system is run. The government has finally started to acknowledge this, and it is now saying the losses are between 600 and 800 gegalitres every time it runs. The government is using rubbery figures. It is manipulating information for its own benefit. We know that the Goulburn-Murray Water figures are more accurate. We also know that even here in Melbourne where we have a fully piped system it only runs at about 90 per cent efficiency; there is still 10 per cent lost in a fully piped system.

In the northern Victorian region, where we rely on natural waterways, rivers and open channels for

delivery of our water, there is no way it will be possible to get that system to 90 per cent efficiency. Even if we were to reach 85 per cent, that would be a huge task. With people saying there are about 30 per cent losses, if we look at a loss this year of 450 gigalitres of water it means that there is certainly not 425 gigalitres in savings to be found every year. The government's figures are rubbery. It manipulates them to suit its own concerns.

The Auditor-General went on to say:

A major concern, repeatedly noted in the stakeholder submissions to the food bowl steering committee, was the use of long-term inflows as the basis for estimating water losses and savings. Stakeholders were concerned that this assumption did not take account of climate change or the lower recorded inflows of the past decade. The final report of the food bowl steering committee did not address this concern.

That is exactly what I have just been talking about. The Premier is trying to tell us that we lose 900 billion litres every year; but we know that over the last three years, when the system has not run at full capacity, around 500 gigalitres was lost in the first two years and only 450 gigalitres will probably be lost this year. We need to look at more current figures. It is most disappointing that the final report of the food bowl steering committee did not address those concerns, and I might run through a couple of those concerns a little later in my contribution to the debate.

The Auditor-General also said:

Information provided on the food bowl project did not adequately explain the basis for the water savings estimates.

And that:

A final business case covering the food bowl project's early works has been developed and this included additional information on the expected water savings and costs.

This is one of the documents that we are seeking to have released: the final business case that has additional information. You have to question why the government will not release that document. Is it because that additional information shows that the savings the government is projecting are not there to be found?

The Auditor-General has placed a question mark over the rigour of the cost estimates, which vary significantly across the plan components. This is across the whole of the water plan components, not only across the costs for modernisation of the irrigation infrastructure. He also questioned whether the desalination plant can be delivered for the price the government has said it will cost. He pointed out that there was a much higher figure that the government had never released. He was not

able to release that figure either because of commercial-in-confidence documents.

The Rendell McGuckian (RMCG) *Food Bowl Alliance — Modernising the Goulburn Murray Irrigation District* final draft report should also be released for the community to see because it contains some high-level cost-based work. These estimates were used by the food bowl steering committee, and several of the stakeholder submissions have disputed the reliability of those costs. If that report were released the stakeholders would be able to see exactly what the costings were based on. It may alleviate some of their concerns or it may substantiate some of their concerns, but the community has the right to know what is in that document.

The Auditor-General also pointed out that:

Information provided on the food bowl project did not adequately explain the basis for the water savings estimates.

I have been through the numbers before quite a few times — they are the 900, the 800, the 500 and the 450 gigalitres. If it is not fully explained, then people have a right to question where the government is getting the figures from. They need to be able to see these documents to establish that. The Auditor-General said that he found that the documentation:

... did not have a depth of analysis and level of rigour commensurate with a project business case.

He notes that the committee:

... did not have to have a remit to verify the water savings estimates on which the project is based.

These are all important points. They place question marks over the figures that the government is putting forward.

The concerns raised by stakeholders included, as the food bowl steering committee's draft report stated, that it was difficult to determine where the losses occurred in the current system, and yet summaries of projected savings were provided without the detailed assumptions used to calculate them. That was a concern raised by the Swan Hill Rural City Council. What it is saying is that if it is difficult to establish where the losses occur, how can such a shallow process estimate the losses that will be achieved?

The Rochester Campaspe Irrigation Water Services Committee is reported as saying:

There is a very real danger that there may be significant inaccuracies in the figures that are leading the argument that there are substantial savings available.

The committee is saying that there is a danger that this is all inaccurate. If it can see the data it is based on, then it will know whether the figures are inaccurate or not.

The municipalities in the Goulburn Murray irrigation district put in a combined submission that expressed considerable uncertainty over the projected water savings because the measurement method was unclear and the assumptions about the on-farm water efficiency ran contrary to the experience of many farmers in the region. The people in the region know how the system works and have a fairly good idea of the amount of water that is used on their farms and what losses occur in the system. The municipalities are saying that this does not stack up against the data that the government has put forward.

The Shepparton Water Services Committee is reported as saying:

Many of the assumptions about savings in the report are incorrect which undermines the entire project ... modelling the savings over the past 100 years does not accurately take account of the savings made in the past 10 years ... through improved management and customer operation. A full audit of the claimed savings must be undertaken before this project proceeds.

That is an important point, because in the last 10 or 20 years there has been a lot of work done in the irrigation area. There are already a lot of projects under way that commit water savings to environmental flows et cetera. Yet here the government is modelling savings on losses for the past 100 years. It needs to model savings on the losses occurring now. We cannot talk about losses of 900 gegalitres when this year there is going to be a loss of only 450 gegalitres. That is an important point.

Murrindindi Shire Council is reported as saying:

The report does not explain how these figures ... were derived nor were they attributed to any individual or organisation. It is acknowledged ... that the technical basis for calculating and monitoring savings and losses needs to be done as part of stage 1.

It is saying there needs to be a more technical basis for the calculation and monitoring of these savings.

A whole range of concerns were raised by many people, including that the food bowl committee's final report provided no new information to address the concerns of stakeholders. The people in my community all put in submissions and they raised their concerns, and yet the final report came out and nobody even addressed their concerns.

I congratulate David Davis on bringing forward this motion today. It is a very important motion. I believe the government should release all the documents that are listed in the motion in order for the community to be fully informed of just what data the government is using to calculate the business case for its Victorian water plan.

**Mr PAKULA** (Western Metropolitan) — I find it amusing to be lectured on water by the coalition.

**Mr Dalla-Riva** — But you are about to lecture us.

**Mr PAKULA** — No, I am not about to lecture you. I am about to set out facts and history, Mr Dalla-Riva. This is the same Liberal Party which did not even register on its radar that water was an issue until about the first week of the 2006 election campaign. It was as if the Leader of the Opposition woke up one morning in about October 2006, gazed out the window over his acreage and said to himself, 'Oh dear, the lawn looks a bit beige. Hasn't it been raining lately?'. That was the first time we heard anything from the opposition about the topic of water. The opposition figures — —

**Ms Lovell** interjected.

**Mr PAKULA** — Members have listened to Ms Lovell for the last 25 minutes; she might want to hear another point of view. For the opposition — —

**Ms Lovell** interjected.

**The PRESIDENT** — Order! Ms Lovell!

**Mr PAKULA** — For the opposition it was a case of cobbling together something at the last minute when it realised there had been a drought for some time. What did it come up with?

**Ms Lovell** interjected.

**The PRESIDENT** — Order! Ms Lovell's constant interjections are inappropriate. She is warned.

**Mr PAKULA** — What did the opposition come up with when it figured out during the first week of the 2006 election campaign that water was an issue? It came up with a Barbie doll desalination plant in a location to be determined, but Werribee was one of the options, and something like a 37 000 megalitre dam at Arundel, 6 kilometres from Keilor and very close to Melbourne Airport. How did that idea come about? If my memory serves me, some fellow by the name of Geoff Crapper, a former Melbourne Water engineer, dusted off a policy or an idea from about 1976, bowled up to the Leader of the Opposition — to David Davis

and to Tony Plowman, who I think was the water spokesman at the time — and said, ‘How about damming the Maribyrnong?’, and the Liberal Party said, ‘Yep, that will do. Let us go with that’.

That was the sum total of the thought that the Liberal Party put into water policy before the last election. It was then, as it is now, a crazy idea, because the only time the dam would hold any significant amount of water would be during times when the Maribyrnong was in flood, which is something like a 1-in-25-year occurrence, if that. It is more than likely that when the Maribyrnong is in flood, every other dam in Melbourne would be full as well, so it was a plan for a dam that would normally be empty and would only be full when all the other dams were full as well.

We have not heard much from the Liberal Party about Arundel since the last election. It is difficult for us to determine whether it remains part of Liberal Party policy. I wonder why we have not heard much from the Liberal Party about Arundel?

**Mrs Peulich** interjected.

**Mr PAKULA** — I advise Mrs Peulich that it might be because it was then, and it is now, a silly idea that does nothing to promote water security for Melbourne, or it might be because it will not be of any use, other than when the river and probably all other rivers in Melbourne are in flood, or it could be because putting a dam near Melbourne Airport could bring down an aeroplane.

I am reminded of an article from the *Herald Sun* of 20 November 2006, when Mr Phil Shaw, who is Australia’s leading expert on bird strikes on planes, said that the Arundel dam could attract birds that could bring down a plane. I will quote that article to remind members. Mr Shaw said that the dam could attract birds that could bring down a plane. He is reported as saying:

Large birds flying into the engines of any plane, even a Boeing 747, can be catastrophic ...

...

The likelihood is, bird populations around the water would increase.

These birds could include pelicans, ducks, swans, egrets and herons.

It is interesting to note he did not mention grebes. He is further reported as saying:

Birds on runways often delay planes and strikes regularly cause damage, grounding them. Severe strikes can cause crashes.

Fears of bird strikes caused the abandonment two years ago of a similar plan for a lake near Christchurch airport.

Lest members of the opposition believe that that was only Mr Shaw’s view, Melbourne Airport spokesman Thomas Perry was reported as saying:

Any proposal to create a body of water near the airport would bring us to the issue of bird strike.

Safety is the absolute no. 1 priority for us, and bird strike is a major safety concern.

Maybe that is the reason that the misguided Arundel dam plan was quietly put out of its misery after the 2006 election.

The government was alive to the looming water problem back early in the 21st century — in 2001–02 — and since then the Labor government has spearheaded massive attempts to conserve water and has brought household water usage down to historically low levels. Without those efforts the situation would be far more dire than it is simply as a result of the drought.

The Victorian government has put massive resources into expanding the Victorian water grid — efforts that have been questioned and in some cases opposed outright by the opposition every step of the way. We have built and opened the Ballarat goldfields super-pipe. We have built and opened the Bendigo goldfields super-pipe. We have made a massive investment into the Wimmera–Mallee pipeline.

Unlike the opposition’s proposal for a boutique desalination plant that would have no real impact on Melbourne’s water storage and Melbourne’s water security, this government has proposed a desalination plant that is climate change proof, that is drought proof and that will provide 150 megalitres of water to Melbourne. We have come up with the food bowl modernisation program with the support of many irrigators in the food bowl. That is a proposal that, despite the bleating of the opposition, is a win-win-win scenario — a win for irrigators, a win for the environment and a win for Melbourne. If that record of achievement and foresight is compared to the position of the coalition — the climate change and global warming sceptics — it stacks up very well.

I will go through the many and varied positions of the coalition on water. They had what you might call a plan for a desalination plant. As I said, it was to be in an unspecified location, one of which was Werribee, supported — —

**Mrs Peulich** — Why don’t you do an analysis of your own government’s plan?

**Mr PAKULA** — I will leave that to Mrs Peulich. There was the plan for a desalination plant, which was supported by the Liberals but not supported by The Nationals. Now they are in coalition, so go figure that! In any case, it was a proposed desalination that would have been too small to make any material difference to the long-term water security of Victoria. It was a plan that did not go to the reasonably — I would have thought — crucial question of where you would put it. The opposition has a record of almost entirely ignoring the issue of water security throughout the life of the 55th Parliament. There was barely a word. I think the statistic was that water had been mentioned four times by the Leader of the Opposition, and one of those times was when he was talking about water polo. That was all occurring as we were descending into the worst drought in living memory, but it did not appear on the opposition's radar until October 2006.

We have seen the debacle — that is the only word for it — with the question of whether or not the Mitchell River should be dammed, which the Liberals opposed and The Nationals supported. I heard Mr Hall say this morning that The Nationals have only ever called it an option. That is the first time I have heard that. Certainly it was not the view of The Nationals candidate for Gippsland East at the last election. The *Herald Sun* of 21 August 2006 reported:

The National Party in East Gippsland is continuing its push to build a dam on the Mitchell River or on its tributaries.

When Mr Hall says it was only an option, perhaps he means, 'We might not necessarily dam the Mitchell; we might just dam one of the tributaries'. The Nationals candidate for Gippsland East, Chris Nixon, was under no illusion at the time that the plan of The Nationals was to dam the Mitchell. We have a complete disconnect in coalition policy on whether or not to dam the Mitchell River.

As part of this litany of obfuscation and apparent lack of any coherence in opposition policy, we had the Leader of the Opposition's shameful capitulation to the previous federal government's Murray–Darling Basin plan. To its credit, the Victorian Farmers Federation held its nerve in spite of overwhelming pressure from the then federal government. The Nationals held out for a little while, but ultimately they took the whip and were cowed into submission by their political masters in the Liberal Party. However, the Leader of the Opposition could not run the white flag up the flagpole quick enough. Even though the Prime Minister's plan was basically knocked up overnight on the back of a napkin — probably a linen napkin, but on the back of a

napkin nevertheless — the Leader of the Opposition's first response was, 'Where do I sign?'.

He urged the government to simply forget about the interests of Victorian irrigators, to sell their interests down the river, as it were, and capitulate to a Howard government plan that did nothing to protect the water entitlements of Victorian irrigators. He would have given away all Victorian control over the Murray–Darling Basin and left Victorian irrigators exposed to any commonwealth plan, even a plan to send water required by Victorian irrigators down the Murray to South Australia. By holding out, by waiting until a reasonable agreement could be reached with the federal government, the Brumby government ensured Victoria would keep its water share and the right to determine water allocations. It ensured that Victoria would keep its water management regime until 2019, ensured that we have a role in advising the commonwealth on the Murray–Darling Basin plan, ensured that we would be consulted on the members of the new authority, and crucially, that we would receive \$1 billion for stage 2 of the food bowl modernisation project. That was the dividend, if you like, of not being a surrender monkey on the basin plan; that was the dividend of holding out for a better deal for Victoria.

Then we have had, over the past year, The Nationals embarking on what Mr Viney described, and I agree with him, as a shameful campaign about the theft of water — Victorians stealing water from themselves. Even though the vast majority of water usage in this state is for the purposes of irrigation, and even though the vast bulk of the cost of the infrastructure upgrades that are planned will be paid for by metropolitan water users, The Nationals, and by extension the entire coalition, still talk about metropolitan Victorians stealing water from country Victorians. The Nationals are treating people that they profess to care about like political commodities — lying to them, frightening them, trying to engender panic amongst them and trying to engender hostility towards other Victorians on the basis of this big lie about the theft of water — and doing it all purely for political gain. I think for a party that seeks to play a significant role in the government of Victoria it is an absolutely shameful way to treat people that it professes to care about — panicking them, lying to them and trying to engender in them fear and hostility towards other Victorians.

On top of all that the opposition's other contribution to the water debate was, as I said, the ridiculous proposal to dam the Maribyrnong River at Arundel, to effectively destroy the Maribyrnong River, to provide a dam that would have held no more water in most years of any decade, a plan that would have had absolutely no

benefit other than in years when the Maribyrnong was in flood, a plan that would have provided no significant enhancement of our water security and might have brought down a jumbo or two into the bargain.

So the opposition has nothing to crow about when it comes to water management. The government has had a plan and has been implementing that plan for a number of years. Mr Viney has gone into the government's response to the request for documents in some detail. I find it extraordinary that when a number of the documents are on websites as mysterious as [www.dse.vic.gov.au](http://www.dse.vic.gov.au) and as shadowy as [www.ourwater.vic.gov.au](http://www.ourwater.vic.gov.au), nobody in the opposition could manage to find them, and I certainly await the government's response to the opposition's request as well. But in terms of the key issue of whether or not the opposition has any credibility on water management, the clear answer is it does not.

**Mrs PEULICH** (South Eastern Metropolitan) — I would like to make some comments in support of Mr Davis's motion set out in the notice paper, calling, under sessional order 21, for a range of documents to be tabled in the Council by 4.00 p.m. on 11 June 2008. He has listed those in a table, citing the page references in the Auditor-General's report on planning for water infrastructure tabled in the Parliament on 9 April 2008.

It was interesting listening to Mr Pakula's address because I do not believe he actually made a single comment in relation to the notice of motion, let alone the documents that have been cited and supposedly have been used as the basis of the Auditor-General's audit of the efficiency and effectiveness of the Brumby government's policy and programs in the area of a crucial essential service, the provision of water. Of course the old Labor way is attack: attack is the best form of defence, and Mr Pakula spent much of his contribution criticising opposition policies and discussing their viability, when the absolute nub, the essence of this motion, is that the community and this Parliament should have the opportunity to scrutinise documentation which was the basis of this government's formulation of water policy, as well as its programs, and that we have the opportunity to evaluate the veracity and the effectiveness of those programs and policies, to take part in a discussion as to whether the policies that have been adopted by the government yield the best cost-benefit return, and to subject those various options to an appropriate analysis. Mr Pakula failed in every measure to make any valuable contribution.

Indeed these documents should be made available to the Parliament and to the community. I would

encourage him to use his influence in his own powerbroking faction and his influence with the Premier to have all these documents released. I understand that an amendment will be proposed to the motion, with the government supposedly agreeing to the motion and putting in some very broad caveats that would allow it to be exempt from tabling documents on the grounds of legal professional privilege, commercial in confidence and cabinet in confidence, which, dare I say it, pretty much covers everything.

The reason why I think the documentation and the scrutiny of this key policy area need to have a greater degree of openness, accountability and transparency is that it is an essential service. It is an essential service for which Victorians are paying a very hefty price because of the failure of the Bracks and now the Brumby Labor government. We have to remember that John Brumby was the Treasurer for the preceding seven or eight years. As Treasurer he would have at least had the assumptions and the forecasts about the drought made available to him. Indeed they would have affected and been used to shape the budgets.

The fact that the government has had 10 years of drought and has only after the last state election attempted to adopt a policy idea that will increase the amount of water that is available shows its absolute unqualified failure in this area. Much of that, obviously, was to do with the Premier at the time, a very nice man who looked good and was obviously very popular, but he allowed Victoria to suffer from a state of drift — to use a pun, given that we are talking about water — and that the current Premier, who was then Treasurer, had obviously failed to deliver a comprehensive, integrated water policy funded adequately with projects that were going to secure and augment Victoria's water supply. The government's overreliance on the simple blunt instrument of water restrictions, which was in particular focused on domestic use, obviously, which is only about 10 per cent of the total water supply, is, I think, pitiful. It is pitiful because the minister for water at the time, Mr John Thwaites, in my view was absolutely as weak as water in the administration of his portfolio. Let me say that all those who had a related role were equally as weak as water.

The Labor members made basically three responses to this particular motion. No. 1 was that members of the Liberal Party have been critical. In particular Mr Pakula said that the Leader of the Opposition had spoken on water only four times before the last state election. Of course what Mr Pakula failed to mention was that he was the Leader of the Opposition for only four months, and much of that of course was campaign time when Parliament was not sitting. I still think that he certainly

managed to ramp up the pressure on this government to do something, which we saw it do immediately after the election. Let me say that that compares much more favourably than the appalling performance of a number of members in my own region, the South Eastern Metropolitan Region. I will give the house a little bit of an insight into the statistics: the 11 Labor members in lower house seats in the South Eastern Metropolitan Region have spoken a total of 43 times between them, which includes 28 speeches and responses to questions from the Minister for Water. If we look at the total number of contributions by lower house Labor members on this crucial issue of water, it is a total of 15 times across 10 members of Parliament. Four members of Parliament, as well as the Speaker — who is obviously hamstrung by the fact that she is the Speaker — have failed to use the word ‘water’ at all in any debate in Parliament.

Let me say that, given that most of those members are continuing serving members, that is an appalling track record. We now understand why this government was in a state of policy drift: because its Assembly members are basically lazy and lethargic, and they let their ministers get off with an incredible level of incompetence and underperformance. When you guys opposite are in government the onus is on you to kick your ministers in the backside to make sure that they lift their performance and that they are addressing and responding to the needs of the community. It should not necessarily fall solely on the opposition. Mr Pakula, Ms Broad and a number of other members criticised the opposition for criticising. Given that we have now had a decade of drought and those opposite have failed to respond to a crucial issue affecting business, residents, the community and our agriculture, the costs of which of course are then spread to all consumers of agricultural products, dare I say that if we had not been critical, we probably would not have got them to at least take some action, irrespective of how belatedly.

This particular report of the Auditor-General is an interesting report. I commend Mr Davis for going through it as methodically as he did, but the observation should also be made that indeed the Auditor-General’s report begins to look at the government’s water policy and programs only from 2004. It actually ignores five years of this government, presumably because very little happened and there was very little to be analysed.

A number of points are noted in the report. As I said, Victoria has now had a number of years of drought, and it would be very interesting to find out when the Department of Treasury and Finance was indeed first informed of a drought. That is a very crucial question. It would be interesting to see when it was informed of a

drought and when the first action was taken or response was made. I suspect that there is a huge gap between the two.

The Department of Sustainability and Environment is obviously Victoria’s principal water planning and policy agency. The report comments on the white paper, *Securing Our Water Future Together*. Is the government not great on spin? If we listen to Mr Pakula, water policy and programs are the glorious success story of the government. In actual fact even the government’s rank-and-file branch members recognise and castigate the Victorian Labor Party for its failure to plan and deliver the necessary water infrastructure for Victoria.

Do not be too sensitive about what we on this side of the house have to say, because our role is clear: we have been elected to Parliament to represent Victorians and to force the hand of government to make sure that it is at least doing something, because Victorians are the ones who will pay the price if it does not.

Other points noted in the report are that some strategies have fallen behind schedule as resources have been diverted to address demands of a worsening drought and that the level of information provided to the community on water supply projects has been inadequate and needs to be improved. It was interesting that Mr Hall made mention of the latest advertising initiative of the government, presumably as a response to the Auditor-General’s report. That is clearly not what it had in mind. The Auditor-General recommends a number of specific actions that need to be taken, including the revision of the central region strategy to account for the changed assumptions, and infrastructure commitments within the Victorian water plan to progressively inform the community about the costs and benefits of projects included in the Victorian water plan, as this information needs to be verified and scrutinised. Clearly the track record of this government to deliver projects on time and on budget has — —

**Hon. T. C. Theophanous** — Excellent.

**Mrs PEULICH** — It has been appalling, Mr Theophanous. The problem for Labor is that it just cannot manage projects. In actual fact Victorians have paid a very hefty price for a number of decisions that have been made and a whole litany of projects whose costs have blown out very substantially.

Another recommendation is that the government should:

publish the detailed analysis underpinning the estimates of water savings and costs for the food bowl project.

Mr Hall was absolutely right. We need to see the documentation which presents the cost-benefit analysis of the various strategies that should have been used, including —

**Hon. T. C. Theophanous** — You're after Wendy's spot!

**Mrs PEULICH** — I am happy to support the Deputy Leader of the Opposition in her very effective management of this house and as part of the leadership team.

**Hon. T. C. Theophanous** interjected.

**Mrs PEULICH** — I note that Mr Theophanous has woken up. Could he perhaps do me the favour of going back to sleep?

The Auditor-General's report further recommends that the DSE (Department of Sustainability and Environment):

work with central agencies and the relevant portfolio minister to explain to the community the level of rigour underpinning project costs and benefits when publishing information on committed projects

implement its proposals to improve how it tracks and reports on the central region strategy actions

provide regular, consolidated reports on progress against actions —

this is basic stuff! —

within the white paper and the sustainable water strategies

publish information on the progress and impacts of projects funded by the Victorian Water Trust

validate the flow compliance information provided by the catchment management authorities and make the CMAs' operating and compliance reports available to the community

regularly make available, to the community, information about how well the department has met its environmental flow obligations

strengthen the processes it uses to review water authority plans to verify they conform with government policy objectives and that their projects and initiatives meet value for money criteria.

Now that is a whole string of recommendations, and I note the forecast amendment. The reality is that all this information ought to be placed in the library so that every member of Parliament has the opportunity to scrutinise and read the information on this very important area of policy for Victorians. In actual fact, we as a Parliament have the best opportunity to make sure that we deliver and meet the needs of Victorians,

because the failure to do so has very dramatic consequences.

Time and time again we have heard the criticism by the government, which keeps calling for the opposition's alternative plan. The opposition is scrutinising its plan. The government is in the driver's seat. It has control of the money and the funds and this is its time. We are happy to give it suggestions and the benefit of our opinions as well as those of the community but the responsibility is on it to deliver in the management of this key portfolio.

Apparently the department has had to complete the Victorian water plan as an emergency response within tight time frames. Ten years is not a tight time frame.

The Auditor-General's report also notes:

... there was minimal consultation with stakeholders outside government before the decision to commit to the plan components —

and that —

the community was not told that the rigour of the cost estimates varied significantly across the plan components.

I think the most important bit of information has not been mentioned today, and that is that nearly 90 per cent of the \$4.9 billion trumpeted by the government as the amount being committed to water in Victoria as part of the Victorian water plan will be funded through consumer charges. It is Victorians who are paying the price and it is Victorians who are paying the price of ten years of Labor's failure in the area of water management.

The documents used to compile the report need to be publicly available. We have heard Mr Viney echoed loyally by Mr Pakula, speaking of how easily they were able to go onto Google, do a search and download 3 documents out of 18. That should not have to be the case. All those documents should be made available either in the library or through another system or even as appendices to the Auditor-General's report. It is very difficult for all of us to engage in that informed debate if we do not have access to all of the information. As I said, I think the amendment is the government's attempt to be seen to be responding, but at the same time clearly the caveats are so broad that at the end of the day I doubt very much whether much of the information being sought through this motion is actually going to be made available.

The department has also committed to publishing an annual review of the central region strategy in 2007 but no report had been published by the end of

March 2008, when the Auditor-General's report was being prepared. It is also noted that the level of detail in the department's 2006–07 annual report on sustainable water strategies was insufficient for it to meet its reporting obligations. The department released a short summary in the 2006–07 annual report but it failed to describe the strategies, actions or priorities that applied to those actions. Furthermore, a spreadsheet tracking all of the 129 strategy actions dated October 2007 was reviewed, and it was found that the information did not allow the Auditor-General to understand each project's status. Only 4 of the projects were completed, 58 projects were in progress, supposedly 11 had been accelerated because of the drought, and there were 55 projects that did not have sufficient information for the Auditor-General to be able to understand their status. That is why it is so important that the information listed in Mr Davis's motion be made available.

The remaining projects have been delayed by the drought, one project was apparently abandoned, and so it goes on. There was no other source of publicly available information to inform the community on the progress of these projects, and the state budget papers contained a single line item for the VWT (Victorian Water Trust). The department's own website contained no detailed information to address the absence of basic information on the projects, and this is the reason why this motion has been brought to the house.

The government has not done enough to conserve and improve the management of existing water supplies. It has been an appalling failure at augmenting and increasing the availability of water. It is obvious to everyone that not one additional drop of water is going to come out of the desalination plant until after the next state election. There are a whole range of other ways of augmenting the water supply that have not been looked at or progressed. The eastern treatment plant is only scheduled to complete its business plan by 2012.

Mr Pakula criticised the opposition's concept of smaller dams, citing their threat to the aviation industry because a bird might fly out and bring down an aeroplane. If this is a legitimate concern then the Edithvale wetlands, which are located very close to Moorabbin Airport, should be closed down immediately. I call on Mr Pakula — who lives very close by, despite representing an electorate on the other side of town — to take up this matter with his minister, as the parliamentary secretary for transport — —

**An honourable member** interjected.

**Mrs PEULICH** — That has been changed.

**The ACTING PRESIDENT (Mr Pakula)** — If the member is going to reflect on the Chair, she should at least get the title right.

**Mrs PEULICH** — What is it?

**The ACTING PRESIDENT (Mr Pakula)** — It is Parliamentary Secretary for Roads and Ports. The member to continue.

**An honourable member** interjected.

**Mrs PEULICH** — However, there is an advocacy role, and Moorabbin Airport is a part of the government's policy under Melbourne 2030. It is on the government's website. I was able to download that one. In fact the government's plan is to increase the capacity of that airport, and I look forward to seeing what the government is going to do about the big birds in the Edithvale wetlands.

