

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

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

Thursday, 29 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.

Joint committees

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

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

Economic Development and Infrastructure Committee — (*Council*) Mr Atkinson, Mr D. 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.

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

Parliamentary Services — Secretary: Dr S. O'Kane

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FIFTY-SIXTH PARLIAMENT — FIRST SESSION

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Mrs ANDREA COOTE

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Mr PETER HALL

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Mr DAMIAN DRUM

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Coote, Mrs Andrea	Southern Metropolitan	LP	Mikakos, Ms Jenny	Northern Metropolitan	ALP
Dalla-Riva, Mr Richard Alex Gordon	Eastern Metropolitan	LP	O'Donohue, Mr Edward John	Eastern Victoria	LP
Darveniza, Ms Kaye Mary	Northern Victoria	ALP	Pakula, Mr Martin Philip	Western Metropolitan	ALP
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Davis, Mr Philip Rivers	Eastern Victoria	LP	Petrovich, Mrs Donna-Lee	Northern Victoria	LP
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Guy, Mr Matthew Jason	Northern Metropolitan	LP	Smith, Hon. Robert Frederick	South Eastern Metropolitan	ALP
Hall, Mr Peter Ronald	Eastern Victoria	Nats	Somyurek, Mr Adem	South Eastern Metropolitan	ALP
Hartland, Ms Colleen Mildred	Western Metropolitan	Greens	Tee, Mr Brian Lennox	Eastern Metropolitan	ALP
Jennings, Mr Gavin Wayne	South Eastern Metropolitan	ALP	Theophanous, Hon. Theo Charles	Northern Metropolitan	ALP
Kavanagh, Mr Peter Damian	Western Victoria	DLP	Thornley, Mr Evan William	Southern Metropolitan	ALP
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Kronberg, Mrs Janice Susan	Eastern Metropolitan	LP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP
Leane, Mr Shaun Leo	Eastern Metropolitan	ALP	Vogels, Mr John Adrian	Western Victoria	LP

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Thursday, 29 May 2008

The PRESIDENT (Hon. R. F. Smith) took the chair at 9.30 a.m. and read the prayer.

The PRESIDENT — Order! I have a sad announcement. One of our members, Candy Broad, is absent today. Her father passed away last night; I hope members will remember that when she returns.

PETITION

Following petition presented to house:

Water: north–south pipeline

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws to the attention of the Legislative Council of Victoria the proposal to develop a pipeline which would take water from the Goulburn River and pump it to Melbourne.

The petitioners are opposed to this project on the basis that it will effectively transfer the region's wealth to Melbourne; have a negative impact on the local environment; and lead to further water being taken from the region in the future. The petitioners commit to the principle that water savings which are made in the Murray–Darling Basin should remain in the basin.

Your petitioners therefore request that the state government abandon its proposal to pipe water from the Goulburn River to Melbourne and call on the state government to address Melbourne's water supply needs by investing in desalination, recycling and capturing stormwater.

By Ms LOVELL (Northern Victoria)
(10 signatures)

Laid on table.

VICTORIAN CHILD DEATH REVIEW COMMITTEE

Report 2008

Mr JENNINGS (Minister for Environment and Climate Change), by leave, presented report.

Laid on table.

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget estimates 2008–09 (part 1)

Mr RICH-PHILLIPS (South Eastern Metropolitan) presented report, including appendices and transcripts of evidence.

Laid on table.

Ordered to be printed.

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

That the Council take note of the report.

This is the first report of the 2008–09 budget estimates round. For the last two weeks the committee has undertaken an extensive round of hearings with roughly two-thirds of the cabinet members. It has taken a wide range of evidence on 266 separate matters, which are reported in this first interim report of the committee.

The report contains transcripts of evidence from the hearings of the last two weeks as well as summaries of the matters that have been raised. The committee will undertake its final hearings for this year's estimates next week and will then present further evidence to the house in this form, as well as an analysis of the estimates for 2008–09. As the house will today commence its consideration of the budget papers pending the arrival of the appropriation bill, I commend this report to the house as a summary of the matters that are of interest to the Parliament and to the community with respect to the budget.

In closing, I would like to thank Valerie Cheong and the staff at the Public Accounts and Estimates Committee secretariat for their work over the last two weeks and in the lead-up to this estimates round. The estimates hearing is a very intense period of work for the committee staff, starting with the production of the budget on 6 May. That work is continuing, and the committee is very appreciative of the work that Valerie and her staff do. I commend the report to the house.