In closing, I point out that the budget also reveals the Labor government will raid the environment contribution levy paid by the water authorities to fund the food bowl modernisation project. What is evident from this audit and from this government's performance is that its commitment after the 2002 election, when it created the new ministry for water and said that water would be Labor's key policy initiative for its second term — as reported in the *Age* of 5 December 2002 — has proved that Labor is about spin and public relations, and that it is lacking in substance and in any concrete and constructive action in this important policy area. It is an important area that we are still not out of the woods on. I commend David Davis's motion to the house, and look forward to being able to read and scrutinise the documentation listed in the table.

**Ms PULFORD** (Western Victoria) — This motion identifies a number of documents that Mr Davis would like to have a look at. As Mr Viney indicated earlier, he searched Google and found them in a matter of moments. I can understand the reluctance of members opposite to get onto the internet at the moment.

Members of the Brumby Labor government are committed to open and accountable government not just when on the opposition benches but also when they are in government. That is why in recent times we have taken a number of steps to improve the openness, transparency and accountability of government; measures including the statement of legislative intent, changed reporting on board appointments and overseas travel. Interestingly, members of the public who wish to subject themselves will soon be able to listen to our

debates online. There have also been recent changes to freedom of information legislation.

That brings me to the amendment to the motion that I wish to propose. It states — —

**The ACTING PRESIDENT (Mr Pakula)** — Order! I ask the member to formally move her amendment.

**Ms PULFORD** — I move:

In paragraph (4), after the words 'following documents' insert ', subject to government determinations regarding the status of the documents, including cabinet in confidence, executive privilege, commercial in confidence and legal professional privilege'.

All governments have responsibilities to ensure proper processes for decision making. It is proper to have regard to those things within a suitable and appropriate context whereby the government can consider the status of this list of documents and their release. But it is important to note that government has responsibilities in delivering its substantial water infrastructure projects where these important matters have to be taken into consideration. I urge members to consider supporting the amendment, because we believe it will make Mr Davis's motion much more workable.

Members of the Liberal Party are seeking to gain some relevance on the question of water and water policy. They went to the last state election with an ill-conceived and badly costed set of plans on water. Having come to the debate pretty late in the piece, and failing to notice the onset of the big issue of our time, it probably came to light as a result of their pre-election polling.

In his remarks Mr Davis said that the government had failed to act, failed to respond, and had no plans for augmentation. That is just nonsense. We have a \$4.9 billion plan that includes reduction in water use, elements of recycling, significant augmentation of our water supplies, upgrading infrastructure and connecting our systems.

In her contribution Mrs Peulich gave some free advice about how government members ought conduct themselves and express their views within government. I believe the expression Mrs Peulich used was, 'Give them a kick'. I ask Mrs Peulich whether when she was a backbencher during the years of the Kennett government she gave him a kick for the school closures, the hospital closures and for nobbling the Auditor-General whose office has been spoken about in such glowing terms during this debate. This week, of all weeks, to be lectured by members of the Liberal Party

about the frank exchange of views within one's party is quite something.

Mr Hall said the government had no commitment to water conservation. Perhaps he is living in a part of the state without stage 4 water restrictions. Throughout my electorate, and specifically in the Central Highlands water region, everybody has been on stage 4 water restrictions for a while, and conservation has become a way of life. Future generations will never know the joy of running under a sprinkler; that time has absolutely gone. This is in no small part because of a government-led change in attitude to water use in recent years.

Mr Hall observed that the notion of stealing water from Victorians to give to other Victorians is an unhelpful element of the debate, and I agree with that because of course we are one community. But in a display of the divisions and the differences within the coalition on this issue, Ms Lovell commenced her contribution with the usual blast about stolen water.

The policy vacuum on the other side of the chamber in this area is because the Liberals and The Nationals are pretty hopelessly divided on the question of how we secure water for Victoria. The Liberal Party supports desalination but The Nationals oppose it.

There is also a real absence of an alternative to the north-south pipeline which is due to be completed in 2010. The coalition has refused to guarantee that if elected it would shut down the pipeline project. Liberal Party members, state and federal, who were so hell-bent on playing politics on the goldfields super-pipe and super-pipe funding, have yet again ruled out turning off the goldfields super-pipe.

I notice that Mrs Peulich said that this government could not deliver major projects, but last Monday I was with the Premier and the water minister when the water came gushing through the Ballarat pipeline. That looked to me like a major project finished on budget and six weeks ahead of time. For people who are turning on their taps in Ballarat and for industries that use water, employ people and want to have some security and confidence in their future, that water looked pretty real to me and it looked like a major project that had been delivered pretty well.

The super-pipe's construction was opposed by the opposition. The level to which politics was played over the funding by the former federal government was nothing short of outrageous, yet Liberal members have said that they will leave it in place if elected in 2010. I am curious to know, if the north-south pipeline is

completed before the next state election and the opposition is successful at the next state election, what will be the opposition's position on that augmentation of water supplies to the southern part of the state.

On the federal water plan, the opposition parties were ready to roll over in a heartbeat for John Howard's takeover and could not be relied upon to hold a consistent or principled position on water. Under the agreement that the state government has now concluded with the federal government, Victoria will keep its existing water share and water management regime until 2019, will be consulted on the management on environmental water and on the membership of the new Murray-Darling Basin Authority, and will receive \$1 billion for stage 2 of the food bowl modernisation project. This is not a result that the opposition parties could ever have delivered in Victorian irrigators' interests.

Our plan will secure water for Victoria. It is just nonsense to suggest there is not a plan. Desalination at Wonthaggi will provide 150 billion litres for Geelong in my electorate, and for Western Port, Wonthaggi and Melbourne. The food bowl modernisation project is a \$2 billion investment to a system that currently loses up to 800 billion litres a year. In these scarce times where we have record low inflows and where we have had incredibly dry conditions for a decade, this is an inefficiency we cannot afford. The modernisation is expected to save 425 billion litres which, just to try and visualise that amount of water, is three-quarters of the water that it takes to fill Sydney Harbour, so it is no small beer at all. The pipe is designed to limit the share of these water savings that can be transported to Geelong and to Melbourne to 18 per cent, so the overwhelming proportion of the savings from that modernisation will go to irrigators and to our river systems.

The water grid continues to evolve, with 250 kilometres of new pipelines, a 50-kilometre pipe connecting Geelong to Melbourne, and also in my electorate of Western Victoria Region a \$30 million pipeline connecting Hamilton to the Grampians-Wimmera-Mallee system. The super-pipe, as I indicated, has now secured water supplies to Bendigo and Ballarat, in spite of the best efforts of members opposite and their federal counterparts to play games with such things. The Bendigo link services the easternmost part of the Western Victoria Region. Kyneton is serviced by Coliban Water and the Bendigo leg of the super-pipe.

Geelong, our second biggest population centre in the state and certainly the largest population centre in my electorate, will be able to grow with confidence and

industry will continue to invest with confidence because Geelong's water future is secure, thanks to the work of the government.

This debate today has been largely about the means by which we secure our water supply. On the extent to which the opposition in general and Mr Davis in particular, in moving his motion, want to consider documents rather than create a smokescreen for their lack of plans, policies and alternative approaches on this issue and the internal divisions between the Liberal Party and The Nationals, we encourage them to look at those documents that are cleverly hidden on Victorian government websites. I certainly urge members who are serious about proper government processes and about enabling the full disclosure of documents about these water infrastructure programs to support the amendment that has been moved in my name.

**Mr D. DAVIS** (Southern Metropolitan) — I rise to conclude this debate, and in doing so thank all those who have contributed. I want to conclude on a number of points and make some comments about Ms Pulford's proposed amendment. This is a very important motion because it is about the future of the chamber's capacity to get from government documents on key matters of public importance. The Auditor-General has reported to this Parliament, and we welcome those series of reports on water issues. This is a matter of great public significance not only in Melbourne but also for the irrigators in the north of the state, those in the regional cities of Bendigo, Ballarat and Geelong, and those in the smaller towns as well. The importance of water infrastructure in Victoria cannot be overstated. It is of economic and social significance, and it is of huge importance to get these matters right.

The Auditor-General in his two recent reports, the one around which this motion is framed and the one tabled today, has pointed to serious mismanagement of these major water projects — projects that are late, projects that are massively over budget and projects that have been mismanaged comprehensively. In his conclusions he points to a series of documents, many of which are not in the public domain. This simple, modest and sensible motion is a step towards laying the groundwork for an examination of what this government is doing and putting into place a much stronger and better policy as we go forward.

The role of this Parliament, of this chamber in particular, is to scrutinise government performance, to hold governments to account and to point to those areas where governments should do better. This government has mismanaged many of these projects. The Auditor-General has clearly said it himself, and during

this debate speakers have pointed again and again to what the Auditor-General has said. In the motion I have said that we welcome the tabling of the report. I note the seriousness of the matters, and in welcoming the report I lay out the importance of the documents.

Ms Pulford has moved an amendment to insert restrictions on what is available to the opposition, what is available to the chamber and what is available to the people of Victoria. She intends to insert a restriction on documents classed as cabinet in confidence, executive privilege, commercial in confidence and legal professional privilege — and the judge and jury on that will be the government itself. This is a sad joke, and it is bad for Victorians. It is a sign of a secret government, a government that is determined to hide information at every turn and a government that is determined to close down information in this state.

Those of us who extensively use the FOI laws understand the importance of this chamber as a way of getting information critical to the future of the state. This government has closed down freedom of information activities, and we saw recently in this chamber, with the FOI bill, a decision to close it down even further. This is a secret government; it is a government that is devoted to closing down the flow of information.

It is worth revisiting a little bit of history in the context of Ms Pulford's amendment that would exempt documents on the basis of their being classed as cabinet in confidence, executive privilege, commercial in confidence and legal professional privilege documents — which will be decided by the government itself. In 1997 John Brumby, then Leader of the Opposition in the other place, wrote a paper called *Restoring Democracy*. I will read some comments from it:

At the heart of our society is the most important partnership of all: the democratic partnership. I define this partnership as open, transparent, and honest government, genuine participation, and decency in public life.

...

The cornerstone of a healthy democracy is a government which is honest, accountable and engaged.

This is not such a government. This is a secret government. It is a government that today is trying to clamp down on the flow of information — modest information.

**Mr Viney** interjected.

**Mr D. DAVIS** — You are going to try to clamp down on the flow of information. Let me read from

another important document, *Restoring Your Rights*, which outlines Labor Party policy in 1999. The Leader of the Government, Mr Lenders, will remember it well; he probably wrote half of it when he was the state secretary of the ALP. It states:

Labor will:

...

End the commercial confidentiality blanket that hides government contracts from the public.

Let me read some further sections:

Basic details about essential public services are hidden from citizens by secret contracts ...

What on earth is the amendment seeking to do but to put a restriction on information on the basis of a commercial-in-confidence arrangement? This is a secret state this government is seeking to put in place. I want to quote further from this document. Under the heading 'Ending the secret state' it states:

The worst abuses will end, including the use of the term 'commercial confidentiality' to exclude matters which are not ... commercial in nature.

But this government wants to be the judge and the jury of that itself. It wants to say, with these documents, 'We'll decide if it is commercial in nature'. The document further states:

Adopting a proper definition of 'commercial confidentiality' ...

What is its definition? Where is the definition in the chamber today? The government could have come forward with a sensible definition weeks ago — this motion has been on the notice paper for a long period — but it now comes forward at the last minute and says, 'No, commercial in confidence'. What is the definition you intend to apply here? This is your definition; it is a secret state definition.

**The ACTING PRESIDENT (Mr Pakula)** — Order! Through the Chair, Mr Davis.

**Mr D. DAVIS** — Through the Chair, Acting President, this is a secret state definition. This is the John Brumby, John Lenders, Labor Party decision to close down the ability of this chamber under sessional order 21 to achieve the release of documents. Freedom of information has been made very difficult in this state.

**Mr Guy** — Impossible.

**Mr D. DAVIS** — It has been made almost impossible. You occasionally get documents, but it takes a wrangle, a huge amount of time, effort and court

appearances to get those documents. At the same time this chamber has decided that it will introduce sessional order 21, an important order that enables the chamber to put in place a system to bring forward documents that are important to the people of Victoria. There needs to be an understanding of what has occurred with these water projects and their planning. A proper system will be strengthened by the release of these documents. In that context I ask the chamber to vote against the amendment moved by Ms Pulford and to vote for the motion.

**House divided on amendment:**

*Ayes, 20*

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

*Noes, 20*

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

**Amendment negated.**

**Motion agreed to.**

**MEDICAL TREATMENT (PHYSICIAN ASSISTED DYING) BILL**

*Introduction and first reading*

**Ms HARTLAND (Western Metropolitan) introduced a bill for an act to enable a mentally competent adult person suffering intolerably from a terminal or advanced incurable illness to exercise their right to end their life by requesting medical assistance from their doctors, to protect doctors who so assist, to prevent misuse of their ability to assist, and for other purposes.**

**Read first time.**

**Ms HARTLAND (Western Metropolitan) —** I move:

That the bill be printed and, by leave, be read a second time forthwith.

**Leave refused.**

**Ordered to be printed and second reading made order of the day for next day.**

**LOCAL GOVERNMENT: PLANNING POWERS**

**Mr GUY (Northern Metropolitan) —** I move:

That this house notes with concern the Brumby Labor government's proposed changes to the Victorian planning system and in particular —

- (1) the breaking of a 2006 election commitment not to remove or reduce local government's role in the planning system in Victoria;
- (2) the removal of council planning powers in the Coburg, Preston, Doncaster, Camberwell and Geelong activities areas;
- (3) the further intention to remove local government from the planning process in 22 other activities areas around Melbourne;
- (4) the failure to consult local government or communities on their removal from the planning process in these areas; and
- (5) the continued attack on local communities' planning rights right across Victoria through the new residential zones proposal.

While the *Titanic* clears on the other side of the chamber I will allow members to take note of the motion we are talking about today.

This is another very important motion we come to the chamber to debate. The issue is the government's failed planning policy for Melbourne, Melbourne 2030. As we have noted on a number of occasions in this chamber and in internal and external debate and the like, the government's Melbourne 2030 policy is a dog. It is failing. If there is anything that needs to be euthanased in this state it is the Melbourne 2030 policy. It is without doubt the most disastrous piece of planning legislation to find its way into Victoria.

**Mr O'Donohue —** It is terminally ill.

**Mr GUY —** Indeed, Mr O'Donohue, it is terminally ill. The government tries to prop it up on every occasion. What we saw last week was yet another attempt by the wizards of this state government to cast a

spell on Melbourne 2030 — like Merlin with a potion — to rescue it, to try to breathe life into a beast that cannot be resuscitated because the plan is fundamentally flawed.

**Mr Finn** — Trying to turn a beast into a beauty.

**Mr GUY** — Indeed, Mr Finn. The motion we are discussing today relates to Melbourne 2030, to the state government and its planning policies for Melbourne, what it has done and is doing to Melbourne, what it is doing to peri-urban areas outside Melbourne, what it is doing to country Victoria, what it has not done for the economy of country Victoria and metropolitan Melbourne and how it is fundamentally preventing growth in areas that need it and stifling the city to make it one of the most unaffordable places in which to live and start a new family in a new home.

While we are looking at this it is very important to go back to what Melbourne 2030 was about, because no doubt that is what we will hear from the members opposite — what Melbourne 2030 was about, what its fundamental principles were meant to be. No-one can forget that Melbourne 2030 was initially meant to be a plan for a more compact city. The vision was that Melbourne had to be more compact and that we had to better utilise the designated activities areas that were to be determined through Melbourne 2030. It was about planning ahead for urban growth, looking at where we would be in the year 2030 and what the city could accommodate population-wise. It was about limiting urban sprawl — and I say goodbye to the Minister for Planning as he farewells the chamber.

‘Urban sprawl is evil’ said the people opposite — something we should not aspire to. In fact, the minister who is now leaving the chamber referred to people in the outer suburbs as living in ‘energy-guzzling McMansions’ — that is what he thought of people living in the outer suburbs. He puts 5 or 6-star energy ratings on those homes but calls the people who live in the outer suburbs wasteful, energy-guzzling users.

As I said before, managing population growth was about managing Melbourne’s growth from a city of around 3.5 million to a city of around 4.5 million by the year 2030. From the year 2002 to the year 2030 we would have managed Melbourne’s metropolitan growth of around 950 000 people, and that is what this document was about. It was about reversing the trend of outer urban growth from two-thirds of annual population growth in Melbourne, with one-third being infill growth, that is, growth in existing suburbs, so that we would have two-thirds of metropolitan growth occurring in areas classified as existing suburbs infill

development and one-third back in the outer suburban area. It was a long-term planning vision for the metropolitan area, that sadly has gone very wrong.

As with any good planning policy, what the government should have done from the very start was to make sure that the figures it was dealing with were right. That is a fair point to note. I would have thought that if you were forming a planning policy, a vision for a metropolitan area the size of the city of Melbourne that is quite large in a Western sense — Melbourne would be the seventh or eighth largest metropolitan area in Europe if it was compared to European cities; it might even be the sixth largest — of course you have to come from a figure of strength and accuracy when you are dealing with population growth. But that has not been the case. In fact in both numerical and percentage terms Victoria and metropolitan Melbourne have been growing very strongly since 1997, in the latter years of the Kennett government.

When the Liberals and then National Party came into government in 1992 Victoria was a rust bucket. It was a mess and a disaster. The state had gone from population growth of around 40 000 in the 1980s down to zero — into negative territory — in interstate migration in the early 1990s and down to around 10 000 to 12 000 people per annum as the full state growth in the late 1980s and early 1990s. That is the figure we were left with. When the Liberal and National parties left office in 1999, state growth had risen to around 55 000 per annum. Better than that, we had reversed the trend of interstate migration against people coming to Victoria. People were coming to Victoria. That was the legacy we left people on the other side of the chamber. These were figures that the ABS (Australian Bureau of Statistics) said would be a spike, and they continued from 1997 right until 2002 when 2030 was drafted and sent off to this Parliament to be ratified.

The Labor government knew from the very start that Victoria was not going through a population spike but that it was going through a prolonged period of population growth matched by economic stability which had been part of Victoria since the mid-1990s. When the Labor Party went away and formulated Melbourne 2030 it arrived at figures of around 40 000 per annum. In the year 2006, according to 2030, Melbourne’s population was meant to grow at around 40 000 a year, declining to around 39 000 year in the year 2007, despite contrary evidence from the ABS that Melbourne’s population was continuing to rise. It was getting much stronger, and it was mainly coming at the expense of places like Sydney.

We find ourselves in the situation today where our population in the metropolitan area is growing at 62 000 people per annum, a number that is faster numerically than the entirety of south-east Queensland and the Tweed Coast combined — faster than Brisbane, the Gold Coast, the Tweed Coast, Toowoomba and the Sunshine Coast combined.

Many people will say that that is good figure, and indeed it is very good. Population growth is very strong, and it is very important to have population growth. But population growth that is unplanned and unforeseen can be catastrophic for a city's livability and catastrophic when you are looking at service provision and long-term infrastructure plans and growth. What we have is Melbourne 2030 now becoming, in population terms, Melbourne 2020. The extra 1 million in population that Melbourne was meant to have by the year 2030 will be here by the year 2020, a decade early. What this says is that our planning policy for the metropolitan area of Melbourne is 10 years out and the figures are 50 per cent wrong.

People on the other side of the chamber may say that 10 years out and 50 per cent inaccuracy is fine and there is no problem; they will deal with that. I put it to you that anyone in business who produced a 30-year plan that within the first five years was found to be incorrect by 10 years and 50 per cent out when it came to population figures would be sacked. So they should be sacked, because when the figures were drafted for the years from 1997 to 2002 they were saying the contrary, but the government ignored them.

As I said earlier, unplanned and unforeseen population growth has catastrophic impacts upon the city's livability and upon infrastructure and service provision. Worse still, there has been no cross-referencing between *Melbourne 2030* and other documents such as *Meeting Our Transport Challenges*. What we had in 2030 was the promotion of these growth areas, particularly into the northern suburbs. In *Meeting Our Transport Challenges*, which was issued with no relevance and no connection to 2030, the government came along later and said, 'What we should do is build railway lines to these areas, but we will do it in the year 2017'. It said, 'We will extend the railway line from Epping to South Morang' — and it is good to see in the chamber Ms Mikakos, who is a member for the same region as me, the Northern Metropolitan Region. In the 2030 document the government said it would increase the northern growth corridor out through the city of Whittlesea, one of the fastest growing areas in Australia, but it would not have a document that matched the transport needs for an additional 50 000 people who would live there.

**Mr Koch** — No infrastructure.

**Mr GUY** — No infrastructure. It planned to move a population the size of Shepparton's in there by the year 2015 and provide nothing. That is the fundamental flaw in 2030.

The urban growth boundary was hastily drawn. I have been to schools in the outer eastern suburbs — and I note that Mr Lenders, a former education minister, is in the chamber — where the urban growth boundary cuts through the middle of the land the school is on. This is because it was designed and formed by a couple of bureaucrats, a couple of wizards, sitting up in DSE (Department of Sustainability and Environment) at the time. They saw a map, put a line down it and gave no thought to reality, including that they were cutting a school's land in half.

**Mr Koch** interjected.

**Mr GUY** — They had no care at all, Mr Koch. For example, what we have now in the outer eastern suburbs is a school, Billanook College, that simply wants to upgrade its facilities, and the people at the school are being told it cannot build on its own land. The school had to spend hundreds of thousands of dollars engaging planning lawyers to help lobby the government to get the boundary changed or altered or new zonings put in so it could build on its own land. But prior to 2002 it had no trouble. As I said, the urban growth boundary is just one example, a powerful example, of how that boundary was drawn hastily and in an ad hoc manner.

The document also incorrectly assumed that families would leave their homes for apartment living. I do not scorn the idea of a city with a higher density; I think that is something Melbourne needs to embrace in the future, but you have to do it in a conceivable and realistic manner. Is it realistic to believe, as 2030 does, that families — not couples, but families — will leave their homes in Eltham, pack the bikes up, park the Jayco in the underground car park and move into level five or six of an apartment block in Hawthorn? The answer is no. But that is the lunacy that the document engaged in — that families would abandon their homes and move into these apartment blocks.

The great example we saw was in Mitcham, where there was a proposal to build a 17-storey apartment block. The proposal under 2030 was that families would say, 'It is not a good investment to spend \$450 000 on a house and block of land off Blackburn Road; in fact we should be buying a three-bedroom apartment up here overlooking the Mitcham railway

station'. I am sure the Mitcham railway station is a good facility, but it is not what families want to overlook from their homes or apartments. They want a house and land. That is what the market said people wanted, but 2030 did not recognise that.

The strategy also contains an assumption which I find quite bizarre — that is, the assumption that people in the outer suburbs will abandon their cars for bikes. It is a worthy notion; we need to get people out of cars burning non-renewable fossil fuels and oil — we need to get people out of cars, full stop. As long as we have cars on our roads powered by material that is not good for our environment, that is something we should look at, but at the moment it is inconceivable that someone in Ferntree Gully will trade in the Holden Commodore, buy a giant mountain bike and head down to Knox. It might be a good thought, but it is not practical nor conceivable. But this is the policy our state government has been running the metropolitan Melbourne planning systems towards over the last five years.

**Mr Finn** — Off with the fairies.

**Mr GUY** — Mr Finn says, 'Off with the fairies' — that is polite. It is far worse than that. The land release policies in Melbourne 2030 have added to the problem. I have talked about land release a number of times in this chamber, and I will briefly talk about it again because it is important. In 2030 the urban growth boundary was designed, as I said earlier, to create a definitive line around Melbourne where growth will and will not occur in and out of the boundary. That is the idea. The reality is that in a time of population growth, particularly when population growth is 50 per cent greater than forecast, what do you do to the commodity value of the land within the urban growth boundary? It goes through the roof — and it has.

But worse still, if you restrict land supply at a time of population growth, what are you going to do to the commodity value of that land? 2030 was introduced in late 2002. In the 2003–04 financial year there were just over 20 000 lots released in the urban areas of Melbourne. In the 2006–07 financial year that figure was down to 7400, and yet in the corresponding time from 2003–04 up to 2006–07 there was a 30 per cent increase in Melbourne's population growth. Our population is growing at a rate 30 per cent greater than three or four years ago, and yet in the outer suburbs of Melbourne 63 per cent fewer lots are being released than three or four years ago. The government says that there has been no impact and there is no relationship between the land release policies in 2030 and housing affordability. I say the government needs to get its head out of the sand.

Land release is not the sole answer of course, but the reality is it is a major factor considering that in percentage terms the greatest increases in the price of land over the last 10 years in Melbourne have not been inner city lots but lots in the outlying suburbs of Melbourne. As I said before, the government is on another planet if it thinks 2030 is the right plan for Melbourne. I say to this government that if it wants an example of how similar policies to 2030 have failed, with the drawing of a line around the city which has added density to certain suburbs and introduced things like new residential zones, it only needs to look at what happened 20 or 25 years ago 1000 kilometres to the north-east of Melbourne. It is called Sydney.

It is a terrible city, and I do not want Melbourne to become anything like Sydney. It is atrocious — a horrible city which is horribly planned, has almost zero livability and now has almost zero affordability. But the policies that are espoused and the ideas that are brought up over and over again by this government through 2030 were espoused by the Wran government in the 1980s — and they brought the following tremendous result for Sydney.

I read a few months ago in the *Sydney Morning Herald* an article headlined 'One in five Sydneysiders wants to leave'. It said that a poll had found that one in five Sydneysiders is considering moving to another city. They blame the high cost of living in Sydney and the unaffordability and poor livability of that city.

Sydney is a disaster, and 2030 is based on failed Wran government policies. The state government's response to the failings of 2030 and the fact that this document is falling over would be absolutely comical if it were not serious. The fact is, it has admitted that population statistics are now 50 per cent wrong.

In July 2007 Minister Madden came into this chamber and said in a sarcastic tone that the opposition might be sceptical about Melbourne 2030's population figures. We were sceptical, because four months later he said, 'Actually, you're right. They are 50 per cent wrong'. Fifty per cent failure might be a decent rate for the Minister for Planning in the state government, but we on this side of the chamber view a 50 per cent failure rate as disastrous.

The government is totally panicked and is without any consistency whatsoever. It originally claimed that land release was evil. Then in February the government turned around and released 90 000 lots of land — land it does not even own. We saw John Brumby out there with a hard hat, together with the Minister for Planning, saying, 'We are releasing 90 000 lots!'. They promised

not to reduce or remove planning powers of local government. That was a promise of this government as late as 2006. We do not even have to comment on that after last week, because it is now full steam ahead with the government replacing them with development assessment committees in activities areas.

The Labor Party said high-rises were inappropriate only for certain areas. It is now mandating high-rises in two of three zones in the new residential zones document. The Labor Party said the community should have a right of determination of planning of dwellings in their own area. People should have a right to appeal, a right to object, a right to be notified. Again it is being removed under the new residential zones document. The government has totally panicked and is in denial.

We have a situation where the government is panicking, where the community hates Melbourne 2030 and was not involved in any part of the negotiations because it was a political document. We have nimbyism, as the Labor Party likes to say, out of control in the state because people are freaking out — and rightly so — at the high-rises that are being forced upon them by this government. We have councils that feel totally disenfranchised. Before we have Labor members scorning people on this side of the chamber for our reform of local government, it should be remembered that local government reform from members on this side of the house resulted in a reduction from 204 to 78 councils. Mind you, every one of those councils was returned financially strong and with every bit of planning powers intact until the Labor Party took them over.

We have developers who are seeking certainty — and why wouldn't they? Of course they want certainty. They want to know if they have an urban growth boundary or not. They want to know what kind of planning policy we are going to have in Melbourne for the future. We have more population pressures now from the federal government. The Labor Party went away and had an audit of Melbourne 2030. It asked, 'How is this document going? How are we doing? How is it looking?'. It was like one of these Soviet five-year plans, a chance for government to run away and say, 'Let us have a look at how we are going'. It is a five-year plan with a two-year audit. Surprise, surprise, the Melbourne 2030 audit came back and said, and I quote:

There is a real need to 'think big and think long term' now, for a sustainable Melbourne of —

wait for it: not 4.5 million and not 5 million; the audit is now saying —

6 million people.

Six million people in the metropolitan area! But of course we are not going to expand the urban growth boundary, says the government.

It is a document that has spent 30 per cent of its time in review every five years. It is an audit with terms of reference that said it could not actually look at the fundamentals of the 2030 policy. It is a Clayton's audit — an audit you have when you do not have an audit. It was an audit that came back and said, 'Surprise, surprise, you should actually be working with documents like *Meeting Our Transport Challenges*'. There should be some interaction between that document and the 2030 audit.