Motion agreed to.

PAPERS

Laid on table by Clerk:

Parliamentary Committees Act 2003 —

Government Response to the Drugs and Crime Prevention Committee's Report on the Misuse/Abuse of Benzodiazepines and other Pharmaceutical Drugs.

Government Response to the Public Accounts and Estimates Committee's Report on the Trustee arrangements for governing the Parliamentary Contributory Superannuation Fund.

Subordinate Legislation Act 1994 — Minister's exemption certificate under section 9(6) in respect of Statutory Rule No. 37.

Victorian Law Reform Commission — Final Report on the Law of Abortion.

NOTICES OF MOTION

Notices of motion given.

Ms MIKAKOS having given notice of motion:

Mr D. Davis — By leave, I move:

That debate on the motion be taken forthwith.

The PRESIDENT — Order! We are dealing with notices of motion. I do not think this is procedurally possible. I will just confirm that.

Mr P. Davis interjected.

The PRESIDENT — Order! I am not asking for an opinion from members; I am asking for an opinion from the clerks. My advice is that it is not procedurally possible to do it now. However, when we get to government business the member can proceed with his motion.

BUSINESS OF THE HOUSE

Adjournment

Mr LENDERS (Treasurer) — At this stage I would normally move that the Council adjourn until Tuesday, 10 June. But I will, by leave, move that motion later in the day in case we are debating the motion about Bernie Finn tomorrow.

MEMBERS STATEMENTS

Rail: Kerang accident

Ms LOVELL (Northern Victoria) — Thursday, 5 June, will mark the first anniversary of the tragic rail accident at the Fairley level crossing on the Swan Hill line, about 6 kilometres outside of Kerang, where 11 innocent people lost their lives when a truck collided

with a passenger train. The memory of the accident, which is Australia's worst rail accident in living memory, remains strong in the minds of all Victorians, particularly those whose lives were affected by the event. Shortly after the accident memorial days were held in Kerang and Melbourne to commemorate those who lost their lives. I attended those events to extend my deepest condolences to those affected by the tragic accident. Twelve months on my heart still grieves for the families and friends who lost loved ones — for the mothers and fathers, brothers and sisters and children and friends who themselves are still grieving for those taken so suddenly from them on that fateful day.

I wish to reinforce my heartfelt gratitude to the emergency services personnel, health professionals, hospital staff and all others concerned who provided support and assistance in the wake of the accident. I also pay special tribute to the community of Kerang and the people of the shire of Gannawarra who rallied behind the devastated families. In history, Kerang will not be remembered as a place where this tragedy happened but rather as a place of great hope, where the community pulled together to assist those involved in the accident in their hour of need. I hope Victoria will never again experience a tragedy of such magnitude.

Public transport: government policy

Mr BARBER (Northern Metropolitan) — President, I am confused. Meeting Our Transport Challenges was the government's plan to achieve a 20 per cent increase in public transport use by 2020 and the objectives of Melbourne 2030. It was to spend \$10 billion over 10 years, and we were all really impressed by that figure. But what has happened so far is that we have spent \$1.4 billion on a swipe card — and I already have three of those in my wallet — and a similar amount on an extra off ramp from the Westgate Freeway. If the Westgate is the problem, why do we have only one bus service that runs over the bridge? Someone forgot to tell Rod Eddington all this. They forgot to tell him that the policy he was working under was a 60 per cent reduction in emissions by 2050 and a 20 per cent increase in public transport use by 2020. He said, 'Ditch both. Give me another \$20 billion and I will build you two tunnels'. That is the cost of two Meeting Our Transport Challenges just for Rod's wish list.

Clearways are meant to speed up traffic in shopping centres, but the government is introducing 40-kilometre-an-hour speed limits to slow down traffic. The government is reviewing the GST on petrol, but not on public transport fares. Penny Wong wants CO₂ to go down and Martin Ferguson says, 'Pump more

oil'. We are cutting taxes on petrol and then we are putting them up through emissions trading. We have three different transport companies all running ads at the moment, saying, 'Get on the bus!', 'No! Get on the train!', 'No! Get on the tram!'. I wish we had just one of the ministers for public transport here to explain it to me. I do not think the government has a policy at all. I think it has a self-fulfilling prophecy of cars, cars, more cars, more petrol and cars.