**Mr Finn** — That is a bit of sense.

**Mr GUY** — Of course it would make sense. It was an audit that said that this government had fundamentally underestimated population, an audit that had no powers to investigate the reality of Melbourne 2030 and the effect it is having on housing affordability, an audit that went away and recommended in some instances entirely contrary policy positions to what the government has put forward through Melbourne 2030, an audit that in some senses was brave but in many senses just another predictable government piece of paper.

One thing that has come out of the government's response to that audit which I want to talk about and which is obviously a fundamental part of this motion is the removal of local government planning powers in activities areas. That is worthwhile noting, before I quote what the Labor government has said in relation to council planning powers in the past. I am not coming into this chamber to be an ardent defender of everything local governments do. Some local governments run themselves pretty appallingly. When we have been in government in the past we have reacted to that when it has been necessary, as has this government. But it is worthwhile noting statements made on a number of occasions, and I have a quote from Dick Wynne, who is the local government minister, apparently! He said to the Legislative Assembly on 6 May:

In relation to local planning decisions, they are matters for local government, that is where they belong.

**Mr Finn** — Clever Dick!

**Mr GUY** — Indeed, Mr Finn. When Steve Bracks spoke to radio broadcaster Neil Mitchell during the election campaign, he was asked whether he would be cutting or changing powers for local government. It was

a straightforward question and so required a straightforward answer. 'No', said Steve Bracks, 'I think we have announced all our policies and planning so the existing arrangements are all in place'. It was a very Steve Bracks answer but the key point is the first word — no. He said it on 18 July as reported in *Hansard* and again on 20 December.

Then we had a situation last week where the government arrived at the view that activities areas should have local government planning powers removed — that is its policy — and replaced with departmental assessment committees. This is the hastily thought-up idea of a departmental assessment committee (DAC). As we have heard today, the government has no idea about the probity of those who will be on the committee, no idea about the way these people will be appointed, the process under which they will be appointed, the transparency of those who will be appointed — no idea whatsoever. We have just been given an approach from this government of 'Trust us, these committees will be right'. It has no idea about the cost of the new DACs.

We may have a situation like the one that exists in the Labor government in New South Wales, where planning bodies created to remove the power of local government are in fact funded by local government. The bill is handed back to the ratepayer. The Australian Labor Party's way of doing business is to rip planning powers out of councils and then hand them back in bills saying, 'Here, you pay this'. Is it cost-shifting? Is it shysterism?

**Mr Finn** — Is it theft?

**Mr GUY** — Yes, I think it is closer to theft. But that is how the Labor Party has operated.

It is worth noting that it is not just the five centres that were nominated — Geelong, Coburg, Preston, Camberwell and Doncaster. There are in fact 22 other areas that are going to lose their planning powers, but the government still cannot give them a date when that will occur. Talk about creating certainty for the planning community, for councils and for communities! A nice big press opportunity for the minister and for the Premier is rolled out, and the government says it is going to remove all council planning powers. It says it is going to take away activity areas, but has not defined where the activity's area boundary will actually be. The government is not sure of the timing or the structure or the probity of what is going to replace them, but says the areas are: Airport West, Box Hill, Broadmeadows, Chadstone, Cheltenham, Cranbourne, Dandenong, Epping, Footscray, Frankston, Glen Waverley,

Greensborough, Highpoint, Moonee Ponds, Narre Warren, Prahran, South Yarra, Preston, Northland, Ringwood, Sunshine, Sydenham, Wantirna South — which is Knox Central — and Werribee. As I said, every single one of them will be going to a new departmental assessment committee, off to the state government with no idea of the structure that will replace them.

If we are talking about creating certainty, Melbourne 2030 has not given it. It is a failed strategy that is 50 per cent incorrect. If you try to create certainty and affordability in the market, you do not do it by coming out with an announcement that says, 'We have got something for you. It is called nothing; it is called an announcement, it is called a press release', but that is what this government has done.

I turn quickly to the new residential zones proposal, because the Labor Party has lied about that proposal and the intention of those zones from the very start.

**Mr Finn** — They are good at lying.

**Mr GUY** — Very good, Mr Finn. The government went away and said, 'These zones will create certainty'. They will do that — I will give them that — but the certainty they will create is about mandating high rise and removing people's third-party rights to appeal. In fact even the Labor members for Mordialloc and Essendon in the other place have come out and said they will fight against the idea of removing third-party appeal rights, as they should.

In fact I put out a challenge to every single speaker from the Labor Party who gets up on this motion today to state what they think about third-party appeal rights, because the Labor members for Mordialloc and Essendon say it is a disgrace that they are going to be removed. That is courtesy of the *New Residential Zones for Victoria* document, but the minister has endorsed the document through his own introduction at its front. I simply say to members opposite that when they have the courage to get up and speak on this motion, they should tell us where they stand on people's rights to be notified of a development planned for a property two doors down from them. I ask them to tell us where they stand on someone's right to appeal against a development or to object to VCAT (the Victorian Civil and Administrative Tribunal) about a development. They should tell us about a council's right to object. They should tell us where they stand, because we really want to know, and the community wants to know. I am sure that when they get up to state their position, their constituents will also want to know.

The new residential zones proposal is like Melbourne 2030; it is like the announcement made last week and it is like the urban growth zone announcement. It is all spin and amounts to nothing. It is spin, it is panic and it is a reaction from a government whose members have not properly thought through planning in Melbourne.

The reality is, as I said from the start, that Melbourne 2030 has failed. It is a strategy that is fundamentally incorrect and was based on ludicrous assumptions about a city with a population of 3.5 million people. It was based on assumptions that Australians would forgo the way of life they have had for the past 108 years and embrace a lifestyle that is better suited to Zurich.

**Mr Finn** — It bans the backyard.

**Mr GUY** — Indeed, Mr Finn, it was about banning the Australian backyard. It was about putting down people who lived in the suburbs, saying they lived in McMansions, that they were living in energy-guzzling and inefficient homes, which they were not. It was about putting down people who choose the Australian suburban life and who choose townships in which to live. That is an endearing image of this country which we should be cherishing, not abusing. It has had a terrible impact upon housing affordability. Despite protestations from the minister opposite, Melbourne is more unaffordable now than it has ever been at any time in its history.

In short, the document is a fraud and a failure. We need to start again with a document that embraces community values and the idea of councils and listens to and properly evaluates where high density can be provided in our community. I urge members to support this motion.

**Mr HALL** (Eastern Victoria) — I congratulate Matthew Guy for bringing this motion before the chamber today. We have spent some considerable hours talking about two issues so far — water and planning — and they are probably the two most important issues that we as members of Parliament have to deal with on behalf of our constituencies, so it is entirely appropriate that we speak on planning this afternoon.

I will start by making some comments on the government's announcements of last week. A press release was issued from the office of the Premier proposing changes to the existing planning system in Victoria. I want to say this about the Brumby government in terms of its introduction. It is my view that the decision to give planning decisions to unelected planning panels stinks of arrogance. It says to local

government, 'We do not think you are good enough, we do have any confidence in what you are doing, and we are going to strip you of planning powers because we can do it better' — and that is arrogance of the highest order. It will be the arrogance factor that will eventually bring down the Brumby government.

I am most concerned about the increased trend of the use of standover tactics by the Brumby government. Yesterday, during questions without notice, I highlighted the decision by this government to sue a local community group from West Gippsland, called Your Water Your Say, for costs. That is the sort of standover tactic this government has been employing more and more regularly to silence anybody who dares to offer an opinion contrary to that of the government.

It is merciless of this government to take community groups to court and to sue them for expenses when that community group is acting on what it believes to be true community feelings and values. I do not think it does this government any good at all to employ such standover tactics to intimidate and to silence those who have a contrary view to government. We are seeing it with this particular decision to implement unelected developmental planning panels. It is simply a standover tactic which denies Victorians their rights and opportunities to have input into planning matters.

When I read the commentary behind the government's introduction of these changes to planning systems and the employment of development committees for particular activity centres, I asked myself where the detail was that is usually attached to that sort of introduction. The government said it was introducing development planning committees, but there is no detail on how those committees are going to work and what role there will be for normal community members to have an input into future planning decisions. Will local government have a role? Perhaps it might be by way of its two appointed representatives on those planning panels, but again they are not elected to that particular task. Given the importance of the development around those activity centres, there should be elected representatives who bear the responsibility of those decisions on behalf of their communities. Now it seems that we are going to have people who are appointed to undertake that process.

I listened with interest to the question asked by the shadow Minister for Planning, Matthew Guy, earlier today about whether the people on planning panels are going to be subject to the same probity checks and the like that council members of local government are currently subject to. Again there was no definitive answer from the minister. I do not think the minister

knows how these panels are going to work. Even though we are receiving some advice and comment from the government, we have no hope of understanding or being able to give to our constituents an explanation of how these changes to the planning system are going to operate. That is pretty poor. If any government is introducing significant changes to planning powers in Victoria, then it is incumbent upon that government to explain to the community exactly how those changes will work.

Despite recent attempts by journalists and opposition members of Parliament, the government has not told us what the processes will be that will be employed by these new planning development committees, so we are bereft of information about how they will work. It is no wonder we are being accused of being hysterical, because nobody knows exactly what processes those committees will employ. Nobody knows how communities will have an input into planning matters in those important activity centres.

There is no doubt in my mind that what will happen here is a forerunner for the further stripping of the planning powers of councils. Already the media reaction is one of outrage in terms of the stripping of powers from councils.

If you looked at the *Age* of 21 May this year, where the announcement was foreshadowed — the government leaked that it was about to do this — you would see that the heading was ‘State strips council powers’. That is the interpretation being applied by the media and the community in general. I was very interested to read some editorial comment, again from the *Age*, a few days later, on 24 May. I want to quote from this particular editorial comment from the *Age*. In discussing the processes associated with the implementation of Melbourne 2030, it says:

What has happened instead is a piecemeal approach to planning in which the 2030 objectives become a set of political obstacles to be overcome, or if that seems too hard, steered around. Thus the response to the housing affordability crisis becomes the release of more land on the urban fringe, which may have the desired effect in the short term — though that is not guaranteed — but in the long term can only increase the pressures that 2030 is intended to resist. And in the latest patch to the plan, the government this week announced that it will strip local councils of planning powers over 26 of 2030’s designated activity centres or transit cities.

That is very clear comment, and I think that editorial comment is generally reflective of the views of the people I have come across since this announcement was made last week. The editorial goes on to say:

Planning minister Justin Madden has said that the change is about ‘streamlining the whole mechanism, about taking the

politics out of it’, which is a euphemistic way of saying that the new panels are intended to circumvent the opposition by some councils and residents groups to affordable higher density housing developments in the activity centres, especially near public transport.

And it goes on. I do not think people would dispute that that is the general perception of the community as to the impact of these changes. There is no doubt that the planning powers previously exercised by those respective councils have been eroded, no doubt whatsoever, and I suggest that in times to come further powers will be stripped not only from the remaining 22-odd councils but from others generally across the state of Victoria.

I want to make quick reference to the press release issued by the Victorian government, on Wednesday, 21 May, when it announced these changes. It says, as part of the package unveiled by Mr Brumby:

Development assessment committees ... will comprise an independent chair, two state government nominees and two local government nominees, to assess development proposals in principal activity centres. DACs will assess permit applications in Camberwell, central Geelong, Preston ... Coburg and Doncaster, before being rolled out across the remaining principal activity centres and areas of state significance.

So this applies not only to principal activity centres but also to areas of state significance. There is no stopping this government from deeming any municipality to be an area of state significance. Maybe even Latrobe, for example, because of all the power generation, might be classified as being an area of state significance. So you will probably get country-based councils also being stripped of some of their planning powers. I continued reading this press release because I wanted to see the detail about how these committees will actually work. The only indication I got was from the fifth last paragraph in the press release:

Mr Madden said DACs will deliver a new and balanced forum to assess permit applications in principal activity centres, retaining the same appeal rights to VCAT as currently exist, when a council or the Minister for Planning is the responsible authority. DACs will be operating in initial municipalities by ... 2009.

So the only detail about the new process by which planning applications will be heard by these committees is that anybody who protests will still have the opportunity to take it through to the Victorian Civil and Administrative Tribunal. I would like to know what the processes are that allow input before decisions are made. Are these five people who are going to comprise the various development committees going to unilaterally make a decision? Are they going to go out and consult? Will they still have to go through a process

of advertising? Will they still need to consider objections to it, and in what format will they consider those objections? Those details are missing from these government announcements, and no wonder I, and I think the people I represent, are very sceptical about this move from the government.

I am genuinely concerned that this is only a first step towards a further stripping of powers from local councils. We will probably get government members standing up in this debate saying, 'We have no intention of taking any further planning powers away from councils'. Can you believe them? Because prior to the last election they promised they would not in any way diminish or erode the planning powers of any councils in Victoria, and yet only a short period of time following that election, last week we learnt that that promise to the people of Victoria was not kept.

In summing up my contribution to this debate so that others can speak in the time that is available to us, I want to again thank Matthew Guy for bringing this matter to the attention of the house. Each of the five points that are listed in the notice of motion is absolutely spot-on. The first one is 'the breaking of a 2006 election commitment', and there is no doubt about that whatsoever. About the second, 'the removal of council planning powers in the Coburg, Preston, Doncaster, Camberwell and Geelong activity areas' there is great concern. The third point is 'the further intention to remove local government from the planning process in 22 other activity areas around Melbourne'. If it were up to me, I would also add the words 'and potentially those councils in country Victoria that are of state significance'.

I think the fourth and fifth points are also salient. The fourth is 'the failure to consult local government or communities on their removal from the planning process in these areas'. Again this government's claim to have an outstanding record of consultation is proved to be sheer fabrication, because no councils were ever consulted on this decision — no councils were asked for their view. This arrogant government has simply imposed its will on the people of Victoria, and in times to come the people of Victoria will reject it for that very reason.

**Mr BARBER** (Northern Metropolitan) — I have been around since the beginning of Melbourne 2030 and I have paid great attention to it ever since the beginning. The reason I paid so much attention to it, as I have just been discussing with the planning minister on the side, was that I was a City of Yarra councillor when the document was released. I would like to give

the government my view, at least, from a ringside seat, of where it went wrong.

Back at the beginning the government did not release the submissions to Melbourne 2030. The public was certainly encouraged to provide input to the plan, but everything went very quiet for a while. There was no way for all of us to see who else had submitted. Certainly the government was aware of everybody who had submitted — that is the sort of many-to-one conversation that it likes to have — and that became a source of distrust or mistrust and also in itself quite an important issue as the plan landed on our desks.

The next thing that happened was that they picked the wrong list of activity centres. I do not know if they picked them using a copy of the *Melway* or by staring out a window at Nauru House, but many of these activity centres were car-based, while the whole rhetoric of the document was about reducing car dependency and encouraging public transport. So we had big box shopping centres surrounded by car parks, like Chadstone, said to be activity centres. There were even pictures in the document of these car-based centres and comments about how they wanted to improve them. Suddenly they went from being a big box in an even bigger car park to this thing that looked like an old English village or something, with people walking around and living in low-rise, three-storey or four-storey houses, with a train magically appearing along the side. It was a great concept, an exciting picture, but there was no implementation. They actually went on and allowed a number of those big box shopping centres to expand in terms of retail floor area, which may not be a bad thing, but also to expand their actual car parking area. We are yet to see any of those activity centres make any move towards the sort of transformation that was nicely pictured in the document.

The other mistake made with activity centres was that the government failed to understand that the central activities district of inner Melbourne — let us say Melbourne City Council, Yarra and bits of Stonnington and Port Phillip — is in fact one big activity centre. There are a whole series of activity centres in there, but they are all specialised activity centres. They have particular groups of activities. They do not fit what was the standard vision of an activity centre, which was a sort of walkable, livable area where most of your basic needs are met.

If you are living on this side of Brunswick Street, you are pretty much living next to what has now become a specialised entertainment precinct activity centre. There is still a supermarket there, but it is always threatened to

be closed down, and there is very little in the way of other activities that are not either retail or entertainment related.

There is no child-care centre there and there is no government office there — that is right; the federal government pulled the department of social security, or Centrelink as it is called now, out of that area away from its clients, the public housing tenants, and sent it off down to Richmond somewhere. The city — and this was well elucidated in the *Inner Melbourne Action Plan*, which the inner city councils produced — is one big activity centre with many specialised activity centres in it, and the plan never recognised that subtlety.

There was no implementation plan early in the game or even as we went along for how the vision for activity centres was to be achieved. However, as we found out in the infamous cheese grater case, a green light had been given to VCAT (Victorian Civil and Administrative Tribunal) to go ahead and allow any kind of development it wanted simply because something had been designated an activity centre. There were no tools to manage the development, but there was a green light for development. That was literally written into the planning scheme on the day that Melbourne 2030 was launched.

There was no template for how structure planning was to occur. What is a structure plan? Is it, as its name suggests, simply just about urban structure, or is it also about the structure of the community? Is there any mechanism in a structure plan to generate new open space that these new residents might need? Is there any opportunity within a structure plan to guarantee that basic governmental and community services will be protected? There is certainly no market mechanism to do that in a place like Brunswick Street or Smith Street. In fact when we made these inquiries of the department — and we were pretty quick out of the blocks — the answer came back, 'We don't know. Have you got any suggestions?'. Then they sent us one which had been done in Frankston, which was totally inappropriate. The government really at that stage had no idea of how it was going to implement structure plans. In a question that I recently asked of the minister, he did not know how many structure plans for the principal and major activity centres had been completed. I would have thought that would have been a major milestone if you were serious about implementing Melbourne 2030 in an effective way.

The idea of these activity centres was that they would allow people to live within walking distance of them, and so the magic number became 400 metres. VCAT was then making decisions to give the green light to

any development within 400 metres of an activity centre. I suppose the attractive but perhaps a bit too quaint idea was that the activity centre policy would create a new set of sort of urban villages across the city. I agree that that is a very attractive idea, but it is not really what has come to pass, and in the end I do not think it is a practical method for this city to go forward.

Certainly we need Melbourne to become a series of cities — cities within the city. Right now we know that the Melbourne CBD has about a quarter of a million jobs, its abutting and near-neighbour councils together with the Melbourne City Council have about half a million jobs, and there are another 200 000 jobs down in the Kingston, Greater Dandenong and Monash municipalities. We know that for most of the remainder of just under 1.3 million jobs, according to the last census, for those remaining municipalities not included in what I just said, about 25 per cent of people live and work in the same municipality, and so again there is a local travel need there.

Rather than just hoping we could restructure the city in fairly short order to the point where large numbers of people would be able to walk to achieve their daily needs, we have to really rely on upgraded public transport around perhaps a smaller list of activity centres. Maybe you call them transit cities, I do not know, but the name 'transit city' conjures up in my mind something different to what the government has been implementing. Ringwood is a transit city. If you told me something was a transit city, I would imagine that meant there were trams, trains and buses and new developments going in everywhere. At Ringwood, the last time I looked, the transit city development had been some new flagpoles and a bit of a spruce-up around the train station.

**Mrs Kronberg** — Four flags.

**Mr BARBER** — I thank the local member who has filled me in. That is hardly likely to revolutionise urban development, patterns of development and patterns of transport, but the intention was there. With Melbourne 2030 we got a tram plan, a train plan and a bus plan, and they were diligently worked on. They set about crunching the numbers on how you would go about achieving 20 per cent of motorised trips on public transport by 2020. Those plans never officially saw the light of day. I have copies — lucky me — but they were never officially launched with the government saying, 'Yes, this is our way forward'. Again, everything just went quiet while market forces rolled on and while 2030 continued to become discredited, and then suddenly we got Meeting Our Transport Challenges, which again is a grab bag of projects, a

large amount of the money being soaked up by some fairly big roads, including the one down at the back of Southbank there, now costing us \$1.4 billion.

A lot of the discussion in 2030, a lot of what it is overtly about and a lot of the public debate has been about the housing aspect of the city's growth. It has been about asking: are our houses too big, are our blocks too big, can we get people to live in apartments, can we get people to develop on smaller lot sizes and can we stop the infamous urban sprawl by messing around with housing? There is very little in it on the part of the plan that is to do with managing the development of employment across the landscape.

From the figures I gave earlier it is clear that employment is still fairly highly concentrated in a place like Melbourne. Residential areas are broadly dispersed, but the jobs people do are still fairly concentrated. As long as one of the two is concentrated there is half a chance of developing a sustainable transport system that can get people to work. We want to spread out a little bit more when we are back in our homes. We would all like to be on a quarter of an acre or an eighth of an acre with two or three friends — but when we work we take up much less space. For example, here are 40 members sitting in quite a small area. It is possible to have high job density, although urban density is unlikely to be changed dramatically in a city like Melbourne even over a period of decades. You simply cannot achieve that sort of revolutionary change to housing density.

There should have been much better land-use planning devoted to the issue of employment and where it was to be. That did not happen, but market forces again took care of that. The growth in the economy has been in a bunch of sectors that have tended to be based in the CBD and so we have seen a renaissance in CBD employment — not to mention in Docklands; I think about 14 000 people are employed there, although this number is due to grow to as many as 40 000 — alongside increased residential density in the city of Melbourne. But it is not as if the city is going to be supported by the people who live there. It is going to be supported by a much larger catchment area.

An additional aspect of the activity centres policy which was neglected was that to get people to live in activity centres, whether they live in apartments or whatnot, you have to make those activity centres more attractive than they are now, not less attractive. So the amenity issues are quite important around those activity centres. You have to believe in a certain grungy charm to live in Fitzroy, but if you move there you probably want to get that level of amenity protected. You

probably have a lower need for open space; you do not want to own your own big backyard but you certainly want your local park to be protected. Affordability, of course, has had the opposite effect; the most affordable houses are not those around activity centres but those that are most remote from the city centre. Too often the government has chosen to increase density at the expense of these three factors. So if density is going up but amenity is going down then your policy is not going to work. If you are using up open space and developing housing on it, as the government so often has done, the amount of open space per person is in fact declining, making the area less attractive.

As far as the energy efficiency of these new dwellings goes, the government announced a greenhouse strategy in 2002 which required new dwellings to achieve 5 stars. But 5 stars do not do much for you if you are living in an apartment with no outdoor space and you end up buying a clothes dryer to get your clothes dry, or if the passive solar and orientation of those apartments is so bad that you have either an oven coming in your western window in summer or so little light that you come home, even in the early afternoon, and switch your lights on. You do not get energy efficiency just by sticking people in apartments and, in fact, per capita it is starting to decline. Then there is the fact that the government failed to deliver on its own 2002 promise to make energy ratings compulsory for renovations. They certainly apply to new dwellings added each year, but for the vast majority of the existing stock, which would probably achieve about 1.5 stars if it were rated right now, members can expect little progress.

In my view those are the major failings in the implementation of the 2030 policy, and also some aspects of its conception that were wrong. Yet here we are today with the government proposing a takeover of councils' powers in activity centres, and it is blaming it all on the councils. It says, 'It is those councils. Everybody knows councils cannot do anything right. So if Melbourne 2030 has failed, if the original conception of the policy has pretty much collapsed, it must be those councils. They do not know how to make planning decisions properly. They are stopping all this development'.

What I want to know is, what has been the growth in dwellings or employment opportunities, which is a lot harder to measure, in activity centres since this policy has been implemented? I would just like to know that figure. We see figures quoted on how much growth has been on the city fringe versus how much is occurring in existing established areas, but we know a lot of that is coming in as incremental and unplanned infill, not activity centres themselves. Take out from that

statement perhaps the Melbourne CBD, where it is easy to measure a big growth in residential density as well as employment. If I consider the average activity centre, whether it be one of those officially designated in the Melbourne 2030 documents or just the other couple of hundred activity centres that are quite obvious — the shopping centres, the universities, the larger industrial parks — there is not a lot of evidence to my eye that they have become centres of residential, walkable, multipurpose urban villages.

I would also like to know, if the minister can produce that figure, which permit applications for development in those activity centres have actually been knocked back by the councils. But even if they had been knocked back, the developers would have been able to go to VCAT, so it would be VCAT that would be responsible if those developments did not go ahead. Now the minister is telling us that under this new development assessment committees arrangement he is proposing, people will still have appeal rights to VCAT. So if there has been a total failure of the planning system and that is the reason poor old Melbourne 2030 has not proceeded according to the original vision of the now long since departed John Thwaites, it must be VCAT that is to blame.

I am not sure about that. But in any case what we now know is that development assessment committees will become compulsory, initially in this group of councils that have completed their structure plans. If you are a council, your reward now for doing that structure planning work is to have your powers stripped from you. You do not then get to make decisions, which I do not think would really encourage those remaining — I am not sure how many there are; the minister cannot confirm principal and major activity centres — to go ahead and do their work, given that at the end of the exercise they lose the power to influence the outcomes from thereon in. I am not entirely sure that this proposal — the latest in a long series of tinkers and fixes — is really being put forward for the reason that has been stated. I have watched Melbourne 2030.

I have seen its original aims, I have seen the rhetoric, and I have seen the results. It has been like watching a learner driver bunny hop their car through a Safeway car park. It is almost painful to watch, with fits and starts and reversals and stalls. At every stage the solution is to strip away a few more powers over either the statutory or the strategic planning processes, but never do we look at the broad settings — economic, investment, public transport and government investment — as being the driver of what is happening. I suspect, and I know there are many others out there who feel the same way, that it is not about all that; it is

actually about needing an edge to take away councils' planning permit powers. There has been a longstanding push from the development community. It is very patient and with this latest proposal it seems to be getting it.

What that all adds up to is support for Mr Guy's motion, although perhaps not for many of the things he brought to bear in arguing it but for the strict wording of the motion. We certainly agree that the continued attack on local communities' planning rights across Victoria is not the way to achieve a sustainable city.

**Ms MIKAKOS** (Northern Metropolitan) — I welcome any opportunity in this house to have a debate about planning matters, and I welcome the fact that Mr Guy has moved this motion. It gives us an opportunity to highlight yet again the policy vacuum that exists on the other side of the chamber. I listened intently to Mr Guy's contribution for 32 minutes. We heard the Liberal Party's clear opposition to Melbourne 2030, yet we did not hear any alternative being put to the people of Victoria about how future population growth will be managed in this state. Members on the government side have a plan to manage growth into the future. That is what Melbourne 2030 is all about.

Before I come to the details of Melbourne 2030, and in particular to the audit, I want to make some further comments about the motion that has been moved by Mr Guy, which is in fact about shedding crocodile tears over the significance of local government. I find it really quite rich that Mr Guy has moved this motion, given that he is a member of a party and a coalition that did more to harm local government than any other party in the history of this state.

In fact it was the Kennett Liberal-National government that rode roughshod over local government, merging 210 councils down to 78. I can tell Mr Guy that I speak from personal experience, having been a councillor at the former City of Northcote when we were Jeffed. In fact we were sacked and forcibly amalgamated with another neighbouring council to form the City of Darebin. I can remember that at the time the local community was outraged at this action, and the fact that commissioners were put in place for an excessively long time which went far beyond the period that was required to bring about this amalgamation. I am looking at my colleague Mr Elasmr, who was also sacked by the Kennett government when he was the mayor of the City of Darebin and for a second time the residents of Darebin faced their locally elected councillors being sacked by that government and commissioners being put in place. People in my community and in

Mr Elasmars' community know full well the conservatives' track record when it comes to local government.

I also remember very well that it was the Kennett government that imposed the 20 per cent rate cut in 1995 and 1996, slashing resources available to local government. It kept rate rises at the consumer price index less 1 per cent, so starving local councils of resources. It introduced compulsory competitive tendering which had a devastating impact, particularly in regional Victoria. I note that Mr Hall seems conveniently to have forgotten that. It also brought about the sacking of 11 000 council workers. In fact we are seeing crocodile tears on the part of members of the Liberal Party in expressing their so-called concern for local government.

By contrast the Bracks and Brumby Labor governments have enshrined local government as an essential tier of government in the Victorian constitution. We abolished compulsory competitive tendering and replaced it with best value tendering. We have allowed councils to pay better remuneration to councillors, and we have also introduced simultaneous elections for local government. We are also working with councillors to work together more effectively. Just recently the Minister for Local Government released the better local governance review consultation paper to gauge local government's views on a number of reform proposals regarding conflicts of interest.

In the planning area we have also introduced the \$13.8 million Creating Better Places program which supports and strengthens local places in various local government areas. We have reviewed our planning tools with councils, we have undertaken planning projects with local government in both metropolitan and in regional areas, and we have a commitment to continually improve our planning system by working in cooperation with local government and to do that in a transparent way.

I note in particular that when we came to government one of the very first things we did in 1999 was to announce new guidelines to clearly define the scope and limits of ministerial intervention in planning matters. These guidelines were developed in the form of a practice note. They guarantee that any use of such powers are open and accountable, and that councils overwhelmingly retain responsibility for local planning matters. In the period April 2007 to April 2008, 167 ministerial amendments to planning schemes were approved, one matter having been called in from the Victorian Civil and Administrative Tribunal and five planning applications having been called in from

councils. In each instance written reasons were given for each decision, including an explanation of how the circumstances of the matter responded to the practice note on ministerial powers of intervention.

We have a transparent planning process, and an enviable record of an average of 85 interventions per year since 2000. This record provides a stark contrast to that of the former Kennett government which, in just the two years between 1997 and 1999, intervened in 495 planning amendments without any explanation. This was an average of 247.5 times a year, or one for every working day of the year.

I want to remind members opposite that many of these interventions are related to my local community — for example, in June 1999 the then Darebin council, which I mentioned earlier, introduced a site-specific clause in its planning scheme for the light industrial zone to allow use of land at 216 Bell Street, Preston, for a peripheral sales outlet, and also to remove a residential density overlay from a site at 4 Moller Street, Alphington. In both of those instances there was intervention by the previous planning minister, Minister Maclellan. My community knows full well what the track record of the Liberals and The Nationals is when it comes to local government and when it comes to intervention and interfering with local councils' planning powers.

Coming to the issue of Melbourne 2030, as I said, members opposite clearly do not have a plan to manage growth. Melbourne 2030 was about containing urban sprawl. We all know that our city cannot continue to grow out into the green wedges and that the green wedges need to be protected. We also need to have regard to issues like climate change and housing affordability. We need to contain the growth of our city, a city that is recognised internationally as one of the world's most livable cities, and to protect what makes it such a wonderful place to live.

We introduced the Melbourne 2030 policy as a way of containing that growth to in effect put in a plan of action to manage population growth into the future. We recognised at the time that Melbourne 2030 was introduced, which was in October 2002, that it would need to be looked at into the future, and that included a commitment to regular five-year reviews with full community involvement. That is what we put in place. In June 2006 the Minister for Planning announced that an audit of Melbourne 2030 would occur in 2007 and an audit expert group was announced on 11 June 2007.

Members would be aware that the audit expert group included Professor Rob Moodie, the current chair of

Global Health, Melbourne University, and the former chief executive officer of the Victorian Health Promotion Foundation. He has almost 30 years experience in multidisciplinary public policy roles. Also part of that group was Mr David Whitney, an eminent Victorian planner with over 35 years experience; Mr Michael Wright, QC, a specialist in planning law for 40 years; and Dr Ann McAfee, an international planning expert with 30 years of experience in the city of Vancouver in Canada. I hope we will soon be able to re-establish our credentials by beating Vancouver and becoming the world's most livable city yet again.

Some eminently qualified individuals conducted this expert audit, and they considered over 200 public submissions and hosted two workshops for submitters in October 2007 — one for council chief executive officers and one for organisations and individuals. The audit expert group submitted its report to the minister in March, and that has formed the basis for the government's response, *Planning for All of Melbourne*, which was launched by the Minister for Planning and Premier John Brumby on 21 May.

There have been stakeholder consultations and local government briefings since then, and with its launch the government has identified four priority areas for action: planning for all of Melbourne; transport and managing congestion; environmental sustainability and climate change; and managing urban growth and change.

Before I come to the findings of the audit expert group, it is important to note that the reason the audit was so important at this time is that, as we all know, Victoria is currently experiencing a population boom. This was commented upon by the Treasurer when he handed down the state budget recently. In the speech which preceded the presentation of the budget papers he commented that we had had 73 737 births last year, the most since 1971. We know that we are having a baby boom at the moment, but people are also moving here from interstate and from overseas because they know that Melbourne is such a wonderful place to live.

We know that Melbourne's population has been growing at an extraordinary rate since 2001, and that growth is expected to continue. Between 2001 and 2006 the city's population shot up by 270 000, which was 30 per cent above what was forecast. In 2001 the projections showed that there would be 4.5 million people living in Melbourne by 2030. The latest analysis shows that we will reach 4.5 million people by 2020 — that is 10 years earlier than had originally been forecast. As our city and state grows we have to work to retain the best characteristics — that is, the livability and

affordability — while maintaining greater sustainability.

What do we hear opposite from Mr Guy as a suggestion? The only concrete suggestion he made during his 32-minute speech was that some people have to be sacked for getting their original projections wrong. That was his contribution to what needs to happen. He said, 'Let's not worry about urban sprawl, let's not worry about population growth, about how we are going to house all these people and how people will be able to afford to buy a home in the future; let's just sack some public servants because they got the figures wrong'.

We also know that over the last 10 years there has been a huge increase in the number of jobs located in or near the central business district (CBD). In the 1970s and 1980s the number of jobs in the centre of Melbourne was falling, but between 1996 and 2006 the number of jobs in central Melbourne grew by more than 60 000. That obviously means that people want to live in the inner suburbs, close to where the jobs are. That is why we need to ensure that adequate strategies are put in place to ensure that people can afford to live in the inner suburbs, in communities and suburbs such as those I represent, not only in the Melbourne central business district, which is part of my electorate, but also areas like the city of Yarra, the city of Moreland and the city of Darebin, which are very popular but unfortunately have become expensive and outside the reach particularly of first home buyers in recent years.

Another factor that has influenced the need for this particular audit and the government's response is of course the issue of climate change. It would be fair to say that the last great climate change sceptic was only recently voted out of office — that was the previous Prime Minister — and that I assume most parliamentarians today accept that climate change is a serious issue that we all need to respond to. The community certainly considers it an issue that we need to address. A number of recent surveys have shown that the community considers climate change the no. 1 issue that needs to be looked at. That is why the government's response to the audit is committed to the principles of Melbourne 2030 and containing Melbourne's sprawl, because if we keep growing as a city that means more cars on our roads and more greenhouse gas emissions going into the atmosphere and warming up our climate.

What did the audit expert committee find? It assessed the fundamental principles of Melbourne 2030 and found that they are more relevant than ever to Melbourne. It found that the challenges posed by

climate change, traffic congestion, the faster than expected growth of Melbourne's population and the fact that Melbourne is still an extremely spread-out city are the reasons why Melbourne 2030 is more relevant than ever.

Those in the opposition parties continue to have their heads in the sand about this issue. This is a serious issue that needs to have government action. We on this side of the house are taking that action and are taking these issues extremely seriously and responding to them.

The audit expert group also observed that there is now an even greater urgency to implement the many initiatives of Melbourne 2030 if Melbourne's development is to be sustainable and the city is to remain livable. From the audit report we can see that we have to marry the opportunities from this period of strong economic growth with the desires of Victorians to live more sustainably. We have to ensure that Melbourne remains one of the world's most livable cities.

The *Planning for All of Melbourne* government response addresses these challenges and sets the framework for action over the next five years. It includes providing \$1.6 billion of initiatives in this year's state budget. They include our various transport policies and strategies. It also specifically includes a \$24.2 billion package of new Melbourne 2030 initiatives to address Victoria's population boom, including the development assessment committees. They will comprise an independent chair, two state government nominees and two local government nominees, who will assess development proposals in principal activity centres. Initially the development assessment committees will assess permit applications in Camberwell, Central Geelong, High Street in Preston, Coburg and Doncaster Hill, before being rolled out across the remaining principal activity centres and areas of state significance. The package includes also a commitment to developing housing growth requirements. This will involve the Victorian government working with local government to set housing growth requirements in all metropolitan municipalities. It includes also a commitment to establish an activity centre zone in each of Melbourne's 26 principal activity centres to provide councils and developers with greater certainty through having one development zone. There will be a new planning subcommittee of cabinet and a dedicated new Melbourne 2030 unit in the Department of Planning and Community Development. These two bodies will steer the next phase of the implementation of Melbourne 2030.

I will come back to the issue of the development assessment committees for one moment. I note that Mr Guy and other members have said a number of things about this issue. It is important to note that, if these committees are going to work successfully, they require the engagement and support of local councils. In fact, as I have said, there will be two local government nominees on each of these committees. This is a matter that the minister has highlighted in his response to a number of questions in the house during the course of this week. This provides a mechanism by which state and local governments can effectively work together in partnership to make significant decisions in areas of shared interest and responsibility. It is something that should be welcomed. It is not something that the community should be concerned about. It is a positive development.

It has been interesting to see that a number of stakeholders have welcomed this initiative and the other initiatives in our response to the Melbourne 2030 audit. For example, the property council in a media release of 21 May described the government's response as 'a major breakthrough'. The Master Builders Association said in its media release of 21 May that it will 'reduce planning delays and will encourage a more strategic and long-term approach to community planning'.

The Municipal Association of Victoria, whose members you would have thought would be outraged about these initiatives if they took Mr Guy's motion seriously, in fact has indicated support for these initiatives. Its media release of 21 May states:

... we support the government decisions for greater focus on setting and meeting more prescriptive housing growth requirements and introduction of a new activity centre zone.

It is important that Mr Guy remembers that it was in fact the MAV and many local councils that wanted the Melbourne 2030 audit to take place and greater guidance in terms of where new housing developments should occur. The MAV has to be a critical player in Melbourne 2030 being successful. If we are all serious about tackling climate change and population growth and providing housing affordability, local government has to be a key and constructive player in these issues. I say to Mr Guy that that is what we are doing: we are putting in place measures that will necessitate local government working closely with the state government to achieve these outcomes.

In relation to the new residential zones proposal that is included in the motion, we have had some of this debate before. On that I just want to say that Mr Guy knows full well that he is running a local scare campaign telling local communities that there will be

open slather to build high-rise developments. He knows very well that there is no mandating of high-rise developments in the discussion paper, that the discussion paper has been put out there for community consultation and that the government has not yet formed a view about the proposals contained in it.

In conclusion I will say that I have certainly welcomed the opportunity to have a debate this afternoon about planning issues. It is important that we respond in a serious and considered way to the issues of population growth and climate change, and that is what Melbourne 2030 is seeking to do. It is unfortunate that the opposition, whilst putting up a negative motion in the way it has, has not sought to articulate to the Victorian community what its ideas are and what its approach to planning would be. The deafening silence on the other side is something the Victorian community should be very concerned about. If it looks at the track record of the Liberal Party and The Nationals on dealing with local government and planning issues, it should be extremely concerned. I oppose the motion.

**Mr FINN** (Western Metropolitan) — It gives me a great deal of pleasure to rise to support the motion so ably moved by Mr Guy, my colleague and friend. Over a good many years we have heard much from the Labor Party about democracy in local government — it bangs on about it quite frequently — and we have heard a bit more about it today. We have heard how the Kennett government stripped councils of their democratic rights when it — or should I say, ‘we’ — sacked them during the amalgamation process. However, we should remember that the councils were sacked for a purpose. They were sacked in the 1990s on a temporary basis — and I emphasise the word ‘temporary’ — whilst the amalgamation process was introduced. It worked.

The Cain government tried this caper back in the 1980s, and fell flat on its face, as it did in so many areas. In the 1990s the councils were temporarily removed whilst the amalgamation process went ahead. Perhaps it is worth mentioning that one municipality had the opportunity of having a say in whether it would keep its commissioners or have an elected council, and the good people of Melton voted overwhelmingly to keep their commissioners; it was only after the election of the Bracks government that the council was foisted back on the people of Melton.

Mr Theophanous smiles because he knows exactly what I am talking about; he remembers only too well what used to go on in the city — or was it the shire then? — of Melton not all that many years ago. He can understand why the people of Melton would not have been keen on having the council back.

**Mr Guy** — Who runs Melton?

**Mr Leane** — Bernie Finn does.

**Mr FINN** — Indeed. You are a fair dinkum rabbit.

It was a temporary measure. Now this government, which lectures us about democracy and the importance of local government, is stripping local government of its planning powers — stripping local communities of a say in what happens where they live. There are a whole range of implications, but the bottom line is that the government is putting the boot into local councils and communities. The government is beginning the process of refusing to give local people a say in what happens around them. This is no more so than in the western suburbs of Melbourne, and it is something I will not tolerate. I can understand why the government would be wary of a good number of councils in the western suburbs — because they are controlled by the Labor Party. I see Mr Theophanous agreeing vigorously that there are a good many councils in the western suburbs that you need to keep a close eye on — and we might hear a little more about that later in the week.

The list of activities areas that could come under attack by the government is illuminating, to say the least. Airport West in the Moonee Valley municipality and Footscray and Highpoint in the Maribyrnong municipality are under attack. Moonee Ponds, the home of Dame Edna Everage, is under attack. The government will even attack the home of Dame Edna Everage — will it stop at nothing? The government cannot wait to get its hands on Sunshine, one of the areas that is destined for a boom in the very near future. You can see the brown paper bags lining up as we speak.

**Hon. T. C. Theophanous** interjected.

**Mrs Peulich** — I think you protest too much.

**Mr FINN** — He might protest too much, Mrs Peulich. We might have to keep an eye on him too, as well as some of the councils.

Sydenham is another area that has boomed over recent years, and of course Werribee, in the city of Wyndham, is one of the fastest growing municipalities in Australia. The government can see the dollar signs in Werribee — it cannot wait to strip the Wyndham City Council of its planning powers and do as it will. That would be a tragedy, because the Wyndham City Council has shown enormous foresight and planning in preparing its area — an area that, from what I can see, it genuinely cares about. It has done a great job there, and for the government to move in on the Wyndham City Council

in the way it is planning to do — and we do not know when it will do so — is a disgrace.

The problem with this government is that it is basically biased against the outer suburbs of Melbourne. It does not like the outer suburbs or those who live in the outer suburbs.

**Mr Leane** — That is not true.

**Mr FINN** — Mr Leane says, ‘Yes, that is right’. I am very pleased to hear him say that. At least he is a member of the government who is honest enough to say, ‘Yes, I agree: I do not like the people who live in the outer suburbs of Melbourne’.

**Mr Thornley** — On a point of order, President, Mr Finn is misrepresenting the member, who in fact said that it was not true.

**The PRESIDENT** — Order! Mr Thornley knows full well — and if he does not I will re-educate him — that the member is present in the chamber, and if he has an issue or a problem, he is more than capable of getting to his feet and raising it with me. He does not need Mr Thornley’s assistance.

**Mr Leane** — On a point of order, President, Mr Finn in his contribution misrepresented what I said. When he said that the government does not like the people of the outer suburbs I said, ‘That is not true’.

**The PRESIDENT** — Order! The member should resume his seat. I point out that, firstly, he cannot debate a point of order, and secondly, he did not have a point of order.

**Mr FINN** — Thank you, President. I look forward to the re-education of Mr Thornley, because surely to God he needs it.

As I said, this government detests the outer suburbs of Melbourne. It hates people who live in what Minister Madden referred to last year as McMansions. Those people work hard to give their families a decent home, and that is what it is about. That is what this government loathes. That is what this government is out to destroy. It is out to destroy people who want to give their families the same as they had, and preferably better. That is what it is out to destroy. This government is anti-family homes and, by definition, anti-family. There is no other way of looking at it. This government, as Mr Guy pointed out earlier this afternoon, wants to ban the backyard. This government wants to make the backyard a thing of the past. This government wants to see the backyard barbecue become a thing of ancient history. No more will those of us who enjoy having a

few mates around in the backyard for one or two cold cans be able to do that if this government has its way. This is a miserable, mean, lousy government that just does not like ordinary people. Just as Kevin Rudd with his butler sits down and has his shoes shined, this government does not like ordinary people who live in houses with backyards and who want to look after their families. That is what all this is about.

I will finish shortly because I know there are a number of members who wish to address this very important issue. I finish by asking this government to at least consider providing the infrastructure for those people who live in the outer suburbs of Melbourne. Will it provide the roads? I invite those of you who have not travelled on the West Gate Bridge or the West Gate Freeway during peak hour to go out and sit in their cars on the freeway for the hour upon hour that people in the western suburbs have to endure daily. I invite you to go to Hoppers Crossing railway station or to Watergardens railway station and try to cram onto a train to take you into the city. You will find out very quickly how badly people in the outer west are being treated by this government. It is appalling. It is not something that any of us should tolerate, and my view is that this government should be ashamed of itself for the way it is treating people in the outer west of Melbourne. It is very happy to take the stamp duty and it is very happy to take the land tax, but ask for anything back and you are the worst in the world.

I can tell you that we are not going to put up with that for too much longer. The people of the west are starting to wake up, and come November 2010 we just might find out how much they have woken up to how badly this government is treating them.

**Mr Leane** — Do you want to have a slab on it for the barbie?

**Mr FINN** — We won’t go there! This government wants to give councils a good kicking, and let me tell you I am one of the first to give councils a good kicking if they deserve it. But I am also very happy to give councils a pat on the back when they deserve it. Under this government that will not be possible any more because when this government’s plan is fully implemented, these councils, our local governments that these people over here have protested so strongly about over so many years, will no longer have any power to do anything, and I will no longer have the ability to pat them on the back for doing a good job.

I could go on about 2030 for quite some time. That dog, as Mr Guy referred to it earlier, I would say is dying of the mange. That is what 2030 is doing in this state. I

will conclude my speech by congratulating Mr Guy for bringing this motion before the house, because it has given me and a number of other members the ability to air issues that need to be brought to the fore. It has given me and other members the opportunity to bring really important issues that matter to real people in the suburbs of Melbourne to the forefront, to put them on the table in the house and hopefully put them in the mind of the government, which might at some stage get around to doing something about them.

**Mr THORNLEY** (Southern Metropolitan) — I am not sure that I can match Mr Finn's theatrical brilliance, but what I will do is talk about why this is good policy. The problem that members of the opposition have is that they are desperately trying to find something to have a fight about, and the thing about this policy is that it is a fairly cooperative policy. We are sitting down and working with local councils on making sure —

**An honourable member** interjected.

**Mr THORNLEY** — You are all very angry with each other, and I can understand your trying to take that out on us, but it is remarkably mild-mannered policy when you look at it. What we are talking about is principal activity centres, the places where it would make sense to have higher density, and working with councils so that there is some representation from council, from the government and from an independent chair to see if we cannot get those things moving a little quicker. I am sorry if that does not have the dramatic flourish of Mr Finn, but that is what we are doing. The only people frothing at the mouth about it, and they are frothing at the mouth about everything else because they are angry with each other, are those opposite. The rest of the world is going about its business and trying to work out how we can make these things move along a little more quickly, because the rest of the world thinks it is a pretty good idea if you want to save people's backyards to enable high-density development in principal activity centres.

That is the whole point of the policy. The whole point of the policy is to save the backyard. The whole point of the policy is to say that if we can have higher densities in these activity centres, then we will not need higher density elsewhere. We can leave people's quality of life in place but cope with greater population and get better housing affordability. The whole point of what we are doing here is about saving the backyard, notwithstanding Mr Finn's speeches about how we hate people for reasons unspecified. He is simply wrong on the facts, because that is not what this policy does.

Mainly this policy tries not to change the planning outcomes but to change the speed. It is designed to make sure that if things are going to happen, they can happen quicker. If they happen quicker, they will be cheaper, and that is to everybody's benefit. If you are going to end up with higher density development in principal activity centres, then the quicker you can make that happen, the lower the cost will be. The holding cost for developers will be lower, and therefore the pass-on price will be lower. It is a little bit of supply and demand.

I know it is foreign to Mrs Peulich, but over on this side we believe in supply and demand. It is a wonderful idea. The member should get her head around it. A more rapid increase in supply will lead to less pressure on price. I hope that is not too complex for her. I am sure Mr Guy will call me the professor for noting this fact, but the last time I checked I noted that if you increase supply quicker, you have less pressure on price. If that qualifies me for a PhD in his book, then that is very generous marking on Mr Guy's part. That is the point of the policy.

The policy will deliver more housing at a lower cost with less stress on the infrastructure. Opposition members keep talking about the urban growth boundary, and what they want to do of course is to get rid of it. They want to have an unlimited scale of development. They are the same people who are complaining about the fact that, in their minds, we do not have enough infrastructure to the outer suburbs. What they think they will do is build even more of it, with no plan for how they are going to finance the infrastructure.

There was a complaint from the opposition that we had not costed the introduction of the development assessment committees. I can tell the house that the cost of development in an outer suburban boundary that is a further 20 kilometres or 30 kilometres from the centre of Melbourne is many orders of magnitude greater than the cost of running a committee or two. If the opposition is going to complain about unfunded costings, then let us talk about the real unfunded cost. If the urban growth boundary is extended out there and all the infrastructure is built that the opposition claims it is going to build, and which it claims we should be building even closer in, then we can double that cost because it will have to be built further out. Where is the money going to come from for that? Where is the policy?

**Ms Mikakos** interjected.

**Mr THORNLEY** — Ms Mikakos is correct. There is a stunned silence from the opposing side on what its actual policy is to deliver housing affordability under conditions of rapid population growth, under conditions of an ageing population and under the threat of climate change. You have to deliver a policy that deals with all four of those and deals with them at once. You have to get the strategy right, and then you have to continue to work on the execution to make sure it works at an optimal level.

Contrary to the assertions from those opposite, it is a good thing to do something for a while and see how it works. You find out the parts that are working well, and you do more of that. You find out the parts that are not working so well, and you change them. It is not a revolutionary idea, it is sensible management. The question you have to ask is: are you pursuing the right strategy or are you not? That has been answered by the audit. It said not only is Melbourne 2030 the right strategy but we need to be doing more of it quicker. The issue is not the strategy.

The alternative strategy is to blow out the urban growth boundary and have no possible way of funding the infrastructure needed to support it. There is no execution plan at all and there is no money — that is a problem. This is a strategy that is trying to do the right things. It is trying to match those four challenges — growing population, ageing population, housing affordability and climate change — and bring forward a solution. If we keep working on how to make that work at an optimal level, I regard that as good, sensible, logical management. I think that is what the people of Victoria would expect from us. What this policy is also doing is finding more effective ways to work together with local government.

**Mrs Peulich** interjected.

**Mr THORNLEY** — If Mrs Peulich listens, she might learn something. I have been sitting in a number of meetings with the minister and a bunch of local governments — and the meetings have mainly been run by the member's party. Contrary to the hysterical ravings from those opposite, the people that I have been talking to have been pretty happy with where we are going here, because what they want is a little bit more flexibility about how they do things so long as —

**Mrs Peulich** — Name them! Throw a few names out.

**Mr THORNLEY** — I will go through Mrs Peulich's party's whole factional balance in a little while if she wants and if that is helpful. Mrs Peulich

can take out her retribution on the people who are cooperating with us if she wishes; it beats not cooperating with her. What those people wanted to see was very simple. They were happy to have clearer growth targets on the total level of housing in their areas so long as they had more flexibility on how they achieved it. It is a simple principle of subsidiarity. It is the same argument we make with the commonwealth, which it has now agreed to, and we are now working in the same way with local government. We are working together on the principal activity centres to make sure that we have the high density areas close to public transport and close to the shops, delivering the maximum possible result so the suburbs can be protected. That is the whole point — so that people in their backyards can be protected and still have the level of housing growth and housing affordability that we like.

We keep being told that this policy is not working. The evidence unfortunately tends not to back that up. What we have, by the opposition's admission, is rapidly growing population, and yet we have among the most affordable housing markets in the country. That is a pretty spectacular double act when you think about it. Melbourne has housing that is more affordable than cities half its size or less — housing that is more affordable than in Brisbane, housing that is more affordable than in Perth, housing more affordable than in Darwin or in Canberra. We have housing that is so much more affordable than Sydney it does not matter. Yet that is occurring with rapid population growth. In itself that is a pretty impressive statistic. The reason the population growth is growing rapidly is that the livability of the city remains strong and the economy remains strong, so the 2030 policy is actually delivering a remarkable set of results.

The government is going to keep finetuning it and finding ways to work more effectively with local councils, partnering on how we are going to get the higher density areas working together and giving the councils more flexibility in the other areas. It is pretty sensible policy. It is one that has been pretty well received out there. The confected outrage and the desperate desire for some massive blue is, unfortunately for the opposition, not happening on the ground. The only people frothing at the mouth about this are those opposite.

Of course that is contrasted — and I know Mr Leane will speak on this in more depth from his own region — with what happened in places like Mitcham under the former government, the smash-them-up, bash-them-down approach of those opposite, who are desperately looking for a blue. They cannot find a way

to cooperate with people, so they call everything in. Under the previous government we had something like five times the number of call-ins to the minister that we have had under this one. What we are trying to do is get the balance right between getting a common policy direction across the whole city so that we can meet the needs of a growing population, including the infrastructure needs, and delivering flexibility at a local level so that local communities can retain control of their suburbs and have the best possible amenity, despite the fact that we are growing rapidly as a result of the fact that this is the best place to live and the most affordable place to live, as evidenced by people voting with their feet.

The other thing that people are complaining about is the consultation process. It seems to me that those opposite have to settle on an argument. I do not mind which one it is, but it has to be one or the other. Either they wish we had delivered the whole answer on day one and are upset about the fact that we are willing to keep working with people to develop the process together, or they consider we did not consult enough. It has to be one or the other; they really cannot argue both. I do not mind which one, but they should pick an argument and run hard with it.

We have said, 'This is where we are heading on the principal activity centres. We are going to have some development assessment committees. Let us work together on how we get those things structured so that they are an effective partnership, and then we will move forward. Let us do them in five areas to begin with, get the model worked out properly and then let us see it rolled out after that'. That is a pretty consultative model. That came out of an audit that was run independently and which received over 200 submissions and had a range of workshops with mayors and CEOs (chief executive officers) as well as individual residents, citizens and other community groups. That is a consultative process. I think that is a good thing, and I do not have a problem with that. Those opposite cannot on the one hand complain that we did not consult and on the other hand complain when we continue to consult. They should pick an argument, any argument, but I personally think we got that balance right.

I will deal with a couple of the other frustrations that have been visited upon us by those opposite, particularly the ones that turned out not to be true. There was a claim that Labor's secret policy is to try to get parents and their kids to move into high-rise apartments. That is nonsense! What we are trying to do is ensure that, under conditions of an ageing population, people get all the housing choices that they can. One of

those housing choices for people who are older and whose kids have grown up and left the family home is that some of them — only some of them — may wish to move into smaller accommodation. Many of them would like to be able to access that smaller accommodation and still have the same lifestyle that they have had in the place in which they live. We would like them to have that choice, but if they do not exercise that choice, that is fine, too. That is the point about choice.

The point was not, as those opposite say, that we are about stealing people's backyards or encouraging them not to have them and putting mum and dad and three kids into a high-rise apartment. That was not the point at all. The point is that we are under conditions of an ageing population and they will require both a different housing mix overall and a greater need for a variety of choices. The point of this policy is to try to enable those choices to be made available so that people can change, if they wish, be able to retain the lifestyle and the location that they wish and be close to their family and friends, if they wish, or move somewhere else, if they wish. People should be able to retain their large family homes once their kids have left or not retain them. We are about creating those choices and protecting those backyards, yet creating a range of other choices for an ageing population. I would not have thought it was a particularly sinister policy.

There is another argument, that we are mandating high-rise developments and people are losing rights of appeal, if I can quote Mr Guy. He is wrong on both counts! That is the whole point about the new approach that we are taking with the councils. It is to get away from having blues about height limits and other parameter issues and just agree together on what will be the total increase in housing availability in the location, and then let local government figure out the best way that is most harmonious with their community to deliver. It is actually quite the opposite of what was said.

As I said, there are also claims that we are getting rid of appeal rights. Mr Hall himself stood up and read from the press release, which talked about rights of appeal to VCAT (Victorian Civil and Administrative Tribunal) being retained, so that is just a lie. It is either a lie, a deliberate falsehood or an accidental falsehood but, whichever it is, it is false.

The objections that have been raised to this policy are not about this policy at all. They are about some straw man policy that Mr You-Hate-Your-Backyards Finn and others have tried to create and ring around our

necks, when it is actually not our policy. They are based on falsehoods about what our policy is.

I think Mr Barber captured the right analogy but with the wrong victim when he talked about the bunny hop. The learner driver is actually Mr Guy. He is putting his foot flat down on the accelerator when he tries to critique our policy, but then comes to a screaming halt and cannot get the car moving when he has to deliver his own. That is exactly what is embodied in this motion. This motion attacks sensible, moderate, next-stage management of a successful strategy. That is why people are moving to Victoria and that is why our housing affordability is better than almost every other major capital city in this country. If we continue to improve it and work successfully with local government to get those high-density areas working better so that we can protect our suburbs and our backyards even further, we will continue to deliver a great result. I reject the motion out of hand.