Children's Protection Society: achievements

Mr THORNLEY (Southern Metropolitan) — I rise to pay tribute to the pioneering work of the Children's Protection Society and in particular its recent efforts to create a merged service where its family support services for families with children at risk is put together with an early childhood service and counselling services. This is exciting pioneering work that I gather is supported by both this government and the federal government. I commend Bernadette Burchell, Sam Sayers and Dr Alice Hill for their important work in this regard.

Information and communications technology: portable computers

Mr THORNLEY — On another matter, I note that it is 25 years since the invention of the portable computer. Not coincidentally, it seems to me, that computer was called the Osborne, no doubt in honour of more recent users of this technology. When I looked up some history of the Osborne I read some interesting things, including:

While quite revolutionary, the Osborne does have its limitations.

And:

The Osborne ... had to be rugged and able to survive ...

My favourite part, with recent photographic evidence, is:

Intentional or not, the 'new' Osborne has a very military-like appearance, with its square face ... and its many knobs and compartments.

However, the interesting thing about the Osborne was that it was portable. I think people might want to think about that, because using a portable rather than the desktop computer in head office probably would have been a better idea. I think we should commend the history of the Osborne to the house, and I thank the person who brought this matter to my attention.

WorkCover: tractor rollover protection

Mr HALL (Eastern Victoria) — All members of this chamber would acknowledge the importance of workplace safety. As a person who represents a large chunk of country Victoria, I am concerned in particular about farm safety. It is unfortunate that in respect of farm safety accidents, those involving tractors rank highly on the list of the types of accidents that occur.

One of the very important initiatives of the Victorian WorkCover Authority in recent years has been to offer a rebate for the fitting of rollover protections on tractors, which has certainly led to a reduction in the seriousness of injury in many rollover-type situations with tractors on farms. Unfortunately the WorkCover authority ended the rebate for rollover protection on tractors late last year; currently there is none. I think this is such an important issue that it should be reinstated.

This morning I am calling on the government to either directly or through the WorkCover authority reinstate the rebate so that farmers have more incentive to fit rollover protection on their tractors.

The Nationals: media statements

Mr VINEY (Eastern Victoria) — Since I have been a member for Eastern Victoria Region I have been paying particular attention to the local media in Gippsland, and I have noticed as I have been reviewing the local media in Gippsland that there are some surprising claims of achievements by members of the opposition, particularly in this instance, The Nationals. It has been quite instructive to learn what they stand for by reading this. I am going to introduce a new thing called 'opposition watch' in my 90-second statements.

Today I have a couple of examples. The first one is an article from the *Bairnsdale Advertiser* of 9 May in which Mr Hall claims credit for solving the teachers dispute. He says that it took his motion and the \$396 million pledge from the opposition three weeks ago to get the result and resolve the dispute. I am not sure that I ever saw the Nationals at the negotiating table or heard of them there, but there you go. On 6 May, just a few days earlier, on the day of the budget, there is Mr Peter Ryan, the member for Gippsland South in the other place, calling for a big-spending budget and saying that the entire surplus should be blown. I am going to be keeping my eye on the opposition — —

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

Rail: Epping–South Morang line

Mr GUY (Northern Metropolitan) — There has been a lot of deceptive talk aimed at the people of the city of Whittlesea since the state budget, unsurprisingly, concerning that document. As members of this chamber would know, I am a big fan of building the railway extension from Epping to South Morang, but I am not its only fan: there is significant local support, council support and support from traders and businesspeople who know that heavy rail means access, it means patronage and it means jobs. But I am concerned with the actions of the Labor government, which has promised \$10.4 million for preparatory drawings and other works associated with the railway. Government members are now running around claiming that these drawings mean the railway is on the cusp of being built.

Let us get some facts straight. The line was built in the 1880s and closed about 40 years ago. The land is all there, the railway easements are all there, and in some cases the railway is actually there. Why on earth the state government needs to spend over \$10 million to commission drawings of a railway line that is still there is totally beyond me! It seems like a catastrophic waste of time and money and yet another delaying tactic for the Labor Party to claim the line is being built when in fact it is continuing to do nothing. I say ‘catastrophic waste of money’ mainly because documents released under freedom of information indicate the extension from Epping to South Morang would in fact cost just \$18 million in today’s terms. So instead of getting on with it and building the railway line, Labor is spending 60 per cent of the actual cost on drawings.