**Mrs PEULICH** (South Eastern Metropolitan) — Am I not again a very lucky person to be following one of Evan Thornley's contributions, which I must say are always the most condescending, sarcastic, smug, pompous and arrogant contributions of any member of Parliament I have heard! His contributions are invariably marked by an attack on the opposition rather than a promotion of Labor's own policy. In most instances his contributions are marked by intellectual acrobatic agility, so it is very difficult to pin him down.

I would like to make a few comments and then, on behalf of my own community, express some concerns that I would like the minister to take up. Before doing so I would like to commend Mr Guy for bringing his motion.

Before moving on to the substance of the motion, I note that Mr Thornley said that Mr Guy has failed because he has failed to bring his own policies to the fore. It is a typical criticism of the government whose own term of office has been marred by multiple policy failures, in particular with traffic congestion.

**Mr Thornley** interjected.

**Mrs PEULICH** — Mr Thornley has had his go. He should stop being a pompous ass, listen and give other people a go. We have all been elected. We all have the right to get up here and say a few things. What he has been saying is that state, federal and local governments are all working together cooperatively to deliver good policy. Any failed communist regime would be proud of Mr Thornley and his central planning management skills. Let me say it is so far from the truth and he is out

of touch with reality and his community. With his dollars and capacity to buy a seat in Parliament, I am not surprised that he has that attitude; I am just disappointed for the people of the Southern Metropolitan Region who are represented by such a member of Parliament.

**Mr Finn** — How many brown paper bags did you find it cost to buy a seat?

**Mrs PEULICH** — This is very much a brown paper bag policy which is at the hub of multiple policy failures. It has delivered more expensive housing than ever before, in particular to those areas where the density of housing has increased. It has delivered absolutely historic traffic congestion to metropolitan Melbourne and inordinate delays and inefficiencies in the system. Mr Thornley says everyone loves this and he is very proud of the consultation that has been undertaken, but the question is: consultation with whom?

In relation to the new residential zones policy which has been released for discussion there has only been one opportunity for it to be considered by my community, and that was in the Waverley area. I recently raised on the adjournment debate a request of the minister to hold more discussions and create more opportunities for the community to have input. Talking to other Labor councils, or Labor councillors, is not consultation.

Local government as a whole is not averse to high-density housing. Why is local government not averse to high-density housing? Because it means an increase in their base of rate revenue. It is a revenue growth tax. Local government, councils, generally speaking love high-density housing. The people who do not like high-density housing are the members of the community, who have to suffer the consequences. They have to suffer the consequences of traffic congestion, of not being able to gain ingress and egress to and from their properties, they have to put up with the overlooking, the overshadowing, of their properties, with the loss of the backyard, and of course with higher housing density, amongst other concerns such as environmental degradation and the undermining of various environmentally sensitive areas in their communities — particularly those along the coast, in the bayside suburbs.

The community, I say to Mr Thornley, has not been adequately consulted, so government members should not come in here with their spin about how wonderful they are, suggesting that they are all holding hands and that there is this sort of mutual admiration society.

Government members need to get out of their ivory towers and listen to what the community has to say. I bet my bottom dollar that the views of people like the member for Mordialloc in the other place, Janice Munt, and the member for Bentleigh, Rob Hudson, will eventually prevail. What they are saying is that this new proposed residential zoning must not take away third-party appeal rights and must not take away the right of the community to take matters to the Victorian Civil and Administrative Appeals Tribunal as part of the review process. I would hope that the government has the sense to make sure that those essential elements of the planning scheme are preserved.

Clearly this is not going to be the case with Labor's new planning regime, which I dare say will have a particularly negative effect on the south-east. It was announced on 22 May as a result of the review of the discredited Melbourne 2030 policy and the audit which was undertaken — a long overdue audit, let me say. It was certainly done with a degree of secrecy that was well illustrated and explained by Mr Barber. The government should put those submissions out on its website, and let us have a look at what the community said about the discredited 2030 policy. The reason it is discredited is that if the government actually believed in the stated objectives, it would have funded it adequately. It would have made sure that those areas that were built up as a result of medium and high-density developments were adequately funded, in terms of, for example, crossings, which have been suffering from increased movements of both a vehicular and pedestrian nature, where some tragedies have occurred.

The government has not funded it. It is all about money; it is all about bagging money for the Labor Party through establishing a direct relationship with developers, and it is all about making sure that local government stays on board. Is it coincidental that the council allowances have recently been increased at the same time as local government's and councillors' powers to consider and fulfil their responsibilities as planning authorities have been stripped away? Is this hush money? Is this Labor government hush money, especially when it is dealing with its Labor council-dominated mates? I believe that indeed it is. But the community is not impressed.

Last week the government announced this new regime as a result of the audit and the review of 2030, and it took control of shopping and community hubs, certainly in five local government areas, by installing metropolitan planning authorities full of unelected government-appointed mates, and what we will see out of that no doubt, without an anticorruption commission,

is a hell of a lot of corruption. I think the question without notice from Mr Matthew Guy today about probity checks on these development assessment committees is a very pertinent question, which the government must address. We do not have an anticorruption commission as they do in New South Wales. This regime has been pillaged out of New South Wales. We do not have those checks and balances. The real possibility here is that it will end up being the brown paper bag planning policy that this government needs in order to fund its re-election, and that will leave Victoria's planning system in a shambles, in tatters, and will leave our communities overbuilt and degraded as a result.

In recent days it has also been revealed that another 22 activity areas earmarked for development assessment committee (DAC) control some time in the next year or two will include several areas in my electorate, including Cheltenham, Cranbourne, Dandenong, Frankston, Glen Waverley and Narre Warren. I am not hearing anything from the local members of Parliament, with the exception of Ms Munt, about the concerns that the communities have raised, which I will quote from in a moment. Under the development assessment committees local governments will lose their planning powers, as I said before, and though I understand that they are probably getting some opportunity to have input in drawing up local plans, it is the local community that is best placed to take in those local issues that need to be considered and to provide a degree of flexibility so that the best decisions can be made.

This is all about the Brumby government refraining from being open and accountable. What better way can it promote its secret state than by taking away the rights of councils and, most importantly, of communities, to have their say on these developments? Communities deserve the opportunity to have their say on any type of development that takes place in their area. They need to be able to either support or oppose developments that affect them, and they do not want a committee of Mr Brumby's henchmen or his mates to decide on what is going to get the green light in their local area.

Mr Thornley also said that by speeding up the process of planning we will end up having cheaper development for everybody — the quicker it is, the lower the cost. I am certainly not convinced. When Melbourne 2030 was first being floated and adopted I was a member in another place, and we expressed concerns about the population forecasts being underestimated and the impact on traffic congestion and local roads, and all of these concerns were dismissed and disregarded. They were disregarded under the guise

that this plan would somehow provide a housing mix and a housing diversity that would make housing more affordable.

Nothing could be further from the truth. In fact most of the developments, certainly in inner and middle Melbourne, have grown exponentially in cost. The cheaper affordable housing has been built on the periphery in the growth suburbs where the infrastructure has not been provided, and that has occurred much more dramatically there than in those other areas. Indeed in the city of Casey — the second fastest growing city in all of Australia — there is an additional burden on development, with an \$8000 new development levy being placed on each development and naturally being passed on to the consumers. Not only are the residents not getting the infrastructure, not only are they not getting the Cranbourne East railway station, not only are they not getting the Lyndhurst railway station and not only do they have country roads carrying city volumes of traffic, but they also have to pay thousands of dollars as a new development levy in order to take advantage of cheaper housing.

The government's housing policy, Melbourne 2030, has been discredited from every angle, and it has failed to achieve the objectives as stated initially when this policy was adopted. It has been an underfunded policy, and this audit and this review should have taken place a long time ago. The government should have adopted remedies and provided the funding to make this policy workable.

The right of notification, appeal and objection for local residents as per this new discussion paper that has been circulated must not be taken away. People do not want to have their home overlooked by a three-storey or four-storey home as a minimum starting point. I would encourage each and every member of the community to peruse these documents very carefully. One has to ask: why is this government so hell-bent on destroying the residential zone? Only the other day I was speaking to a friend of mine who is running a small construction company and who was bemoaning the phasing out of small builders who contribute to more affordable housing and the movement towards the building of larger estates, which has contributed to much more expensive housing over time. A system with more of a mix in housing and increased competition has been successfully destroyed by this government. He pointed out that any development of three or four-storey homes was invariably going to be built by companies with a very strong union-dominated labour force, and so it is just another way of providing a stream of income for companies that employ highly unionised labour — more money for the Labor Party coffers or for the union

coffers in terms of membership, more money through these direct relationships between government and the DACs and developers, and more money for local council coffers through higher density residences generating greater rate revenue.

In my electorate virtually every area, with the exception perhaps of the areas in Heatherton, will become a go-go zone under this new proposed zone, and therefore will be subject to basically over-the-counter approval of significant or substantial increases in development with minimum three and four-storey height buildings and with higher density as well. The reason is that in this discussion paper it says that if a community has good access to community services or transport — not both! — it will fall into the go-go zone. The slow-go zones will supposedly respect existing neighbourhood character with a moderate or incremental increase in new dwellings.

On behalf of the community I would encourage this government to protect residential amenity, to have more consultations on this new residential zone, to make sure that third-party and appeal rights are protected, and in addition to that to make sure that these new hubs and commercial centres that are going to be overseen by development assessment committees do not lead to a proliferation of corruption of the planning system, because this is the formula and this is likely to occur without the checks and balances of an anticorruption commission, as exists in New South Wales. How can the Victorian state government mirror the New South Wales system without that independent broadbased anticorruption commission? As I said, corruption is therefore more likely to proliferate.

The New South Wales example has shown that to allow planning approvals to be decided solely between a single council official and a developer does not bode well for transparency in planning. It is also worth noting that the Department of Premier and Cabinet has recently been listed as a new member of the Property Council of Australia, and questions have been asked about the relationship between government and this sort of stakeholder not being at arm's length.

To conclude, in the words of Janice Munt, the Labor member for Mordialloc — it will be interesting to see if she echoes these words in Parliament — who opposes the new residential zones for Victoria:

Local plans rather than zoning should be the driver of increased densities and new developments.

... the new residential zones should better reflect local planning policies ... This approach may lessen the role of local government ... Furthermore it could weaken the role of

individual neighbours who live in a particular zone who may lose appeal rights.

In closing, I will refer to the Wheelers Hill Action Group spokesman David Dickens, who was part of a fight against a nine-storey development on The Peak site. He agreed that the changes could lead to high-rise, high-density development in the suburbs. He has stated:

Given the contempt the government has shown for residents' wishes in relation to the impact of Melbourne 2030, I find it hard to believe that the new residential zones will benefit residents.

There are a range of other concerns that have been placed on the record by members of the community. As other members are very keen to make contributions, I will come to a conclusion. Suffice to say this has been an area of monumental policy failure of the government, and the new regimes promise to make it even more so.

**Mr LEANE** (Eastern Metropolitan) — I am going to be speaking against this motion. Melbourne 2030 is a very important policy. It is the right policy, and I think that the minister has acted on the audit that has been done. He has done the right thing, I think. Rather than moving a motion that notes concern about this minister, I think we should be moving a motion condemning him for acting on advice that he has been given. It is also important policy as far as the population growth that we have been having is concerned. It is important that there is a range of residential accommodation for people when they come here. People are moving to Victoria in droves, and people are moving to Melbourne in droves — by the thousands. They have identified that this is a good place to live, work and raise a family, and they are moving here in absolute droves.

I know that Mr Finn said that this government hates people who live in the outer suburbs. We love people who live in the outer suburbs, we love people who live in the inner suburbs, and we love all the people who are moving here, and we are embracing them.

**Mr Jennings** — You are embracing them?

**Mr LEANE** — We are embracing them, and we are full of love, unlike Mr Finn, who seems to talk about hate a lot. Anyway, as far as 2030 is concerned, these activity centres are a very important part of 2030. They are very important environmentally and in relieving congestion. The policy around these activity centres is that people will work around the centres, people will use the public transport around them and people will be able to access professional advice from their lawyers, accountants and doctors who will be located in the activity centres. There will be less onus on people to go

into the CBD (central business district). Activity centres are a very important part of 2030.

Obviously it is encouraged that there be different types of housing options in activity centres, and that is very important. I know there has been a lot of talk about this government hating the backyard. We love the backyard — the backyard is fantastic — but we also appreciate that people want different types of options where they reside. I am not too sure what the Liberal Party's policy is around housing and housing options, but what I have gleaned is that it believes the only option is the quarter-acre block with the white picket fence. The problem with that is that with urban sprawl we are probably going to have to move into a few forests and maybe concrete over a few lakes. I am not too sure how we can keep growing outwards. We need to utilise to a maximum the areas that we have inhabited in this town, and that is where activity centres and different types of housing become very important. As part of this strategy, where housing is concerned, it is very important that activity centres also have a component of social housing and affordable housing. It is very important that social housing be maximised, and that is one of the things that I find great about 2030 and the activity centres. We need to be looking at all types of housing, especially affordable and social housing.

A couple of the activity centres — Knox, Ringwood, Box Hill, Doncaster — fall in the electorate that I represent, and those councils have great plans as far as their activity centres are concerned, and I want to compliment them and the stakeholders that have worked on those plans. They are very good, and I would say they would be falling pretty much inside the audit of 2030. I know the audit recommended the nomination of a handful of activity centres to change the structure of the planning regime to include state government alongside local councils to take responsibility for the planning of these important centres. This needs to be seen as critical to 2030. Obviously there will be an independent chair if there is a disagreement between the stakeholders or whatever combination there is.

Now there is a lot of hype and scaremongering from the other side saying that the government is coming in and taking over the planning regime, but importantly the government has kept the local content in this regard and it is not about taking over. This government takes some responsibility, it gets involved in the planning in these important activity centres, and it does not just leave the whole responsibility to local government. It is about taking responsibility for the 2030 vision which the government has implemented. I just want to reiterate that it is about taking responsibility.

I notice in Mr Guy's motion that point 5 talks about attacking the local community's planning rights. It is not about attacking. I know there has been a bit of attacking in the last couple of weeks, and I know that Mr Guy's party leader called a media event and basically for some reason said, 'As of today, those of us in the Liberal Party are going to attack each other'. I know that Mr Finn spoke about hate, and maybe there have been a couple of weeks where there has been attack and hate, and all of that comes in here, but that is not what this policy is about at all. It is about not leaving local councils alone to shoulder the whole onus of our strategy which the government should take responsibility for.

Just getting back to affordable and especially social housing, I would like to touch on something that occurred recently in the Whitehorse City Council. There was a social housing project proposed which a couple of councillors and a number of council officers put a bit of work into and had a bit of belief in. Unfortunately, when this project went before the council it was rejected by the majority. I have to say, though, that that is its right. I was not at the meeting where it was rejected so I am not going to comment on the decision because it is the council's right to do that, and it is a very capable council that does a lot of good things for the people who live in that area.

But you have got to look back and compare that with what happened in that area in 1997. Shell wanted to put a service station on the corner of Whitehorse and Middleborough roads. There was a protest; there was a petition signed by 1100 locals who did not want the development. The Whitehorse City Council back then decided that it would not support the project. It knocked back the project and said, 'No, we do not think this project should be here. We do not think a Shell station should be built on this corner of the main road'. But the then minister, Mr Maclellan, had a meeting with people from Shell and overturned the decision. He called it in and it was all over. I have bought fuel at the station so I know where it is; it is all good. But at the time I can understand that people were disappointed about it.

As I said, I am a little bit disappointed that the social housing project did not get up in Mitcham, but it is the council's right to decide; it is its job. We have not got our planning minister coming over the top or anything like that. There is a ray of hope because, getting back to the transit cities, as part of the Box Hill transit city project there is a bit of council-owned land — together with some land owned by a church — across from the rail track right inside the proposed boundary for the transit city, and that land has been put aside and will be donated for a social housing project. It is quite a

decent-sized block as well. I am sure that project will be supported as part of the transit city project. We need it; it is a good thing.

A former fellow councillor and now member in this place, Mrs Kronberg, was in attendance when the minister opened a mall in the area. An arrangement was made for the minister to come across to look at the project. He understands it, and he is right behind it.

There is a lot of scaremongering and misinformation about what is going on. We support our policies, and we will not shy away from them. We are more than prepared to take responsibility for our policies.

**Mr ATKINSON** (Eastern Metropolitan) — I am delighted to hear that Mr Leane supports the government's policies, because he is one of the very few who do. Most of the industries associated with development, planning and housing, most local government authorities and most people who are involved in any way with the provision of services are not as effusive about the Labor Party's Melbourne 2030 policy as Mr Leane is. This policy has been subject to considerable criticism because in effect it has failed to take note of the needs of the Victorian community, and particularly those of the capital city. It has failed to take note of trends in housing development and in urban projects. It has in fact been based on unproven premises, particularly in terms of some of the population projections that have been made in certain areas.

It amuses me when I hear the government express concern about water and when I hear its members say, 'The drought has been a dreadful thing. We have done the best we can'. In terms of planning for water in this city and in this state I cannot blame the government for a drought, but it is interesting to note that since its election in 1999 the government has been talking about population growth exceeding more than 1 million people. In that context I would have thought that the government ought not have been surprised at the growth rates of the Melbourne metropolitan area now. I would have thought that it would not have been surprised that there would be increased demand for water. Thank goodness Victorians — and they ought to be congratulated — have conserved water in significant measure, because without them the Labor government would be in real strife, because it does not have any water supply policies that have been proved or progressed to a stage where they would give security to Melbourne or to Victoria.

When it comes to infrastructure across the city, this government is found wanting. When it comes to

planning for housing, this government is found wanting. Surprisingly the government has now come to some conclusion. It seems that the way forward is to strip planning powers from local government. There is no other explanation for this government initiative. There is no other explanation that is acceptable to local government, because while Mr Leane and some of his colleagues are, as I said, effusive about this policy and believe that it is somehow of great assistance and support to local government, the reality is that this initiative has taken away the planning powers of a number of municipalities — their key responsibilities — and has flagged that many more communities in the future will also lose their planning powers.

I am somewhat bemused by Mr Leane's contribution today. He has a lot of fortitude to be able to stand up and talk about transit cities. If I were him I would have hidden in my office and said nothing about transit cities. Apparently he has not been to Ringwood. Apparently he has not seen just how let down the Ringwood community feels, as does the Maroondah community and also people from the eastern suburbs, given the importance of that area to the new EastLink project which relies on the Ringwood area to provide a public transport interchange. I am surprised he would even raise the transit city or an activity centre at Ringwood, given the city is absolutely furious that the government has ignored its needs and provided absolutely no funding for the transit city.

Mr Leane might be really interested and quite enthusiastic about the time that I, together with my colleagues from this house Mr Dalla Riva and Mrs Kronberg, and some of my colleagues from the lower house, went out to Ringwood for the launch of a flag — —

**Mrs Kronberg** — Four flags!

**Mr ATKINSON** — Yes. I should give due credit; it was four flags that the Minister for Planning, Mr Madden, launched at the Ringwood Clock Tower as part of the Ringwood transit city project. The people of Ringwood still have their four flags. They have nothing else, but they have four flags. They are eternally grateful to the Minister for Planning for four flags — —

**Mr Leane** — Five million dollars.

**Mr ATKINSON** — Five million dollars for four flags.

**The PRESIDENT** — Order! I remind Mr Atkinson about the house's standards when it comes to tedious

repetition. I think we understand how many flags; I know I do!

**Mr ATKINSON** — There was actually one less than five banners launched on that occasion by the Minister for Planning. It was extraordinary that a press conference was called for such a launch. But the people of Ringwood are concerned that the project has gone no further.

The people of Dandenong must be similarly bemused about the development authority set up out there some years ago. It has made very little progress, although I noted a press release in recent months that heralded the achievement of attracting a Reading cinema to Dandenong as one of the major new achievements of the Dandenong development authority. The only problem is that those cinemas simply replaced the Village cinemas that left the Dandenong centre — the same space in Dandenong — last year. There was really not much of an improvement so far as the people of Dandenong were concerned.

I note that the next great achievement out there is the government leasing some space in an office building, and it has allocated money to put further government services there. But to this point there has been very little investment and enthusiasm from the private sector for most of the projects in that area because the development authority has not driven that process.

Yet, with that result on the board, we now look at establishing development authorities in other areas. Interestingly enough, we look at development authorities that are loaded and stacked with government representatives. There is one more person than there are flags at Ringwood — there are five personnel involved in these development boards, two of them government representatives, two of them local representatives and one of them a so-called independent chairman who is chosen by the government. There is not much representation from local communities. In areas like Camberwell there have been significant controversial planning issues and projects that are clearly inappropriate to the area.

Coming back to Mitcham, which Mr Leane mentioned in his contribution to the debate, I am not sure whether he means that the social housing was in fact the proposed 17-storey residential tower in Mitcham that was quashed by the local council, because that project was clearly inappropriate for Mitcham. That project should never have been mooted, but the government was giving that some encouragement, despite the fact that at the local level there was clearly no community support for it, and it was a project that was

inappropriate to the infrastructure of the area let alone inappropriate to the amenity of the area and so forth.

This whole process is about the government riding roughshod over local government, full of rhetoric saying, 'Local government is important. Local government has all its powers'. In the debate led by Mr Guy and supported by other members in this house assurances about local government were given. Some were given very recently by the Minister for Local Government in the other place, Mr Wynne, others by the Premier before the last election, some by Minister Madden and some by Ms Broad, a former local government minister. They said how important local government is considered to be and that local government will retain its powers and responsibilities, yet this measure puts the lie to that whole claim.

This very measure takes away the significant planning responsibilities of those councils. It is all very well to say that they will keep their ability to knock off the cubbyhouses, the carports or the other shrapnel in terms of planning applications, but the reality is that when it comes to the strategic planning of their communities, when it comes to the involvement of the communities directly through their local council representatives, this government has chopped them off at the knees. This government has prevented councils from having continuing input into their communities.

I urge the house to support the motion moved by Mr Guy. It could have gone a lot further. It is a motion where the parts are sensible. Were the mayors and councillors of the municipalities throughout Victoria sitting in this chamber to vote, this motion would be carried overwhelmingly, because they are most disturbed by this action by the government.

**Mrs KRONBERG** (Eastern Metropolitan) — I rise with a great deal of pride to support Mr Guy's motion. It is ample evidence of the genius of our planning spokesperson and another surgical strike at the hapless planning minister who sits with us in this chamber.

In his motion Mr Guy asks the house to note with concern, and we do, that the Brumby government's proposed changes to the Victorian planning system incur a whole constellation of problems and assaults on the freedoms and rights of the citizens of Victoria.

This debate has been contributed to by Mr Leane. I must say I sat through Mr Leane's contribution with rising concern. Many of us have looked at the body language of the former Prime Minister, Bob Hawke, when he was being interviewed on television, and we knew when he was telling untruths because he always

pulled his ear. Right throughout Mr Leane's contribution he was pulling his ear. As a student of body language, that is a bit of a contraindication to me. I think pulling his ear means that he does not really believe in what he is saying or he is following a tightly manipulated script.

I also have to say about his contributions in this chamber both today and last night when he talked about the redevelopment at Ringwood railway station that I think I am the person who is affected by the lack of development around the Ringwood station precinct more than anybody, because my electorate office happens to be in the middle of this absolute urban decay. Owners of properties subject to potential redevelopment cannot find tenants with any purchasing power to establish themselves in business. This is a moribund precinct that now stretches four blocks down the Maroondah Highway. We have bomb sites going from just past the Coach and Horses Hotel to right up past Warrandyte Road. This lack of development around the Ringwood station encourages all sorts of people with questionable practices and behaviours, and many of those people would be contributing directly to the crime rate.

Ringwood truly is the emo capital of Victoria, and it is in a very sorry state. I am sure from time to time people visiting restaurants in the area are confounded, confused and amazed at this ongoing decay. The lack of ability to deliver on these projects by this government can be measured by the suffering of small business people right up and down the Maroondah Highway.

Coming back to the particular motion that Mr Guy has so surgically crafted, I have to say that this government has embarked on a sinister new direction. This government has set in train a process that dismisses the concerns of many communities across metropolitan Melbourne. This government has announced that councils are to be stripped of their planning powers over key shopping and commercial hubs, and it has most especially targeted my home suburb of Doncaster for special attention.

We can appreciate that the Brumby government is under renewed pressure — pressure from just about every point of the compass on just about every topic that you want to point to and just about every project that it is attempting to deliver on — and we understand that it will support the concept that developers will always seek methods and new areas that will allow them to deliver their best economic returns.

As evidence of just how rattled Minister Madden is, I would like to include some comments from a press

release of 8 April headed ‘Brumby sham land plan’. It goes like this:

Leaked advice by a senior Victorian public servant revealed that John Brumby ignored warnings that the urban growth zone, touted in early March as a solution to Melbourne’s housing crisis, was a sham which would worsen red tape and create new bottlenecks in planning and infrastructure delivery. Analysis of a cabinet submission by Gavin Alford, a senior manager in the transport policy branch of the Department of Infrastructure, showed that the urban growth zone — the linchpin of John Brumby’s rezoning of 90 000 lots in Melbourne’s outer suburbs — was unnecessary. Mr Alford advised on 14 November 2007 —

about Melbourne’s outer suburbs —

that there was ‘No need for the urban growth zone. The Minister for Planning already has the power under the Planning and Environment Act to streamline the rezoning process’.

The Doncaster Hill area is seen as a prime site, with the redevelopment of Westfield Shoppingtown due to be finalised this year.

The following is the Manningham council’s contribution about this site, and this is where I have extreme discomfort with the government’s approach to take planning authority from local councils. It is reported that on the revival of its Doncaster Hill project the council that I reside in is actually hoping to capitalise on Melbourne’s huge international student population and the market emanating from that. It can see that as a result of a proposed partnership between the Manningham council and the Box Hill Institute a number of facilities from that cooperative venture under discussion would provide a lot of affordable housing in the form of student accommodation. There are 3200 students attending the Box Hill Institute who live in the City of Manningham. It is reported that:

The plan has been flagged ... to create an ‘education precinct’ —

and that other contributions to this Doncaster Hill precinct would include a major science laboratory and would boost child care and transport. That is the Manningham council’s view of the world. I wonder how that fits in with this grab for power over development projects. This is what the Manningham council has out there right now. The report I just referred to was published on 7 May.

Clearly this is a suspension of basic democratic rights of citizens, and the suspension of rights of appeal with regard to the new residential zones are the cause of great public disquiet and concern. This new system is to be introduced without a body to provide oversight of it,

which is what the opposition has been calling for: a broad-based, independent anticorruption commission.

**Mr GUY** (Northern Metropolitan) — I urge everyone to support the motion and to accept that Melbourne 2030 is a failed planning policy.

**House divided on motion:**

*Ayes, 21*

- |                                |                   |
|--------------------------------|-------------------|
| Atkinson, Mr ( <i>Teller</i> ) | Kavanagh, Mr      |
| Barber, Mr                     | Koch, Mr          |
| 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 ( <i>Teller</i> ) |
| Eideh, Mr     | Smith, Mr                      |
| Elasmar, Mr   | Somyurek, Mr ( <i>Teller</i> ) |
| 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.**

**Sitting suspended 6.33 p.m. until 8.04 p.m.**

**JUSTICE LEGISLATION AMENDMENT BILL**

*Second reading*

**Debate resumed from 8 May; motion of Mr LENDERS (Treasurer).**

**Mr DALLA-RIVA** (Eastern Metropolitan) — I rise on behalf of the Liberal Party to make a contribution to the debate on the Justice Legislation Amendment Bill. We will not oppose the bill, although we find parts of it quite hypocritical. Whilst the bill amends a number of acts — and may I say this is because they were sloppily drawn in the first place — the most important amendments relate to the Serious Sex Offenders Monitoring Act 2005. This is close to the hearts of members on this side of the chamber because, for those who were not here, the amendments made by the government in this bill are amendments that I put forward in a private members bill in September 2005.

On 7 September 2005 I introduced by leave a bill to repeal the Serious Sex Offenders Monitoring Act 2005 and to amend the Sentencing Act and the Bail Act to provide for continuing supervision of an offender convicted of serious crimes. In my speech I indicated that, whilst the opposition supported the Serious Sex Offenders Monitoring Act 2005 and the fact that there was the capacity for extended supervision orders (ESO) to be made for persons who commit offences against children, my private members bill would expand the range of offences for which an ESO — which enables the monitoring of offenders for up to 15 years — could be imposed.