To the people of the city of Whittlesea I say the following: you cannot trust Labor on this railway extension; it will lie and cheat and build you nothing. The only way to get a railway is to vote Liberal in November 2010.

State Coal Mine: restoration

Mr SCHEFFER (Eastern Victoria) — It was a pleasure to join the Minister for Regional and Rural Development in the other place, Jacinta Allen, and members of the Wonthaggi and Inverloch communities last Thursday for the announcement of the \$1.5 million Victorian restoration grant.

The State Coal Mine was established in 1909 and operated until 1968. Wonthaggi was one of the most important coal towns in Australia and its identity was forged through the hardship of mining and through industrial struggle. The sense of working-class solidarity is still evident in the Wonthaggi community

today. I have visited the State Coal Mine and the rescue station a number of times. To go underground to see firsthand the conditions in which the miners worked is an unforgettable and humbling experience. The \$1.5 million grant will enable this historic site to be interpreted so that visitors can see firsthand how the coal was won in Wonthaggi.

I pay tribute to those who supported the Friends of the State Coal Mine and the State Mine 2009 working group. Many contributed — too many to name — but I single out Garry Dennis, Cr John Duscher, Sam Gatto, Maxine Holden, Harry Kiekebossch, Sheila Ormerod, Tony Quintan, Liz Beale, Sandy Brown, Braxton Lame, Helen Dixon, Rod Mclean, Lou Storti, John Anderson, Pauline Kirschner, Geoff Hilton who is our former colleague in this Parliament, and Gerry Lonergan. There is much restoration work to do to get the site ready for the 100th anniversary of the establishment of the State Coal Mine in 2009, and I wish everyone concerned very great success in this endeavour.

Solar energy: rebate

Mr DRUM (Northern Victoria) — For years now we have heard ministers in this house, and particularly the Minister for Industry and Trade, come in to rant and rave about the management of the mandatory renewable energy target, the MRET scheme, and how the previous federal government’s policy was working against that scheme. Now we have a Labor government in Canberra, and what has it done? It has slashed the rebate that was available to householders who were interested in putting up photovoltaic panels on their roof by limiting the maximum household income to be eligible to obtain the rebate to \$100 000.

The industry has estimated that this will reduce the projected number of householders who were interested in putting photovoltaic panels on their roofs by 60 per cent. What do we hear from this government? What do we hear from the Brumby Labor government now? Absolutely nothing!

Here we have the most hypocritical mob of people of all time, who ranted and raved when they thought the previous federal government’s policies might have been working against MRET, and now we have a Rudd government that is absolutely decimating the renewable industry, and this state Labor government, as gutless as it can get, is saying absolutely nothing about Rudd’s government in Canberra.

Not only that but this government in Victoria then came out and quadrupled the feed-in tariff for those families

that have still gone ahead and put photovoltaic panels on their roof, but we now hear that it is going to be a net input. Providing you are producing more electricity than you are actually using, you are not going to get one skerrick of this benefit. I would like someone from the government to tell me just how many households there are out there in Victoria that actually do produce a net electricity amount.

Housing: Horsham

Ms PULFORD (Western Victoria) — On Friday, 9 May, I was absolutely delighted to join the Minister for Housing in the other place at the regional launch of the Brumby Labor government's \$1 billion A Fairer Victoria 2008 initiative. The package provides new financial support for struggling families, programs for people with disabilities, mental health services and programs to improve educational outcomes in disadvantaged areas. Part of this funding included \$1.8 million for the Horsham North community engagement project and for housing in Horsham. This project grew out of the hard work and enthusiasm of local people, businesses and agencies in the last couple of years to tackle what they saw as disadvantage in Horsham North. The Brumby government has been very pleased to work in partnership with this project.

Some highlights of the new funding include \$500 000 for improvements to 44 public housing homes, \$760 000 for new bedroom units, \$70 000 for an employment and learning coordinator, \$70 000 for employment support initiatives in Horsham, \$20 000 for the creation of a community garden and \$39 000 for a Horsham North creative playground. This is a wonderful project, and tribute must be paid to Pam Clarke and Kerry Shade and the many members of staff at the Horsham Rural City Council, Geraldine Christou, Eddie Hadzig for his ongoing work, and my colleague Hugh Delahunty for his continued support.