At the time quite a few people opposed that private members bill. Speeches included one from Ms Mikakos, who spoke at length about preselection; she seemed to be focused on that. A former member of the Legislative Council, Mr Baxter, supported the bill, and Mr Atkinson also supported it. At the time the alleged Independent member, Ms Carolyn Hirsh — —

**Mr Rich-Phillips** — That week.

**Mr DALLA-RIVA** — As Mr Rich-Phillips says, that week. Surprise, surprise! Ms Carolyn Hirsh said that she was an Independent and voted with the government, as an Independent member does. Ms Lovell supported the bill, while Mr Viney opposed the bill. Mr Viney and Ms Mikakos will obviously be getting up and defending this legislation as being a great victory for common sense. I am sure they will go through it. Ms Darveniza also made a contribution on that bill. It will be interesting to see whether she will oppose the government bill as it stands. Even Mr Rich-Phillips, my comrade on the left of me, spoke — —

*Honourable members interjecting.*

**Mr DALLA-RIVA** — We get close in the Public Accounts and Estimates Committee, I must say. It is a drawn-out process, and sometimes you feel like a comrade. I look forward to Mr Viney's — —

**An honourable member** — On your left.

**Mr DALLA-RIVA** — On my left — he is. That was probably a Freudian slip.

**An honourable member** interjected.

**Mr DALLA-RIVA** — He is on my left, unless left has gone elsewhere. He is on the left side of me, and I have somebody like Mr Koch on the right side of me.

*Honourable members interjecting.*

**Mr DALLA-RIVA** — Members opposite seem to be offended by the fact that I used the words 'left' and 'comrade' in the same sentence. We are easily amused, it appears, on the government side. I look forward to Mr Viney's contribution.

**Mr Viney** — I am not making one.

**Mr DALLA-RIVA** — He will not be making one because he is embarrassed. I would be embarrassed too, because in September 2005 when we moved the private members bill seeking an expansion of extended supervision orders, Mr Viney was adamant that this was not the way to go. The inclusion of further serious offences — —

**Mr D. Davis** — He has had a change of heart.

**Mr DALLA-RIVA** — He has had a change of heart. I just cannot work it out. It will be interesting to hear what government members have to say, because at the time we agreed with the principal act, the Serious Sex Offenders Monitoring Act 2005, but we said that it did not go far enough and needed to include other serious offences. In the context of the audience in the chamber, it is probably not appropriate for me to expand on that, but needless to say there were further serious offences that we considered to be of importance, and yet the government in its wisdom said it would not proceed down that path. I might come back to that a bit later and talk about it in the context of this amending bill.

I note that this bill contains a range of amendments to the Corrections Act 1986, the Firearms Act 1996 and the Serious Sex Offenders Monitoring Act 2005, as I have already indicated. There are minor revisions to the Administration and Probate Act 1958, the Liquor Control Reform Act 1998 and the Summary Offences Act 1966.

Amendments to the Firearms Act are set out in part 3 of the bill. The Chief Commissioner of Police will now be able to permanently categorise a firearm which imitates, looks like or can be adapted as a restricted or prohibited firearm. Whilst I am on the issue of firearms, I am very pleased that the Antique Arms Collectors Guild has had a victory in relation to some of the fees the government was proposing. The government had a change of heart. Clearly at the time it was trying to get more fees out of firearms owners, but in the end, after pressure from Dr Sykes, the member for Benalla in the other place, David Koch and me, it did not go ahead with those fees. I hope that part 3 of the bill is more sensible in what it is doing. The Firearms Act will be

amended, as I said, to allow for categorisation of a firearm.

Interestingly, some of those firearms manufactured overseas look pretty real, and it is a fair call for the chief commissioner to be able to determine whether they should be restricted or prohibited. From my own experience in the police force, when you are confronted with a firearm that looks like a firearm and you think it is a firearm, you react accordingly. Often you do not have a chance to determine from a distance whether it is a real firearm, so that is important.

It brings back memories of an incident that occurred when I was at Broadmeadows. It does not necessarily relate to this situation but it can be used as an example. An offender came out with what appeared to be a longarm firearm. One of the police officers reacted and fired a shot, which inadvertently killed a fellow police officer. I take this part of the bill very seriously, because there are circumstances where you can think something looks like a firearm. This provision is appropriate. Clauses 8 and 9 in part 3 of the bill therefore have total support from me and from the Liberal Party.

In terms of the amendment relating to tranquilliser guns, this bill amends the Firearms Act to incorporate a provision which enables vets and animal health professionals to have a backup as well as different types and styles of tranquilliser guns. This is an important amendment which allows greater opportunity for people performing those types of operations to professionally undertake their role. I think that is also important. As I indicated, I will get to part 4 a bit later, when things are a bit quieter around the chamber.

Part 5 concerns statute law revisions and other amendments. It amends the Administration and Probate Act 1958, in which the Relationships Bill had incorrectly inserted 'and' rather than 'or'. It also amends the Liquor Control Reform Act by replacing 'late night' with 'late hour'. Clause 28 reduces the infringement fine under the Summary Offences Act to \$500, which I understand was incorrectly inserted in that act as \$5000. These are minor amendments.

I have not touched on the amendment to the Corrections Act in part 2. In my view that is more about some of the operational tasks that need to be undertaken than the functions of the secretary and the commissioner. I think that is also important. Interestingly, the bill abolishes the Prison Industry Advisory Committee. However, it is replaced with the Corrections Education and Employment Ministerial Advisory Committee. When I was shadow Minister for

Corrections I was always of the view that education and employment in correctional facilities were important. It is important not only to ensure a seamless transfer for prisoners in correctional facilities to education — and there are some good educational programs in our prisons — but also to link those educational programs to employment. That will help.

I cannot help but recall a visit to the Beechworth jail. The cook there was actually a very good cook, so I was told, in providing meals for the prisoners. His services were so well regarded that he was eventually able to be employed in the area when he was released. I think he served about 15 years for a serious crime. I will not say what it was about, given that he went to work in a local eatery in Beechworth. It again shows that you can rehabilitate prisoners back into the community provided they have the linkages not only to educational services and training but also to employment. All too often that linkage is not there. I hope that the advisory committee which will cover education and employment will look strongly at the employment needs of prisoners.

As we heard at the recent Public Accounts and Estimates Committee meeting, about 31 per cent or 32 per cent of prisoners released from our correctional facilities return to prison within two years. Whilst that rate is relatively low compared to those of other states, it is still amazing that a third of our prisoners released from jail can commit a crime so serious that they are back in jail within two years. Obviously if there is some other mechanism for preventing that, this is an important move forward. I hope what the government is proposing to do is not a token approach. Having said that, I certainly support the components within part 2 of the bill.

As I said, I have covered part 2, part 3 and part 5. Part 4 is the issue that really sticks in my craw, as it were, because in 2005 this government, and in particular Ms Mikakos, who is in the chamber, fought diligently to make clear that they did not support the private members bill that I put up.

**Ms Mikakos** — It was badly drafted!

**Mr DALLA-RIVA** — She said it was badly drafted, yet we have a bill before the chamber which makes amendments to badly drafted legislation. Be it terms of clause 26, clause 27 or clause 28, this bill that the government has brought in is about badly drafted legislation. On top of that, the government has the resources of all its people out there to draft the legislation.

At the time the issue was not about the legislation we proposed; it was about the way it was drafted. We were not perfect in the way we were doing it, but the intention was to ensure that it would cover serious offences with extended supervision orders. In her speech Ms Mikakos made it very clear she opposed the bill.

Ms Mikakos went into other issues about preselections. I think she was going through the process as well, as Mr Baxter rightly pointed out at that stage. Interestingly she did not believe there was a need for the inclusion of other sex offenders among the persons who could be placed under extended supervision orders. It is a bit hypocritical for this government to now introduce this piece of legislation saying 'Oh, look at us. We have improved the Serious Sex Offenders Monitoring Act 2005', when only three years ago it was opposing a private members bill to do that which I brought into the chamber. It would be interesting to know what has changed. At the time Ms Mikakos said she did not agree with it. She said there was no need for other offences to be covered in terms of the offenders who can have extended supervision orders imposed on them.

We looked at those who had been convicted of offences such as murder, rape, arson, kidnapping and armed robbery to be eligible for extended supervision orders. An ESO is very important and allows for the management of those who have been convicted but are at the end of their sentence to be monitored for up to 15 years. People like Mr Baldy, who think they are free and easy after they have served their time for their offence, can still be managed for a period, and there are lots of criteria.

For the life of me, I could not work out why the government would not support it. What was the difference? I know there is a significant concern, but if an adult is raped then that offender should equally be placed on an extended supervision order. Yet at the time the government rejected my private members bill on the basis of a whole range of other issues, such as it being sloppily drafted — I am sorry, but at that time we were in opposition and we do not have the significant resources the government has — yet we now have before the chamber a government bill, drafted using all the government's resources, which is fixing up all the government's sloppy legislation.

It is a bit hypocritical for members of the government to come in here and drone on about how great they are in ensuring that they are covering other offences under ESOs. If the government is serious about putting ESOs into the community, it would be serious about applying them to people who have been convicted of murder,

serious arson offences, kidnapping and the more serious areas of armed robbery, as well as rape and child-sex offences. In the context of the legislation the government has brought forward, we support the component of adding the definition of rape to the list of offences for which the extended supervision orders can be imposed, but we believe that there ought to be a further extension.

It is also interesting to note that in part 4 of the bill there are some other amendments which allow for matters to be taken to the Court of Appeal. The ESOs can be granted as an interim measure. Where the Court of Appeal finds an ESO flawed, it can remit the decision of the original court for rehearing. We also had concerns along the same lines. In our private members bill we proposed that the Director of Public Prosecutions should apply for an ESO. We thought that would be the best person. At the time this related to the matter of Mr Baldy. He was about to be released and the government needed to bring in legislation fairly quickly to ensure he was supervised. Even after the legislation had been brought in it, the matter was still not sorted out until late in the piece.

Although I support the legislation, it does not go far enough and does not cover other offences. Whilst it is my understanding that the legislation now covers all sex offences, whether they be against children or adults, we stand by the private members bill that was brought in in September 2005 and believe that this bill ought to cover other offences so that the people of Victoria have confidence in knowing that those serious offenders who have served their time and been let out can still be monitored under some court supervision.

As I said, I look forward to Ms Mikakos making her contribution to the debate. I look forward to her trying to justify her 14 September 2005 speech — for those who wish to look at *Hansard* — in relation to the Serious Sex Offenders Monitoring Bill into which we proposed to introduce the imposition of extended supervision orders for those persons charged, convicted and serving a sentence for the offence of rape. The government said it opposed that measure, yet the legislation we have before the chamber provides for extended supervision orders for those convicted of the offence of rape.

What has occurred for Ms Mikakos in three years? Why did the government oppose it then? This is amazing! It staggers me that Ms Mikakos is going to get up and embarrass herself. She might have to go away for a while, because she really has no answer. She has probably gone to check *Hansard* to see what she said.

**Mr Finn** — Or is reading Landeryou.

**Mr DALLA-RIVA** — That is right. She may be reading Landeryou to see what is happening in her upcoming preselection.

**Mr Finn** — Ours or theirs?

*Honourable members interjecting.*

**Mr DALLA-RIVA** — It might be both, Mr Finn. Thank you for that interjection. I would add another word, but I cannot!

As I said, Ms Mikakos raised some issues during that earlier debate and she made it very clear that she thought the current coverage of extended supervision orders should be only to those convicted of child sex offences and not — as we had put in the private members bill — to those convicted of offences including rape, which are now in the government's legislation.

The hypocrisy of this government astounds me. It is yet another policy position it has stolen from the Liberal Party. The government says it knows what it is doing, but I think we are up to about 40 or 45 policies, such as the desalination plant, that the government has stolen. This is yet another one. It is legislation theft, and it is disappointing that we have to find out now, almost three years down the line, that we are going to include people who have been convicted of rape in the list of those eligible for ESOs. I said at the time that people like the silver gun rapist and those who have committed heinous offences against adults should not be excluded from being eligible to have extended supervision orders placed on them. This legislation will get the support of the opposition in this place, so I hope we can move on and get other offenders placed on extended supervision orders in the future. I look forward to Ms Mikakos's contribution to the debate and to her embarrassing herself by trying to justify why three years ago she opposed the very legislation that she is now going to talk in favour of.

**Ms PENNICUIK** (Southern Metropolitan) — Firstly I would like to thank the government for deferring the bill to allow time for me to have responses from the department to questions that I put to it. I would like to thank the department and the minister's staff for their briefing and their responses to those questions.

Generally the Greens are supportive of this bill, but we do have some concerns and queries. This bill amends the Corrections Act 1986, the Serious Sex Offenders Monitoring Act 2005 and the Firearms Act 1996 and it makes a few other miscellaneous amendments.

The amendments to the Corrections Act go mainly to oversight of Corrections Victoria and education in the prison system. The bill amends the Corrections Act 1986 to clarify that the Secretary of the Department of Justice has responsibility for monitoring performance in the provision of all correctional services to achieve the safe custody and welfare of prisoners and offenders. Additionally clause 4 clarifies that the commissioner for corrections has responsibility for assessing performance in the provision of correctional services.

The Greens are supportive of increased oversight of the corrections system. It is critical that where the state has power to incarcerate people and, particularly when unfortunately the state has delegated that power to private operators, it is crucial that the operation of prisons is open to public scrutiny. It is a reality that people who have been convicted of serious offences need to be incarcerated to protect the public. It is also critical that society ensures, through rigorous and open scrutiny, that the human rights, health and safety and welfare of people in prison are protected. It is an issue that I have taken some interest in.

Unfortunately I am not convinced that clause 4 will ensure that the significant coercive powers and responsibilities as exercised within what we see as an expanding prison system are exercised in a transparent, accountable and open manner. The primary oversighting body is what was called the Corrections Inspectorate and is now known as the Office of Correctional Services Review.

Just this week the Minister for Corrections in another place has furnished me with answers to some questions that I put to him on notice some time ago regarding the Corrections Inspectorate. I thank the minister for his good answers to the questions that I asked. One question was about the name change of the office that was called the Corrections Inspectorate to the Office of Correctional Services Review, which is now the primary office for oversight. The minister advised that the Department of Justice established that office through the amalgamation of the former Corrections Inspectorate and the performance and review development unit and that that arrangement is designed to strengthen the independent inspection, monitoring and review of correctional services. He went on in his answer to say that the new unit features a number of enhancements, including stronger executive management oversight, with the unit reporting directly to the secretary, and a new government model, including the establishment of a corrections monitoring and review committee to oversee the Office of Correctional Services Review.

The problem really with this is that the office is entirely internal to the Department of Justice and never publishes any reports. In answer to questions that I put to the minister on this issue where a review has been undertaken, the answer was that the Ombudsman observed the operation of the Corrections Inspectorate between February and May last year. As a result in August last year he held discussions with the Department of Justice and was briefed by the secretary on the proposed establishment of the new office and the new governance arrangements. Following these discussions the Ombudsman determined that he would monitor progress with the reforms over the next 12 months. That report is due in August.

To the questions about how many of the reports conducted by the Corrections Inspectorate had been requested by agencies and how many had been supplied to agencies, the answers were that a range of agencies have requested the reports but only one agency has actually been supplied with the reports, and that is the Ombudsman. The Ombudsman has been supplied with the reports, but none of them have been made public.

We have this body, which is responsible for the oversight of the whole corrections system, being internal to the Department of Justice, not being public and accountable, and not releasing its reports publicly. At a conference just two years ago the Victorian deputy ombudsman described the operations of the then named Corrections Inspectorate as follows:

It is not clear what the inspectorate outputs are — it does not publish its reports, nor is there a list of its reviews and reports publicly available. As none of its reports are released, it is unknown to what extent it has uncovered poor conditions or other failings within the prison system, or indeed to what extent its findings and any recommendations resulting from these have led to changes in procedures and practice —

in the corrections system. As I mentioned, last year the Ombudsman undertook a review, but even that report we have not seen publicly, although I am hopeful that the Ombudsman may have something to say after he finishes his review in August this year.

There have also been some public reports about incidents within the prison system — within the Dame Phyllis Frost Centre, for example — that have never really been resolved. These issues make it clear that open and transparent oversight of the corrections system is not working as well as it could be in Victoria. That is not good for prisoners, it is not good for prison staff and is not good for the people of Victoria.

The Greens have called for an independent standing commission against corruption in this state. In the area of corrections we would urge the government to

consider setting up a dedicated independent correctional services oversight and investigation body, such as the West Australian Office of the Inspector of Custodial Services. The West Australian Inspector of Custodial Services, Professor Richard Harding, was in Melbourne a couple of months ago and commented on issues of oversight and accountability for Victorian prisons. In the *Age* of 19 February he is reported as stating:

It is well short of what a democratic society is entitled to and we come back again to the human rights issues. In the end, these can only be properly traversed by external accountability.

If you have an external inspectorate, all of these things — justice and fairness and decency to the individual — and the way prisons are spending their money become visible to the public.

We know there has been a huge increase in the budget for prisons, and I know there has been an increase in the budget for educational purposes — but nowhere near the amount of money for setting up new prisons. I was horrified to see that we are going to be setting up new prisons, because we all know that prisons should be the last resort except for serious offences. I have no problem with serious offenders going to prison, but there are an awful lot of people in prison who probably could be on community orders and other things that keep them out of prison and keep them from getting into the situation that Mr Rich-Phillips was describing, where they cannot get back into the workforce and get their lives back together.

This expansion of prisons and of numbers of prisoners is occurring without strong, public and independent oversight. I see that the government is changing the oversight and is saying that that is going to make it more independent and accountable, but because it is still an internal oversight body and does not publish any reports — it does not publish a report to Parliament; it does not even publish an annual report — how is that publicly open, transparent and accountable? That is what you need when you are talking about the corrections system, where people's freedoms are taken away and they are under the power of the state inside prisons. What goes on in prisons should be open to public scrutiny.

The bill also amends the Corrections Act in relation to the former Prison Industry Advisory Committee, making way for the new corrections education and employment ministerial advisory committee, which is being established to provide advice on education, training and work programs in prisons. The committee will have a focus on the integration of education, training and prison industry programs with transition

support services, as the minister describes it in his second-reading speech, in order to maximise prisoners' ability to secure continuing employment post release. That is a very laudable aim, and the Greens would support that aim. The question is whether enough resources and enough commitment are being put into that to actually get the job done.

The department advised us that the new committee is not a replacement for the old committee but is something different, and that the committee will be implementing industry skill-set pilots and 12-month pilots. It also advised me that this was based on a review called the BearingPoint review, which was completed in 2003. If you look on the Department of Justice website, you will see it has four dot points about that review and what it found. It found that prison education and training must focus on assisting prisoners to gain employment and thereby reduce the likelihood of reoffending; that it is a key element of the overall rehabilitation framework; that it was the responsibility of Corrections Victoria in conjunction with the Office of Training and Tertiary Education of the then Department of Education and Training; and that it should be integrated into other areas of prison operation. That is on the website. If you go into the BearingPoint report in a little bit more detail, you will see that the executive summary makes some other points. It states that education and training in prisons involves two agencies — the Office of the Correctional Services Commissioner and the Office of Training and Tertiary Education within the then Department of Education and Training — but with no jointly agreed and integrated framework for managing education and training in the corrections system. This is the report the government is relying on. It states that there has been a significant increase in prison numbers and that the prison population increased by 30 per cent between 1997 and 2000 and by another 10 per cent between 2000 and 2001. It states that funding for education and training has not been able to keep pace with the growing demand, and that there are now significant waiting lists for access to education and training in most prisons. I hope that the provisions in this bill are going towards remedying that situation, but I am not sure that the resources are there to do that.

There are other problems, including a lack of integration between education provision and prison industries et cetera. The review also makes the point that the bottom line is that prison should be a last resort; if you put more people into prison, you will have to spend more money to rehabilitate them. It refers to international trends and states that prisoners participating in education and training can achieve a reduced rate of reoffending and better community

integration. The review also states that the relationship between education and training and reduced rates of reoffending is high, especially when linked to employment opportunities. That is good, and I support what the government is trying to do here; the question is just whether this structure that it is setting up, which the report itself said is not an integrated structure, will achieve what it has set out to do.

Everyone would agree, and all the evidence shows, that education and training and meaningful employment are the most effective weapons against recidivism and reinstitutionalisation. There is a big job ahead of us, because if you look at the statistics you will see that of the more than 4000 imprisoned people in Victoria — and I make the point that up to 93 per cent of the prison population are male — approximately 60 per cent of imprisoned men were unemployed or not part of the labour force when they were in the community, and that as at 30 June 2007 some 91 per cent of imprisoned men reported that they had not completed secondary, trade or tertiary education prior to reception at the prison. In terms of women, 73 per cent of imprisoned women were unemployed or not part of the paid labour force when in the community, and as at 30 June 2007 some 82 per cent of imprisoned women reported that they had not completed secondary, tertiary or post-secondary education prior to imprisonment. A further 74 per cent reported having undertaken some secondary level schooling. Any moves to enhance quality and continuity of education and training at all levels, including post-secondary and tertiary education, is to be supported and needs to be built upon. The need for access to education and post-release employment is acute for imprisoned people serving both short and long sentences.

I would say that the changes to the committee structure and operation need to proceed with a maximum of transparency, accountability and public consultation, including with the imprisoned people and other important stakeholders, to ensure that the committee has long-term relevance and effectiveness. I note that the minister has a list of people, and I think the positions in that group are pretty well filled, although there might be one place left. I wish the committee well. It is an important job, and I hope it will be resourced to the extent that it needs to be, given the findings of the review.

This bill also makes small amendments to the Firearms Act, which go to the ability of the Chief Commissioner of Police to restrict firearms that look like military firearms. They may not have the same firepower as military firearms, but they look as if they do. The bill also allows vets and officers of the Department of

Primary Industries to carry spare tranquilliser guns in case one breaks down or requires servicing, so that they can continue to carry out their duties.

The bill also amends the Serious Sexual Offenders Monitoring Act and requires offenders who have served custodial sentences for certain sexual offences and who have been assessed as a serious danger to the community to be subject to ongoing supervision while they are in the community. Basically that will work by the Secretary of the Department of Justice applying to the court for an ESO (extended supervision order) in relation to an eligible offender. The application is to be made to the court that sentenced the offender — the County Court, the Magistrates Court or the Supreme Court — and it must be accompanied by a report from a medical expert who has conducted an assessment of the likelihood that the offender will reoffend.

I discussed this at length with the department and asked it for some information. It provided me with the projections that the total number of sex offenders discharged from prison annually is expected to be 186 this year, 202 the next year and 225 the year after that. It also clarified with me that all convicted sex offenders are clinically reviewed when sentenced to a period of imprisonment to assess their static risk of reoffending and dynamic risk factors to determine the appropriate intervention pathway — that is, treatment and a management plan while serving their sentence. Towards the end of the sentence a further clinical review is undertaken to identify those offenders in the high-risk category of further sexual reoffending. A comprehensive clinical assessment of all the high-risk sexual offenders is then conducted specifically for the purposes of the Serious Sex Offenders Monitoring Act. The profile of the prison sex offender population by risk levels is shown in a brochure that I was provided with about reoffending rates of adult male prison-based sex offenders in Victoria.

The ESOs can last up to 15 years, and I am advised that they can be extended for another 15 years after that if the process I have just outlined is adhered to. Also, there can be a number of conditions that apply to the ESOs, and the Adult Parole Board can give the offender further directions and instructions, which may include but are not limited to matters such as determining where they will live, setting curfews and specifying that the offender will not visit certain places et cetera.

The bill, as Mr Rich Phillips so eloquently pointed out, expands the range of offences that ESOs will apply to. That is a good thing, because we need to apply them to the appropriate people based on a clinical assessment of their likelihood of reoffending, especially if those

offences are violent and/or sexual offences. The bill also allows for the making of interim extended supervision orders pending the final determination of an extended order application or an appeal against an order. That is good because I presume it adds a level of protection to the community; there is an interim order in place so that the offender is being supervised while their appeal or their application is being heard.

I just want to talk briefly about what SARC (the Scrutiny of Acts and Regulations Committee) said in its very long report on this bill, and it raised a number of issues about the bill. It was primarily concerned about the discretion given to the Adult Parole Board, and said the board is:

- not bound by the rules of natural justice ...
- not subject to statutory appeal to the Court of Appeal ...
- not subject to review by VCAT ...
- not subject to ombudsman inquiries ...
- not currently a public authority under the charter —

which means that it is, according to SARC:

- not currently required to act compatibly with charter rights or to consider relevant charter rights when making its decisions.

The committee asked questions on this matter. As far as I know those questions have not been answered by the minister. I stood up here in the last parliamentary sitting week and said it was a concern to me that there were before the house bills which had been considered by the Scrutiny of Acts and Regulations Committee in a comprehensive way and that it had picked out areas where it was concerned about the bills either engaging or not complying with the charter and had asked the minister to answer questions, and yet the bills were able to proceed through both houses of Parliament without those questions being answered.

The committee particularly asked questions about clause 17 and clause 24 and had issues also with clause 23, and I am concerned that we do not have the answers to those questions. Before we pass bills we should have the information before us which the committee has alerted us to and where it has queried whether they comply with the charter.

The committee also talked about the effect of clause 23, and it went into some detail about whether an extended supervision order was a punishment or not a punishment. It mentioned some examples from overseas and also that the statement of compatibility had simply asserted that that was not a punishment, and that evidence in New Zealand had questioned that.

I am not saying that I am not in favour of extended supervision orders. What I am pointing out here is that the Scrutiny of Acts and Regulations Committee has asked us to consider these issues. I do not believe the Parliament always seriously considers the issues that are brought up by SARC, and it should. I am not sure that we have a mechanism, but we should be considering a mechanism whereby we should not consider bills, particularly in the upper house, until we have full answers from the ministers.

I note in closing that the government plans to completely reform the whole scheme for the monitoring of offenders following the Sentencing Advisory Council's July 2007 report on high-risk offenders, and that legislation is due in the latter part of this year. With those comments I will say that the Greens will be supporting the bill, although we have some concerns.

**Mr TEE** (Eastern Metropolitan) — This is an important bill. There is genuine concern in the community about sexual predators who stalk our young people. The concern in the community is that after being apprehended and sentenced these individuals return to the community when they are released and continue to prey on the innocence of children. The government has already responded to these concerns. It has previously legislated so that child-sex offenders due for release are carefully evaluated and, if they pose an ongoing risk to children, they can be the subject of a number of restrictions to protect children. These restrictions can include ensuring that the individual does not associate with children or other sex offenders; electronic monitoring; curfews; restrictions on where they live; and strict reporting and monitoring. There are also significant penalties for breaching the conditions.

The government has responded to the threat posed to children and has acted to ensure that our community is safe, particularly our children. The bill in the house this evening expands and builds on those existing protections given to children. The bill does this because we know that rapists of adults have a similar recidivism rate to that of child-sex offenders. This bill takes the next logical step of extending the supervision orders to sex offenders whose victims are adults, and the offences against adults covered in this bill include rape, indecent assault, procuring sexual penetration by threats or fraud and a range of other offences.

The bill will apply to the critical few who have demonstrated that they pose an ongoing threat to the community. It means that Victoria's worst sex offenders will face tough new restrictions after they have served their sentences and that on the issue of sex offenders Victoria will have one of the toughest

regimes in the country. While it may be argued that once an individual has done their time they ought be released without restriction, there is a greater responsibility to protect the community. As members would expect, ongoing supervision orders are limited to those critical few in the community who deserve and need to be covered.

The bill provides that an extended supervision order can be made only by a court, and only when a court is satisfied that the person is likely to commit a crime. To assist the new regime the bill also provides for interim extended supervision orders. These orders will ensure that there is appropriate supervision in place until a final determination is made by the courts or until an appeal against a supervision order has been finalised. Interim orders are really about ensuring that individuals do not slip through the cracks. They will ensure that if an offender is due for release prior to the hearing of an application for an order the individual can be subject to an interim order. In this regard the bill is another important step towards protecting our community.

The other part of this bill that I want to draw the attention of the house to deals with amendments to the Firearms Act 1996. These amendments are also about ensuring the safety and protection of the community. The bill allows the Chief Commissioner of Police to declare category A, B or C-class weapons as a higher category D or E weapon. Category A, B and C weapons are generally those used by farmers or by sporting shooters. Category D and E weapons are those generally used by the military and by the police. The problem arises when you get category A, B or C weapons that can be purchased and then retrofitted so that in effect they become category D and E weapons. This bill addresses that anomaly by providing the Chief Commissioner of Police with the power to declare category A, B or C weapons to be a higher category weapon, thereby limiting the availability of such weapons.

**Mr Finn** interjected.

**Mr TEE** — I am sure Mr Finn welcomes any additional powers that the chief commissioner has to keep our community safe. That is certainly a priority for members on this side of the house. For the safety of the community we need to limit access to the most dangerous of weapons. There is no need for military-style automatic weapons in the community. They are dangerous, and this bill ensures that those dangerous weapons cannot be slipped into the country under the guise of being a less dangerous weapon.

Before concluding I wish to refer to Ms Pennicuik's contribution. She talked about the failure by the minister to respond to a Scrutiny of Acts and Regulations Committee report. Her concern was that the house was dealing with this bill prior to the receipt of the minister's response to issues raised by the Scrutiny of Acts and Regulations Committee report. I can assure Ms Pennicuik that the minister has indeed responded to that report. That response is in the *Alert Digest* that was tabled yesterday, and in fact the Scrutiny of Acts and Regulations Committee thanked the minister for his response to the issues it raised. With those comments, I urge the house to support this important bill.

**Mr FINN** (Western Metropolitan) — We are here tonight, 28 May, debating the Justice Legislation Amendment Bill 2008 for one reason and for one reason alone: because the government got it wrong. The government got it wrong the first time, but really, what is new? As the government continues through these years — and perhaps will for the next couple of years — it has a history of getting it wrong the first time, but sadly it has a history also of getting it wrong the second time, the third time and quite often the fourth time as well, particularly in the areas of law and order and justice. When it comes to law and order and justice this government does not have a clue. If the community were to give this government a report card on justice and law and order it would have a very large 'F' for fail, because when it comes to justice and law and order this government has been and is a total and unmitigated failure.

Justice is a precious concept and a precious reality. It is particularly precious in Victoria right now as the Attorney-General of the state assaults it from all sides. Justice has taken a back seat as the Attorney-General stacks the judiciary with those with a similar mind to himself. That in itself is a truly frightening prospect.

The outstanding journalist and commentator Andrew Bolt, whose columns I am sure most members of the house would read on a regular basis, made a point in his column last week when he said there were two criminals in the news last week. One was a bloke called Glenn Wheatley who had been released on home detention after diddling the tax office, and indeed he should receive his penance for that.

Andrew Bolt pointed out that there was another criminal in the news, but he could not name him. This man is a far more dangerous individual than Glenn Wheatley will ever be, because this man is a paedophile, a serial sexual offender, and we do not know where he is. We do not know what he looks like

and, quite frankly, as a father of four young children, that scares me. It should scare every parent in this state. Every parent in this state should be afraid that there are people out in the community who have been released by this government and we are not allowed to know who they are, we are not allowed to know what they look like and we are not allowed to know where they are. Of course, that is until they strike again. We must protect our kids. As parents we have a right to know about these creatures. We have a right to know where they are and who they are, and we have a right to protect our children. As parents that is our job.

This bill encompasses adult sexual offences, and one would have to ask why it did not do it originally. It is a reasonable question. I would have thought all sex offences should be covered in equal measure, because sex offenders are pure filth who should always feel the full wrath of the law.

There is another section of this bill that amends the Firearms Act to enable the Chief Commissioner of Police to permanently categorise a firearm which imitates, looks like or can be adapted to a restricted or prohibited firearm. This is a bit of a worry, because we have a chief commissioner in this state who really does not understand firearms. Come to think of it she does not seem to understand much at all, but she most certainly does not understand firearms. Such is her total lack of acceptance of what is necessary in certain respects, she has refused to give her own members semiautomatic firearms to protect themselves.

We had a situation in Melbourne just a couple of weeks ago where police in a shootout with a criminal with a semiautomatic weapon had to stop after they had fired the six shots to reload their guns, but the chief commissioner says, 'No, we cannot give the police semiautomatics, we cannot allow the police to protect themselves'. I would have thought that the chief commissioner's job is to ensure that the police in this state have the absolute and total best available at all times, but it is not so in this case.

Do you know what the chief commissioner said when asked, 'Why won't you give your members semiautomatic weapons so that they can properly protect themselves from the criminals who do have them?'. She said, 'Oh, I don't think so; the police might shoot themselves'. She said that the police might shoot themselves! This is the regard in which the chief commissioner holds members of her police force. Is it any wonder that they are walking out in such numbers; is it any wonder that she is not welcome in any police station in this state; and is it any wonder that police

from one end of Victoria to the other have had more than enough of her?

**Mr Lenders** interjected.

**Mr FINN** — Minister Lenders interjects. I am pleased to say that Minister Lenders, or perhaps his predecessor who is now the Premier, made money available for the semiautomatic weapons, and the money is sitting there, but the chief commissioner says, ‘No, we cannot give the police in Victoria the necessary firearms to protect themselves because they might shoot themselves’.

As Mr Rich-Phillips so accurately points out, she would perhaps prefer criminals to shoot them. Perhaps that is the track that she would prefer to go down. She does not want to see police shoot themselves, she would prefer to see criminals shoot them. That is what we saw in Melbourne in the last couple of weeks.

I am glad to see Ms Mikakos in the chamber this evening because members would be aware that she had a motion on the notice paper condemning me for my comments on the chief commissioner over a period of time, but unfortunately that motion has now expired, which I regret very much.

**The ACTING PRESIDENT (Ms Pennicuik)** — Order! I remind the member not to stray from the purposes of the bill.

**Mr FINN** — The chief commissioner is very much in the bill. It says quite clearly that this bill amends the Firearms Act to enable the chief commissioner — there she is — to permanently categorise a firearm. It most certainly refers to her in that regard. I briefly say to Ms Mikakos that if she wants to bring the motion back, bring it on. I am ready to debate that any day she wants to bring it on. I am ready to go because I have the facts and I have the Victoria Police behind me 100 per cent.

Justice in this state, I believe, is well on the way to being justifiably described as being in crisis. The community has to a very large extent lost faith in the justice system in Victoria. In fact the justice system is no longer a justice system; it is now better described as a legal system. The community is losing faith, if indeed large sections of the community have not already lost faith, in the judiciary and in the government’s ability to protect them. The justice system has gone and has been replaced by a legal system. The justice system should not be something just to employ lawyers and annoy the odd criminal who manages to find himself before the beak. It should be for the benefit of the whole community.

Can I make a suggestion — I am glad to see Minister Lenders in the chamber and I hope that he might consider passing this on to the Premier at some stage — that it might be an idea to restore community confidence in the justice system in this state if one of these days we might have an Attorney-General who was not a lawyer?

**Mr Lenders** — Andrew McCutcheon was not a lawyer; he was an architect.

**Mr FINN** — He was?

**Mr Lenders** — He was.

**Mr FINN** — I must admit that I am having a bit of trouble remembering him, but it might not be a bad idea to have somebody as Attorney-General who actually comes from a consumer’s point of view, who comes from a background where we need the justice system. That is something I suggest very strongly to this government — indeed, to my own party after the next election. Sadly, this bill will not do much for the public perception or the reality of justice in Victoria. It is a bandaid measure because the government made a mess to begin with. We have seen it before and undoubtedly we will see it again.

**Ms MIKAKOS** (Northern Metropolitan) — It is with great pleasure that I rise to make a brief contribution in support of this bill. I want to focus particularly on one aspect of the bill — that is, the amendments to the Serious Sex Offenders Monitoring Act — but before I do so I am happy to inform Mr Finn that I am happy to revive my motion about the Chief Commissioner of Police.

**Mr Finn** — Bring it on!

**Ms MIKAKOS** — My leader has indicated to me that he is very happy for the two of us to come back on Friday and debate that motion. I will be endeavouring to revive that motion at the earliest opportunity.

On a serious note, I say that I genuinely believe that the chief commissioner, Christine Nixon, has done an excellent job in this state. She has led a revival of a very modern police force that has been prepared to tackle the causes, and not just the symptoms, of crime. She has certainly championed and made addressing issues such as binge drinking and problems with young people and alcohol-related violence a key focus of hers. That is something I congratulate her for. She has also been at the spearhead of government reforms to tackle family violence. These are things that I and other members of the community think are very important issues.

Many members of the police force indicate to me their confidence in and respect for their chief commissioner.

**Mr Finn** — As I say, you've got to get out more!

**Ms MIKAKOS** — I can inform Mr Finn of what his getting up here and ranting and raving about the chief commissioner leads to. Members of Victoria Police have come to see me to complain about some of the derogatory things he has said about the chief commissioner.

**Mr Finn** interjected.

**Ms MIKAKOS** — If Mr Finn keeps on doing this, all it will do is confirm in the Victorian community's mind that the chief commissioner is doing some positive things. I can assure him that most members of the Victorian community have a great deal of respect for and confidence in our chief commissioner. The lower crime rates we have been seeing in Victoria in recent years during the term of this government are also a reflection of the important work that she does and that Victoria Police do in tackling crime in our community.

I want to move on to the Serious Sex Offenders Monitoring Act. I note that many years ago now the government moved to introduce the Serious Sex Offenders Monitoring Act to allow applications to be made to the courts for an extended supervision order where a sex offender was considered to be a serious risk to the community. I and many other government members strongly supported that legislation because the research showed that particularly offenders who committed child sex offences — people colloquially known as 'paedophiles' in the community — had a high recidivism rate.

These offenders can be predators who use very devious means to exploit young people. The research showed that the particular predilection of these individuals to reoffend meant that we had to ensure that we put in place a regime that struck an appropriate balance between protecting the community and ensuring that there was appropriate transparency in making decisions that effectively meant that a person who had done their time in prison still had their civil liberties restricted to some degree.

These are difficult issues to grapple with because, as I said, we are talking about individuals who have served their time in prison. It is appropriate that it is a court and not any other body that makes these decisions about whether to grant a supervision order in the public interest and to balance those various competing interests. We are talking about imposing these

post-sentence supervision and detention provisions on people who have a high risk of reoffending.

I noted that in his contribution Mr Dalla-Riva made a number of remarks about a previous debate that occurred in this place back in September of 2005. Given that during the course of his contribution he made a number of remarks about what I said in that debate, I went over to the computer and had another look at the *Hansard* record of my speech during the course of that debate.

**Mr Dalla-Riva** — No, you did not.

**Ms MIKAKOS** — Yes, I did. While you were speaking I was looking at the computer. I noted that in my contribution on 14 September 2005 in response to the bill that Mr Dalla-Riva introduced at that time, the Serious Sex Offenders Monitoring Bill, I said:

The bill proposed by the opposition contains numerous fundamental errors, inconsistencies and flaws which make it completely unworkable.

I have just gone through that speech and reminded myself of the sheer number of flaws in the bill. I do not want to revisit all of that debate here this evening, but I found it particularly remarkable that, rather than widening the pool of offenders who would be subject to an extended supervision order, as the Liberal Party had intended, the bill introduced by Mr Dalla-Riva actually narrowed it.

**Mr Dalla-Riva** — No, it did not.

**Ms MIKAKOS** — It did actually narrow it. I remember when we had this debate thinking that it was not Mr Dalla-Riva's finest hour as the then shadow Minister for Corrections. I know that he was presented with a flawed bill that he was not responsible for but that his colleague the member for Kew in the other place, Andrew McIntosh, had drafted. So I do not put the blame on Mr Dalla-Riva because I know it was in fact his colleague who had drafted the flawed bill, but I can understand why Mr Dalla-Riva is still sulking about it three years later. For members who want to read my remarks, I have left the computer on at the *Hansard* and they can go over and read what I said three years ago, because that bill was flawed.

If Mr Dalla-Riva expected the government to rewrite a bill that Liberal Party members introduced and that was not workable, then he obviously thinks the government can do their work for them. I know that at that time the Liberal Party was distracted by internal machinations relating to preselections. Mr Dalla-Riva was going door to door with his dossier of press clippings and lobbying

his Liberal Party members. I do not blame him. I know he was under a lot of pressure and that the Liberal Party was distracted by internal matters, and I know they are also a bit distracted by internal matters at the moment. When I was over at the computer and looking up particular websites, a few Liberal Party members referred to it and were very curious as to whether I was looking up a particular blog site called 'He who stands for nothing'. We know that at the moment the Liberal Party is engaged in something similar to the Salem witch trials!

**Mr Finn** — On a point of order, Acting President, a short time ago you pulled me up for straying from the bill. I would suggest to you very strongly that Ms Mikakos is straying a lot further than I had strayed on the occasion you pulled me up.

**The ACTING PRESIDENT (Ms Pennicuik)** — Order! I thank Mr Finn for his advice. It was just crossing my mind that I might remind Ms Mikakos to go back to the matter before us, but I am not sure that I agree she strayed quite as far as Mr Finn did.

**Ms MIKAKOS** — Thank you, Acting President. I will come to the bill, but I can see a direct parallel between the play *The Crucible*, which I had the pleasure of seeing in the theatre a few weeks ago, and what is going on in the Liberal Party at the moment. That also involved a trial. We are talking about trials here tonight, and I could see the parallels between the witch-hunt that went on in Salem in America at that time: the desire to name names, and that is what is going on at the moment in the Liberal Party.

**Mr Finn** — On a point of order, Acting President, I have to point out to you that I do not see any mention of the Salem witch trials in the bill, or indeed the Liberal Party. I suggest very strongly that Ms Mikakos is now down the other end of Bourke Street.

**The ACTING PRESIDENT (Ms Pennicuik)** — Order! I thank Mr Finn. I remind Ms Mikakos to return to the bill and ask her to continue.

**Ms MIKAKOS** — It is not without a little bit of pleasure that I have actually managed to provoke Mr Finn at least twice to get on his feet tonight. But coming back to Mr Dalla-Riva's comments earlier, it is remarkable that he premised his remarks about the government's position and the contribution that I made three years ago on the basis that the government can never make changes to its legislation.

I have to tell Mr Dalla-Riva that the government will never take that position. It will always take the position that it will do what is in the community's best interests.

It will always look at refining its legislation and making sure it has legislation that works well for the community and in the community's best interests. In fact it was the current Attorney-General in the other place, who is a lawyer, I might add, and a very fine Attorney-General, who sent a reference — —

**Mr Finn** — He is a shocker; he is a disgrace.

**Ms MIKAKOS** — I am happy to put on record that I believe that Attorneys-General should be lawyers. I do not have any personal bias about that. I do not know what Mr Finn's bias against lawyers is. It was the highly esteemed Attorney-General in the other place, Rob Hulls, who made a reference to the Sentencing Advisory Council in May 2006, asking it to consider the issue of post-sentence detention of high-risk offenders. It was the Sentencing Advisory Council's final report, entitled *High-Risk Offenders — Post-Sentence Supervision and Detention*, released on 2 July 2007, that played a key role in the bill before us, in particular the part of the bill relating to the amendments to the Serious Sex Offenders Monitoring Act.

Whilst a majority of the members of the Sentencing Advisory Council did not support new continued detention powers, the report contains detailed recommendations on how such a scheme should be structured. It included a recommendation that the scheme should apply to sex offenders against adults in addition to sex offenders against children. It also recommended the creation of new powers to make interim extended supervision orders (ESOs). The government has welcomed the Sentencing Advisory Council's recommendations and is committed to enacting a new scheme for post-sentence supervision and detention of high-risk sex offenders against both adult and child victims, in line with its policy set out in the community safety 2006 election policy.

The purpose of the proposed scheme is to enhance community protection through the close supervision of sex offenders and by facilitating their ongoing treatment. The new scheme that will replace the current scheme is expected to commence in mid-2009.

As members are aware, the current Serious Sex Offenders Monitoring Act provides a post-sentence scheme to supervise high-risk sex offenders against children. This will be extended to include sex offenders against adult victims and to provide the court with additional powers to make an interim extended supervision order pending the final determination of an ESO application, or on appeal.

In conclusion, this is an important piece of legislation. It is about protecting the community; it is about protecting vulnerable young children, and it is about striking an appropriate balance between these issues and providing justice to people coming before the criminal justice system. I commend the bill to the house.

**Motion agreed to.**

**Read second time.**

*Third reading*

**Motion agreed to.**

**Read third time.**

## THE UNITING CHURCH IN AUSTRALIA AMENDMENT BILL

*Second reading*

**Order of the day read for resumption of debate.**

*Declared private*

**The ACTING PRESIDENT (Mr Leane)** — Order! The President has had the opportunity of examining this bill and is of the opinion that it is a private bill.

**Mr LENDERS** (Treasurer) — I move:

That this bill be dealt with as a public bill.

**Motion agreed to.**

**Debate resumed from 8 May; motion of Mr LENDERS (Treasurer).**

**Mr RICH-PHILLIPS** (South Eastern Metropolitan) — It is an interesting bill that the house is addressing this evening. The Uniting Church in Australia Amendment Bill 2008 is an anachronistic bill in the sense that, as the preceding motion notes, the bill is by its nature a private bill. It is a bill which deals with a private matter — that is, a non-government matter, in this instance certain functions and operations of a trust established in relation to the Uniting Church. Very few bills come through this house as private bills relating to private interests.

**Mr D. Davis** — Usually churches and schools.

**Mr RICH-PHILLIPS** — As the Leader of the Opposition notes, they are usually in relation to churches or schools. This bill arises out of The Uniting

Church in Australia Act 1977, which was passed as a private bill by this Parliament in 1977 following the establishment of the Uniting Church and the amalgamation of the Methodist Church, the Presbyterian Church and another church which I cannot remember. The main two parties to the formation of the Uniting Church were the Methodist Church and the Presbyterian Church. It is interesting to note, talking to many members of the former Methodist and Presbyterian churches, how many still regard themselves — —

**Mr Lenders** — You have not met a Congregationalist!

**Mr RICH-PHILLIPS** — Not that I am aware of, Treasurer. It is interesting how many still regard themselves as members of the Presbyterian and Methodist churches respectively. They do not necessarily identify with the Uniting Church as the successor body. I note from the minister's second-reading speech that the Uniting Church now identifies a congregation of 300 000 nationwide. That reflects the views of many of the members of the Presbyterian and Methodist churches who continue to identify themselves as Presbyterians and Methodists respectively, rather than members of the Uniting Church.

The bill before the house this evening makes two amendments to The Uniting Church in Australia Act 1977 with respect to the trust fund that was established under that act following the amalgamation of the churches, The Uniting Church in Australia Property Trust (Victoria). The property trust is the body which holds all the property of the church — schools, church buildings, churches — —

**Mr Lenders** — The BHP car park.

**Mr RICH-PHILLIPS** — The Treasurer informs me it also holds the BHP car park. It is an interesting point the Treasurer raises and one I was going to come to in a minute when I refer to the other holdings of the Uniting Church. The trust is responsible for receiving bequests from those members of the church who make such requests and donations. It is a significant body within the operation of the Uniting Church in this state.

Under the existing legislation the seven trustees of that trust are appointed by the synod of the Uniting Church in Victoria. In 2002 the Uniting Church of Australia amalgamated its synods in Victoria and Tasmania. The purpose of this bill is to recognise that amalgamation of the two synods, because the existing legislation notes that the trustees of the trust are appointed by the

members of the Victorian synod. The bill will change that to provide for the trustees to be appointed by the synod which is responsible for Victoria. In this case, as I said, from 2002 it is now the Synod of Victoria and Tasmania. If there are further amalgamations of the Uniting Church in southern Australia, the bill allows for that with these changes, so that in future any further reconstruction of the synod responsible for Victoria will be covered by this new provision.

The other change the bill makes to the operation of the trust is to expand the number of trustees from five to seven and to allow for the appointment of designated officers by the synod. Under the new provisions a designated officer and a trustee will have the power to act as signatories for the trust. The current provisions require that if the trust conducts business and applies its common seal, it must be done under the signature of two trustees. With the passage of this legislation, the business of the trust can be conducted by one trustee and a designated officer so appointed by the Uniting Church.

The purpose of this second provision is to make it easier for the Uniting Church to conduct its business and manage its assets that are held by the trust. Advice to the Liberal Party from the Uniting Church indicated that last year there were a substantial number of transactions undertaken by the trust that required the signature of two trustees, which required multiple meetings of trustees. This provision will allow the church to conduct those rudimentary transactions without the need to have multiple meetings of trustees and to have multiple trustees present for the conducting of transacting of business by the trust.

As I said earlier, the trust established by the principal act and amended by this bill holds all the property of the church. As the Treasurer indicated, one of the assets held by the Uniting Church is the BHP car park. It was with interest when I was preparing for this debate that I did an internet search on the Uniting Church in Australia and the websites of the various synods in Victoria, seeking an understanding of exactly what is contained in this trust and exactly what assets the Uniting Church holds and administers on behalf of its parishioners and the groups of people it serves through its social services. I was disappointed to find very little disclosure.

The South Australian synod of the Uniting Church does publish an annual report on its website. It contains very basic details of the revenues and expenses it incurs and receives in a given year, but it does not detail any of the type of financial information that we now expect of public bodies, including charities, government agencies

and public companies. Looking at the now Victorian and Tasmanian synod, I found the situation to be the same, with — as best as I could identify — no annual report published by the synod on its operations and holdings in Victoria.

While we respect that the Uniting Church is a private organisation in the state — it is not affiliated with the state, notwithstanding this private bill that is being dealt with by the Parliament tonight — in any large organisation with a large holding and large inflows and outflows, such as the major churches are known to have in this state, in 2008 it is not unreasonable for at least the members of those organisations to expect that the type of information that is readily available in an annual report would be made available in a similar way for the members of the church. That is something that the trustees of the trust might like to consider as they undertake their roles in the new structure, with the expanded trust membership of seven members. Increasingly as a community we expect this of large charitable and other public organisations that have substantial asset holdings within the community.

Those are the two key provisions of the bill — expanding trust membership and recognising that the synod responsible for Victoria now covers Victoria and Tasmania. The Liberal Party does not oppose this legislation — in fact it supports it — and with those few words I wish the bill a speedy passage.

**Ms TIERNEY** (Western Victoria) — I rise to support the Uniting Church in Australia Amendment Bill. The Uniting Church in Australia (UCA) was formed on 22 June 1977, amalgamating the Congregational Church, the Methodist Church and the Presbyterian Church. The UCA has churches in all states and territories, with a membership of approximately 300 000 nationwide, and it plays a role in both the National Council of Churches and the World Council of Churches.

The establishment of the Uniting Church in Australia was recognised by the Uniting Church in Australia Act 1977 and similar acts enacted by other states and territories. Under the legislation statutory property trusts were established in each state and initially there were synods, which were essentially regional councils, for each state. However, for practical and financial reasons the synods of Victoria and Tasmania were merged with effect from 22 June 2002.

Since 2002, when the Tasmanian and Victorian synods were merged, the church has had difficulty in conducting its day-to-day work efficiently due to an insufficient number of trust members working at the

head office in Melbourne and the different geographic locations that people are in, as happens when a merger takes place. In the case of Victoria and Tasmania, the merger involves two different states with water between them.

To address the issues that have been of practical concern to the church, the bill proposes two changes and a refinement in another area. The first is to increase the number of trustees by two, with a maximum number of trust members increasing from 8 to 10. The second is to allow for the execution of instruments and receipt of moneys by a member of the trust and a designated officer instead of just two members. Essentially it means that a designated officer can be either a legal officer or the chief financial officer at the head office. The third area, which is more of a clarification, broadens the definition of 'synod' to reflect the merger of the Victorian and Tasmanian synods. As the previous speaker identified, any further amalgamation can be coped with within the new definition.

The bill has been developed in close consultation with the church as well as other key stakeholders, and all of it is fully supported. The Brumby government also recognises the significant contribution that not-for-profit community organisations make to Victoria and is committed to assisting them in their charitable and community work. Some of the worthwhile services provided by the church include drug and alcohol counselling, support for refugees, aged-care services, promoting human rights and caring for those who are vulnerable or marginalised in our society.

The member for Bentleigh in the other place, Mr Rob Hudson, placed on record that UnitingCare Australia undertakes a myriad of good works within the community. It expends in the vicinity of \$110 million a year for emergency relief and support housing for those in the community who are in real need. The Member for Ballarat East in another place, Mr Geoff Howard, gave examples of UnitingCare Australia's support for a housing program in Ballarat.

Most political parties can point to high-profile Uniting Church members who have been elected to Parliament. I believe that this can be attributed to the social justice culture that is inculcated in members of the Uniting Church and the three churches — the Congregational, Presbyterian and Methodist churches — that existed prior to the establishment of UCA in 1977. Indeed in this Parliament the Minister for Education in the other place, Ms Bronwyn Pike, was a director of UnitingCare for some seven years. That was in the era of the

Kennett government. Ms Pike was a very serious community advocate and made clear her opposition and the Uniting Church's opposition to the myriad cuts that the Kennett government inflicted on the community. Also, Mr Brian Howe, who held the federal seat of Batman for a long time and became a Deputy Prime Minister, made sure that he drove a social justice agenda right through every portfolio that he held in the federal Parliament.

The Uniting Church of Australia's social justice platform is not restricted to the confines of Australia's borders. Many years ago I had a job for several years where I organised exposure visits to Asian countries. Australian workers were given the opportunity to experience 24/7 the living, eating, sleeping and schooling conditions of working people and disadvantaged groups in countries such as Korea, the Philippines, Hong Kong, Japan, Malaysia and East Timor. The international work and the international department of the Uniting Church provided me with invaluable knowledge and advice on the shifting economic, social and political climates affecting social justice in each of those countries and in specific locations.

In many ways it is very important that governments continue to enable organisations to perform their work in a more efficient and streamlined fashion, and that is what we are doing here tonight. This bill amends the internal administrative processes of the church's Victorian property trust so that it may conduct its business more efficiently, allowing it to utilise its limited resources in a more effective manner. These changes were requested by the church initially in 2002 when the synods merged. The government then responded by passing the Charities (Amendment) Act in 2005, which addressed the majority of issues raised. What we have before us tonight is a bill that now addresses any outstanding matters specific to the Uniting Church's Victorian property trust, and on that basis I hope there is swift passage of this bill through the house.

**Ms HARTLAND** (Western Metropolitan) — As the previous two speakers have outlined the technicalities of this bill I will be quite brief. I would like to speak about the work of, and the ethics held by, the Uniting Church. The church runs a number of agencies that assist people with housing, drug and alcohol issues and aged care. I have had contact with several people within the church on issues such as the low-interest loans that were formerly offered by the government but which have now left people in quite difficult financial situations.

One of our Greens members, Robert Humphries, is a Uniting Church minister at West Hawthorn. Robert is openly gay, and the church has accepted him, as well as many other gay and lesbian clergy, as a member of the church. The Uniting Church has also had women priests for over 30 years, and surprisingly none of the roofs of those churches have fallen in, despite them having had women ministers.

**Ms Pennicuik** — Good architecture.

**Ms HARTLAND** — Thank you, Ms Pennicuik.

The church has made a clear link between climate change and the effect on the world's poorest, and I would like to quickly quote from the church's website:

The Uniting Church also believes it is called to advocate on behalf of the poor and most vulnerable members of the global community.

Because climate change is predicted to impact on the world's poorest people first, the Uniting Church acknowledges its moral responsibility to prevent this from occurring. Global resource use and the equity of this use are key elements in the climate negotiations.

The Uniting Church maintains that all are equal in the eyes of God and this extends to our ability to enjoy and access the riches of creation.

I would think there may be a few governments that might like to have a bit of a look at that statement on climate change. Obviously the Greens support this bill and support the work of the Uniting Church.

**Mrs PETROVICH** (Northern Victoria) — I rise today to support The Uniting Church in Australia Amendment Bill 2008. This bill is designed to assist the Uniting Church in Victoria and Tasmania. It will assist the church to more easily conduct its property trust transactions and will relieve some of the administrative burden. This is accomplished by redefining the term 'synod' in section 5 of The Uniting Church of Australia Act 1977. It is also broadened by amending section 12 of the act to increase the maximum number of trustees from 8 to 10 members.

Section 17 is amended to allow an instrument to which the common seal of the trust is affixed to be signed by either not less than two members of the trust, or by one member of the trust and a designated officer appointed by the synod.

The bill amends section 26 to allow for the receipt of money to be paid to the trust to be in writing and signed by two members of the trust, or one member of the trust and a person who is a designated officer appointed by the trust.

The coalition appreciates and supports all legislation which simplifies the operation and cuts red tape for volunteer organisations in Victoria. Like many other volunteer organisations, churches are competing for willing workers with other activities, such as work and sport — I think even IT is capturing a fair percentage of our young people these days; it has been mentioned a number of times today. Some churches are finding it particularly hard and have reduced congregations, particularly in country areas where parishes are shrinking, and I think the effect of the drought is also impacting on many rural churches as those communities continue to decline.

The bill also makes provision for the formation of synods by the assembly. The assembly initially formed seven synods, one for each state and one for the Northern Territory. In 2002 for practical reasons the assembly merged the synods of Victoria.

As has been noted today, the Uniting Church was formed in 1977 and currently has 300 000 members, and it is an active member of the National Council of Churches in Australia. At the time of the amalgamation between the Methodist Church of Australasia and the Presbyterian Church of Australia, I was a member of the — —

**Mr Lenders** — What about the Congregationalists? Everyone forgets them.

**Mrs PETROVICH** — Absolutely. And the Congregationalists, of course. I remember the amalgamation because at the time I was a member of the McKenzie Street Methodist Church, probably at Sunday school, and I remember the amount of dialogue and the serious deliberations that went on before coming to the conclusion that there needed to be a uniting of the churches in Australia.

This bill should enable the Uniting Church to manage its property trusts and bequests more easily, and that will certainly assist the church in its operation, so I would like to commend the bill to the house.

**Mr SOMYUREK** (South Eastern Metropolitan) — I rise to support The Uniting Church in Australia Amendment Bill 2008. My contribution to debate on the bill is going to be very brief. The Victorian government is pleased to introduce this amending legislation on behalf of the Uniting Church in Australia to reflect the current structure of the property trust of the church and to enable the church to conduct its property trust transactions in a more efficient and less administratively burdensome manner for the benefit of

the members of the church. I commend the bill to the house.

**Mr DRUM** (Northern Victoria) — I also am pleased to rise to talk on The Uniting Church in Australia Amendment Bill 2008. The bill has been brought to the house at the request of the Uniting Church, and whilst this bill is a private bill, it is going to be treated as a public bill, which is the established practice for private bills for charitable bodies.

In this bill the definition of the synod is going to be altered slightly, which will allow for whichever synod is actually given the geographical responsibility for Victoria to be the synod that is referred to in the legislation. These changes are usually made for geographical reasons and due to population changes, such as population drifts. Sometimes the synod is also changed to accommodate those changes. Whilst they may change in the future, the relevant synod that this legislation will be particularly referring to will be that synod that is representing the state of Victoria.

There will be some other changes to the bill that relate to the Uniting Church in Australia property trust. This legislation will be increasing the current number of five members on that trust to seven members going forward. Those members are elected by the synod, and that trust is effectively responsible for all of the church property that falls under the umbrella of the Uniting Church. Whilst the Uniting Church is a very broad church in relation to the various participants who actually came together in its formation, these properties are collectively handled now by the trust that has been set up.

As a Bendigo representative and somebody who lives in Bendigo, I cannot talk about the Uniting Church in Australia without talking about Bendigo Anglicare and St Luke's. St Luke's in Bendigo is an enormous organisation with many hundreds of workers, but it operates effectively behind the scenes and under cover. The staff help people who are having strife in their lives and having a lot of trouble, including homeless youth, people who have become addicted to drugs and alcohol, and people who have experienced violence, including people who have experienced violence and those types of issues at home. The work that the staff do behind the scenes to assist people who have been dealt some very rough cards in life needs to be commended. They also do an enormous amount of work with ethnic communities.

I just want to take this opportunity to thank the whole staff at St Luke's in Bendigo, because I know about the work they do working with youths who, through no

fault of their own, have been dealt some very tough cards and have been forced out of home, with kids who have been in trouble with the judiciary and have effectively needed to be relocated, with kids who have been in a bit of strife and with kids who have not been in strife but who just cannot live at home. These people have been given a second opportunity by St Luke's in Bendigo, and I want to really thank the staff for the work that they do behind the scenes.

Effectively The Nationals, in conjunction with the Liberal Party, will be supporting this bill. We are grateful that the government has seen the opportunity to introduce this bill in line with a request from the Uniting Church.

**Motion agreed to.**

**Read second time.**

*Third reading*

**Motion agreed to.**

**Read third time.**

**Business interrupted pursuant to standing orders.**

## ADJOURNMENT

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

That the house do now adjourn.

### **Palliative care: nurses**

**Ms LOVELL** (Northern Victoria) — The matter that I wish to raise tonight is for the attention of the Minister for Health in the other place. My request is for the minister to increase funding to non-government palliative care organisations to cover the back pay and salary increase that resulted from the recent EBA (enterprise bargaining agreement) negotiations for public hospital nurses. That salary increase was backdated to October last year.

I was recently contacted by Goulburn Valley Hospice Care Service, a local palliative care provider in my electorate, which had been advised by the Department of Human Services that non-government organisations such as that service will not be funded to cover the salary increase or back pay. Non-government palliative care nurses are employed under the same award as the public hospital nurses, so they come under the public hospital nurses enterprise bargaining agreement, but DHS has advised these services that they will not be funded to cover the cost of salary increases or back pay.

The service provider argues that it is imperative that its service be funded to cover the additional cost, or else the shortfall will need to be covered from money raised through the service's fundraising efforts. This means the organisation could be forced to spend money raised through fundraising on nurses wages instead of services for its patients. The provider estimates that to cover the additional salaries resulting from the EBA negotiations it will need to find an extra \$8730 to cover the nine months of back pay and an additional \$11 650 per annum to cover future salaries.

The minister must increase funding to Victoria's non-government palliative care organisations to enable them to cover the cost of new salary levels that have resulted from the EBA negotiations. Without increased funding, non-government palliative care organisations may be forced to dip into money from fundraising efforts usually used to improve patients' quality of life.

I call on the minister to ensure that funding for non-government palliative care organisations is increased to cover the salary increases which resulted from the recent EBA negotiations with public hospital nurses and which included back pay dated from October last year.

### **Rail: Moe station**

**Mr HALL** (Eastern Victoria) — I raise a matter for the attention of the Minister for Public Transport in the other place, and it concerns Moe railway station. My understanding is that V/Line is looking to increase the number of car parking spaces at the Moe railway station by 100. I might add that that intention is welcomed by me and by the local community. I acknowledge the efforts of both V/Line and local community organisations to improve facilities at the station. In recent years V/Line has undertaken a revamping of the facilities at that station and has done an excellent job. A local community group called Make Moe Glow has also done much to improve visual and recreational amenities around the station, including the upgrading of some of the garden beds, the placing of picnic tables and benches around the station, the painting of murals on the station waiting platforms and also the painting of a series of bollards around the outside of the station.

V/Line's draft plans for the provision of the additional 100 car parking sites encroach upon much of the immediate landscaping and recreational area improvements that have been undertaken by the local community committee, Make Moe Glow, and quite understandably committee members express some concern about the planning procedures. They do not

want to see the good work they have undertaken in recent years wasted.

I think there is a resolution to this, but there needs to be some further discussion on this matter. The action that I am seeking from the Minister for Public Transport is for her to acquaint herself with the proposed plans for the Moe railway station and to ensure that no final decisions are taken until such time as V/Line, Latrobe City Council and Make Moe Glow have come to an agreement on those development plans.

### **Water: government initiatives**

**Mr EIDEH** (Western Metropolitan) — I raise a matter for the attention of the Minister for Water in the other place. I wish to express the gratitude of so many within my large electorate for the great leadership that the Victorian Labor government is showing on water conservation. We all know that the water crisis is something that will be with us for a very long time to come and is something that demands action rather than talk.

This government is doing just that, with a shower head exchange program that has gone all around the state and will lead to homes using far less water than ever before, saving up to 20 000 litres of water per house every year; with a rebate that recognises homes which use water-saving devices that range from rainwater tanks to garden mulchers and much more; with a new program that offers a free shower timer and written information to further reduce wastage and increase water conservation around the home; and with level 3a water restrictions in Melbourne to further ensure water conservation, a program that is working. I wish to encourage Victorians to support these programs as much as possible. Without their help, success is limited, but with their help and working with the government we can and will achieve even greater water savings.

This government is committed to doing all it can to ensure water supplies for all Victorians; these are not empty words but a concrete commitment. I ask the minister to further promote the shower head exchange program and encourage further take-up of the program in Victorian households.

### **Water: charges**

**Mr KOCH** (Western Victoria) — My matter is for the Minister for Water in the other place and concerns cost increases for water. Flawed planning and underinvestment in water infrastructure over the last eight years now mean that Victorian water customers are faced with excessive annual price hikes. The

imposition of stringent water restrictions highlights water supply problems facing communities across this state.

Victoria has the lowest per capita funding for water infrastructure and maintenance in Australia. In 2006 Queensland spent 6 per cent of its gross state product to develop and maintain water infrastructure, while Tasmania spent 4.6 per cent, New South Wales about 3 per cent, Western Australia 2 per cent and South Australia 1.6 per cent. In Victoria in 2006–07 the Brumby government spent just 1.5 per cent of its gross state product on water infrastructure investment.

Secure water supplies are critical for our future growth and prosperity, and this government's inaction threatens access to quality water that will now come at a higher cost to water users. All Victorians will pay more for water and some will pay twice as much as they are paying today. Over the next four years average water bills in Western Victoria Region will rise from \$705 to \$940 for Wannon Water, \$772 to \$1098 for Grampians Wimmera Mallee Water, \$711 to \$1143 for Western Water, \$756 to \$1172 for Central Highlands Water, and from \$691 to a massive \$1189 for Barwon Water. These hefty increases will be imposed to pay for water infrastructure that has not been built because of years of Labor inaction.

To make matters worse, the Brumby government is going to increase water concessions for low-income families by only \$24, from \$158.50 to \$182.50. When all Victorians will be paying more for water, this government's miserable \$24 concession increase is an insult, especially to pensioners in country Victoria who are already doing it tough with the loss of the network tariff scheme, with petrol price increases at record highs that are well above the consumer price index, with property rate increases averaging 6.5 per cent and with accelerating price rises at supermarkets.

Before the 2008–09 budget was handed down, the minister declared that the new concessions would reduce the impact of water bills on low-income families. Despite 30 per cent of households relying on some type of concession to help pay their water bill, the new maximum water bill concessions of \$182.50 will do little to relieve financial pressure from annual water bills that will soon exceed \$1000.

My request is for the minister to ensure that low-income families are spared this further impost and are not forced to pay excessive cost increases for their water.

### **Schools: responsible gambling program**

**Ms DARVENIZA** (Northern Victoria) — I wish to raise a matter for the attention of Tony Robinson, the Minister for Gaming in the other place. The matter I wish to raise concerns the provision of education on gaming and gambling issues for students in our schools. I note that recently the minister launched a responsible gaming school-based learning program as part of Responsible Gambling Awareness Week 2008. We need to do all we can and take whatever action we can to protect Victorians from the harms associated with problem gambling. Learning programs that are aimed at giving young people knowledge and skills and also the know-how to make informed decisions around gaming are to be commended, and I am sure that all members in this chamber would agree with me.

The issue I am particularly concerned with is to ensure that these programs aimed at educating students are rolled out into rural and regional areas, not just with the programs themselves becoming incorporated as part of the curriculum and the syllabus but also with the professional development of teachers in rural and regional areas being undertaken so that the programs can be delivered in those areas.

Specifically I am asking the minister to ensure that action is taken, either by him or through his department, to see that these programs are installed in our secondary schools to provide education on gaming to our young people in rural and regional areas. Many of these students are suffering hardship because of the drought and often they see gambling as a way out and a quick fix — a quick way to make some money — so it is very important that we have these programs in rural and regional areas.

I am asking the minister to ensure that these programs are rolled out in those areas and that they include professional development for teachers who will be taking students through these programs.

### **Werribee Open Range Zoo: theme park**

**Ms HARTLAND** (Western Metropolitan) — My adjournment matter tonight is for the Minister for Tourism and Major Events in the other place, Mr Tim Holding. Over the last few weeks a number of local people and members of Friends of the Zoos have raised their concerns with me about the plans for Village Roadshow to build an African theme park at the Werribee Open Range Zoo. The Friends of the Zoos group has actually collected 1200 signatures on a petition that it intends to present to Parliament. The concerns have been numerous.

The proposed development completely disregards the welfare and value of animals. Important and internationally recognised conservation programs involving endangered native Australian species will be damaged. The current transport options for those going to the Werribee Open Range Zoo are barely adequate for the 270 000 people who visit each year, and transport infrastructure will certainly not be able to meet the needs of increased numbers should such a terrible theme park go ahead. The Werribee Open Range Zoo is located 35 kilometres west of Melbourne's central business district. Currently the public transport there is incredibly bad, with only three buses that run on weekdays from the Werribee station to the zoo.

The Werribee site and much of the adjacent site are Crown land. Should the government be involved in allowing commercial enterprises to be established on Crown land, especially considering that at the moment an upper house committee is looking at these issues? The government's enthusiasm for this project is alarming and raises more questions than answers. Where is the detail and where is the openness from the government on this proposal? Why does the government support mixing lions and rhinoceroses with roller-coasters? There are other less harmful ways to create jobs in the western suburbs.

The action I ask of the minister is to abandon the plans to allow Village Roadshow to use Crown land at the Werribee Open Range Zoo for this terrible theme park.

### **Princes Pier: restoration**

**Mrs COOTE** (Southern Metropolitan) — My adjournment matter this evening is for the Minister for Major Projects and relates to the redevelopment of Princes Pier at Port Melbourne. Princes Pier was once the first step for hopeful migrants to Victoria. To today's visitors it would look like a derelict liner pier. It has had a chequered recent history. It narrowly escaped a developer's proposal to redevelop the pier with 12-storey apartment blocks and car parks. There was a fire which totally destroyed the end of the pier, and then a truck attempted to drive onto the pier only to become firmly lodged in the timber structure, where it remained for a significant time.

The Bracks and Brumby governments promised to spend \$14 million restoring the first 196 metres of the pier. When the Treasurer was the Minister for Major Projects he endorsed the \$14 million refurbishment, which I must say was pleasing. The current minister admitted that there have been some heritage issues. It is my understanding that the heritage issues that were

identified in 2007 have been addressed, and that some progress on the restoration of the pier has commenced. The minister promised this house that the project will be completed by the end of 2009; that is next year.

I was therefore really concerned — and I know the Treasurer will be really concerned — to learn from some local residents that work on the restoration project seems to have come to a halt and there has been no work done for some time. The action I seek tonight from the minister is to investigate the reason for this stoppage, and to reassure the local residents — the Treasurer's residents and my residents — that the project will be on time and on budget. It will make Victoria and Port Melbourne an even better place to live, work and raise a family.

### **Schools: Catholic sector**

**Mrs PETROVICH** (Northern Victoria) — My adjournment matter is for the Minister for Education in the other place. This week I visited a number of Catholic schools in my electorate because they had raised concerns that Catholic schools had been totally ignored in this government's budget. It is my understanding that the Catholic Education Commission had put in a detailed proposal for additional funding, and basically got nothing, while government schools got an extra \$1.3 billion in funding.

It is an appalling example of discrimination which will affect more than one in five students in this state. Just as our teachers were the lowest paid in Australia, this government comes bottom of the class in providing funding for Catholic schools, particularly when compared to other states. In simple terms, Catholic schools in Victoria will receive about \$578 less per child each year than children being educated in schools in New South Wales, a shortfall of \$104 million.

While I am on this issue of teachers pay, the Catholic schools had hoped that the 2008–09 budget would provide additional recurrent funds to assist them to fund the wage rise for their teachers. They are committed to ensuring their teachers salaries are on par with those of government school teachers. But there was nothing from this stingy, bigoted government. There are many anomalies between government and Catholic schools, which this government should be ashamed of. For example, a student with a disability — and there are about 5500 in Catholic schools in Victoria — receives just \$5000, whereas such a student in a government school receives \$15 000. The government has promised \$1.9 billion to government schools for future capital investment. The Catholic sector gets a paltry \$20 million.

A request to bring needy Catholic schools internet access in line with government schools was totally ignored by the Treasurer. Instead of getting the \$5.9 million requested — an additional \$4 million on the previous provision — all funding was removed, so thanks to our Treasurer, Mr Lenders, from 30 June they will get nothing. The action I seek is for the Minister for Education to live up to her promise made in her media release following the budget, that ‘this government is committed to lifting the performance of every school across the state’ when it has ignored the needs and wellbeing of 186 000 students in Catholic schools.

### **Planning: Ninety Mile Beach land**

**Mr GUY** (Northern Metropolitan) — Tonight I raise an issue for the Minister for Planning concerning the land rights of residents and other landowners along the Ninety Mile Beach. Almost 50 years ago there were bold plans to create a new seaside city from Seaspray to Paradise Beach. It was planned and the land was nominally subdivided. However, power, sewerage and gas services were not fully connected and the idea never took shape. Further it became apparent that much of the land planned for development was either low lying or was within areas subject to coastal or dune erosion. With the passage of time the land in question became known as the inappropriate subdivisions.

In order to develop on blocks of land landowners were advised to restructure their blocks at their cost, in effect quadrupling their size, after which development would be possible. This policy was a directive of the government duly administered by the Shire of Wellington. But last year the shire asked for, and was granted, a ministerial moratorium on any further development in the Wellington coast subdivision strategy area, outside of the identified nodes at Seaspray, The Honeysuckles, Golden Beach and Paradise Beach. The moratorium will last until mid next year. The moratorium has given the government, in concert with the Wellington shire, time to work on a plan for the area and a strategy for all the coastal areas of the shire.

However, the moratorium has impacted upon a number of residents and landowners who either have constructed or want to construct dwellings on their land; land acquired in complete accord with then government policy. Blocks purchased for up to \$50 000 just a few years ago are now worth just \$2000, and while some have owned their land for decades and paid for the restructuring in order to develop, all outside of the nodes are now caught in the moratorium. They are predominately located in the Glomar, Flamingo and

Letts Beach areas. In total about 120, 600-square-metre blocks on the 20-kilometre seafront or immediately adjacent to it are impacted upon. This equates to 7.2 hectares across an area the distance from Parliament to Ringwood. Further, there are a number of existing homes that have been taken in by the moratorium and some that are threatened by compulsory acquisition.

Apart from the significant property value reductions and the inability to build on an existing block of land despite paying for a restructured block, landowners and residents affected are now facing the prospect of uncertainty created by the moratorium, and the possibility of compulsory acquisitions if the council makes a decision to lock up all land on the coast; all of this when the government has essentially directed the Wellington shire as to how this issue should be accommodated.

Tonight I ask the minister to help the people affected by the moratorium that he imposed. I ask him to work with the Wellington shire to provide exemptions for development for the existing landowners, or to work with the shire for appropriate and adequate compensation for people whose rights are being removed. Above all, I implore the minister to respect the existing rights of these landowners.

### **Frankston Hospital: emergency department**

**Mr RICH-PHILLIPS** (South Eastern Metropolitan) — I wish to raise a matter for the Minister for Health in the other place. It relates to the plight of the emergency department at Frankston Hospital. The government has established six separate benchmarks against which it assesses the performance of emergency departments. The most recent *Your Hospitals* report for December 2007 reveals that Frankston Hospital failed to meet five of the six benchmarks by a significant margin.

With respect to the percentage of time spent on bypass, the government set a benchmark of only 3 per cent; the Frankston Hospital exceeded that mark by 3.1 per cent. With respect to category 2 patients seen within 10 minutes, the government requirement is 80 per cent of them dealt with within that time frame; at Frankston only 37 per cent of patients were seen. With respect to category 3 patients seen within 30 minutes, the government’s benchmark is 75 per cent, and again Frankston only achieved 37 per cent. With respect to emergency patients transferred into a bed within 8 hours, the government requires 80 per cent of patients to be transferred, and in Frankston it was only 51 per cent. Finally, with respect to patients who are not admitted, the requirement is that they be treated within

4 hours; the government's target is 80 per cent, and in Frankston's case only 54 per cent were treated within 4 hours.

The *Your Hospitals* report defines a category 2 patient as one with very severe pain, severe breathing difficulties or major fractures. In the case of Frankston Hospital 63 per cent of these people were not seen within the recommended time. With respect to patients forced to wait on trolleys, 50 per cent were not admitted within 8 hours. This is a very critical situation for the Frankston Hospital and for the Frankston community.

I acknowledge that the government has committed funds for certain renovation works at the hospital, but these will not be completed before 2011–12. What the Frankston Hospital needs is an immediate injection of funding to address this situation.

I call on the Minister for Health to provide immediate emergency funding to address the dramatic decline in the performance of the emergency department at Frankston Hospital to ensure that the government's benchmarks for emergency department performance are met this year.

### **Devilbend Reservoir: land sale**

**Mr O'DONOHUE** (Eastern Victoria) — My matter this evening for the Minister for Environment and Climate Change, Gavin Jennings, relates to Devilbend reserve.

**Mr P. Davis** — Not again!

**Mr O'DONOHUE** — Yes, again, Mr Davis. The Devilbend reserve has been an ongoing saga since the reservoir was decommissioned many years ago. There has been significant debate about how much of the land should be preserved, what form the reserve should take, who should manage it and the like.

The outcome has been that, despite significant local opposition, 40 hectares of the reserve was put up for sale last year — coincidentally at about the same time as the public land inquiry held public hearings at Devilbend about that potential sale. That sale has progressed, and I believe and assume settlement has now taken place, so the funds from the sale, which no doubt were significant, have accrued to the government. The government, in a range of press releases and in correspondence to constituents who have contacted me, assured the public that the proceeds from the sale would be used to contribute to the establishment costs of the new park. However, as a regular visitor to the reserve I cannot see where those funds have gone. There is no

mention of the reserve in the budget nor in any recent press releases from the minister.

The Devilbend reserve has significant attributes and a large number of native animals and plants, including a number of rare species. It is an important reserve that contains valuable wildlife assets, but significant additional investment from the government is required to make sure that it achieves its potential. There is former farming land that needs rehabilitation, and there is an issue with blackberries and other noxious weeds.

I ask the minister to account to me and the Parliament for how the funds from the sale of the 40-hectare site have been spent and to develop a plan to rehabilitate the site so that its maximum potential can be achieved for the benefit of both the users and the native flora and fauna.

### **Community health centres: tax ruling**

**Mr P. DAVIS** (Eastern Victoria) — I draw to the attention of the Minister for Health in the other place an issue concerning Victoria's community health services, in particular the Gippsland Lakes Community Health service. The problem, which has caused widespread community concern, is that in the areas served by 37 of the 39 health centres that face severe tax implications as a result of an Australian Taxation Office (ATO) decision applied under a Federal Court ruling, the status of the services as public benevolent institutions will be removed — a matter of which I am sure the Treasurer is very well aware.

In the eastern area of my electorate alone there is a network of health and community services operating under Gippsland Lakes Community Health, which covers Bairnsdale, Lakes Entrance and Bruthen. These form an invaluable part of the overall health services in the region and to servicing the communities throughout Far East Gippsland.

The ATO decision came into effect from the end of March. The deadline now is the end of June, although that will be backdated depending on certain outcomes. It would remove the tax exempt status of the health centres and prevent them from offering salary packaging options which are essential, particularly for recruiting and retaining staff in remote locations.

**Mr Lenders** — On a point of order, President, Philip Davis is seeking the attention of a Victorian minister on an issue of federal taxation policy. I am intrigued as to how that fits the rules of our adjournment.

**Mr P. DAVIS** — On the point of order, President, as you ruled last night, there are matters where there is overlapping responsibly. Clearly this is a matter that is in the purview of the Minister for Health because he is the minister responsible for Victoria's 39 community health centres. I am therefore raising a matter dealing with resolving the financial embarrassment that a number of those health centres are facing. In particular the one I am keenly interested in in relation to this adjournment item, which is the one in — —

**The PRESIDENT** — Order! There is no need for Mr Davis to debate the issue; his point is well made. In fact it is so well made that I agree with him.

**Mr P. DAVIS** — A decisive ruling, President. In relation to this matter, the minister knew about this a year ago and could have fixed the problem then. However, we have heard very little of sufficient substance from the government that would provide any comfort for these health centres. The Department of Human Services website says that it has put the case for the health centres to the federal government and has commenced a review of arrangements with a view to making future arrangements consistent with the requirements flowing from the court's decision.

It is a very convoluted bit of public information. I am concerned therefore to resolve the matter because the chair of Gippsland Lakes Community Health, Jeff Wilson, is quoted in the local press as saying, and I have spoken with him, that this is the biggest challenge to community health centres since their formation in 1976 — some 32 years ago. He has indicated to me that this decision will add \$1 million to the \$14 million cost of running that group. The group is already short of GPs and other professionals, and the tax decision will make it difficult to recruit and retain staff. It will also jeopardise the possibility of establishing a GP clinic at Metung.

In view of the fact these centres are integral to our health service and they cover a large number of people, I ask the Minister for Health to act and have this matter resolved by the end of June in a way that will give health centres the status and certainty they need to maintain their essential service, particularly to Far East Gippsland.

### **Water: Creswick supply**

**Mr VOGELS** (Western Victoria) — I raise an issue for the Minister for Water in the other house which concerns the decision by Central Highlands Water to transfer water from Creswick's wastewater treatment plant to Ballarat for further treatment to use on the

Ballarat sport and recreation areas and to top up Lake Wendouree. This water was designated in the forward planning of the former Creswick and District Water Board for use on the town's 16 lawn tennis courts, 2 sports ovals, the town's trees and the Creswick golf club.

At the time of the amalgamation of district water boards Central Highlands Water gave a firm undertaking that community consultation would occur before proceeding with any capital works affecting the community. After the amalgamation Central Highlands Water made the decision to pump water from Creswick's water supply — that is, Cosgrave Dam — to Ballarat, which cost approximately \$2.1 million, and to supply Creswick by pumping water back from Ballarat to Creswick, which cost approximately \$2.3 million. Central Highlands Water is now laying another pipeline from Creswick to Ballarat to take the town's sewage and wastewater for further treatment at the North Ballarat water treatment plant, with the treated water then being dispersed in the city of Ballarat. Once again a decision has been made without consulting the local community, which confirms that Central Highlands Water is not interested in listening to the concerns of the Creswick local community.

The action I seek from the minister is to ensure that Central Highlands Water conforms to the principles of natural justice and honours its obligation to consult with representatives of the Creswick community to make sure that the town's wastewater is made available for that community's own needs before being made available for any other use. When Central Highlands Water raided Creswick's potable water supply it at least replaced that supply with water from Ballarat. Creswick rightfully asks that its own wastewater be kept in that town, and any excess water can then be used in Ballarat. If Central Highlands Water believes the cheapest alternative is to pump — —

**Ms Pulford** interjected.

**Mr VOGELS** — Just be quiet for a moment, will you!

**The PRESIDENT** — Order! Mr Vogels knows better than that.

**Mr VOGELS** — If Central Highlands Water believes the cheapest alternative is to pump it to Ballarat for treatment, so be it, but it should then put another pipeline back, as it did with the potable water, to make sure that the wastewater is returned to where it was originally sourced. Having only a one-way pipeline will no doubt mean that Central Highlands Water will

save money, but it has effectively classed the people of Creswick as second-class citizens. Neither I nor the Creswick community believes they are receiving a fair hearing on this issue.

### Responses

**Mr LENDERS** (Treasurer) — Firstly, I have written responses to the adjournment debate matters raised by Ms Tierney and Mr O'Donohue on 28 February and 13 March for circulation.

Thirteen members raised adjournment matters. Eleven of them I will refer straight to the ministers, and the remaining two I will discharge.

Mrs Petrovich, who I notice is no longer in the chamber, raised an issue for the Minister for Education in the other place regarding the funding of non-government schools. For the record, the budget did not have zero dollars in it for non-government schools; in fact there were many hundreds of millions of dollars for non-government schools — amounts that have increased since the change of government.

I am aware of the letter Mr Stephen Elder, the director of Catholic education for the Archdiocese of Melbourne, has sent to schools asking that it be passed on to parents. The government is well aware of the issues Mrs Petrovich read from the letter. I will take that matter as discharged, because the ongoing dialogue is one that will happen each year at budget time between the minister and the non-government schools. As Treasurer, I am certainly aware of that.

I also discharge the matter raised by Mr Koch, which is essentially a budget bid, the premise — leaving aside the issue of a selective view of history — and proposition put to this house being that there should be greater expenditure on infrastructure, there should be no cost recovery of it and concessions should also be raised. It is a decision that will be taken in the budget context. In the last budget water concessions for pensioners were certainly increased. I will take that matter as a budget bid from Mr Koch, in the context that it was calling for more infrastructure, no recovery of costs and increases in concessions.

**The PRESIDENT** — Order! The house now stands adjourned.

**House adjourned 10.36 p.m.**