Australian Taxation Office: business activity statement lodgement

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I draw the attention of the house to the plight of Victorian small businesses using the Australian Taxation Office (ATO) business portal. The portal is the online facility by which many small businesses lodge their quarterly business activity statements (BASs). To use the portal, a taxpayer must obtain ECI (electronic commerce interface) software on CD-ROM and then obtain a digital certificate, each of which must be installed on a specific computer to access the ATO gateway. The digital certificates expire after two years and must be reordered from the ATO.

Many taxpayers only become aware that their certificate has expired when they attempt to lodge their BAS and the portal does not work.

In February major problems with the issuing of the digital certificates required taxpayers to reinstall outdated versions of the ECI software and wait to obtain new digital certificates, all while the ATO refused to grant extensions to the BAS lodgement date. Taxpayers were told they could obtain a suspension of their lodgement obligations; however, penalty interest could be payable on the outstanding amounts despite the whole problem being the fault of the ATO. To make matters worse, the ATO advised taxpayers who wanted to lodge a hard copy of their BAS that there would be a two-week delay in issuing the required forms, again with no extension to the reporting deadline. The ATO's helpline went into meltdown with callers constantly receiving the message, 'Due to the high demand of this service we are unable to take your call'.

In 2008 every major bank and every major broking house has secure and simple online account services which can be accessed from any internet terminal with a discrete username and password and without the need for archaic proprietary software and digital certificates. If the ATO wants taxpayers to reduce its workload through electronic lodgement it must provide a reliable, flexible and modern interface. The current portal is a joke and a hindrance to the taxpaying community.

Port Fairy Consolidated School: achievements

Ms TIERNEY (Western Victoria) — Last Friday during Education Week I had the pleasure of representing the Minister for Education in the other place, Bronwyn Pike, in officially opening the major redevelopment project and the renewable energy demonstration unit at the Port Fairy Consolidated School. The school now has a new library, refurbished art room, canteen and administration and staffroom, along with eight brand new learning studios. The learning studios will support teaching and learning opportunities and are great examples of the Brumby Labor government's blueprint for government schools and Building Futures initiatives.

But what struck me most was the enthusiasm and confidence displayed by all those involved in the school, including the students, staff, parents and past students and staff. It is a school that is proud of its history and understands the importance of community. Earlier in the week the school had an open evening for students to show family and friends their new school, and 300 people actually ended up staying for a spit roast.

It is a school that understands that responsibility, sustainability and the future of the local community go hand in hand. That is also evident in all the hard work that has gone into the renewable energy project and the zero waste program in the art room. It has been inculcated into the culture of the school. I congratulate the principal, Lindy Sharp, and her team for an outstanding job, and I thank them for their tireless efforts inside and outside the school.

Yarra Ranges: backpackers hostel

Mr O'DONOHUE (Eastern Victoria) — For the fruit growers and other growers in the hills in the Yarra Valley, securing workers for the harvest can be difficult. The construction of additional backpackers hostels or other accommodation facilities would be a way to attract these short-term workers to the area. I support that concept. However, I have real concerns about the decision by the Shire of Yarra Ranges to approve an 80-bed hostel at 465–469 Monbulk Road, Monbulk. There are many unanswered questions about the proposal, the impact it may have on local amenity and why it was approved.

Perhaps more broadly, however, this proposal demonstrates that there is a lack of clarity from the government as to both what is permitted in a low-density residential zone and where and how boarding houses and/or other backpackers lodges should be located. This lack of clarity inevitably results in communities being divided, creating uncertainty and angst. This is what has occurred in Monbulk, and I call on the government to re-examine its policies with regard to boarding houses and backpackers hostels.

Prostate cancer: awareness

Mr ELASMAR (Northern Metropolitan) — On Tuesday I attended with other members a launch in Queen's Hall officiated by the Governor of Victoria, Professor David de Kretser, and the Premier of Victoria, Mr John Brumby. The purpose of the launch was to highlight prostate cancer to the wider community and in particular to the male community. A DVD has been prepared by the Prostate Cancer Foundation of Australia. The sad fact is that many men are being diagnosed too late for treatment of prostate cancer, thereby making it the no. 1 killer amongst preventable deaths in the male population. I have seen the DVD and I am encouraging all my male friends and family to take the test.

On a related matter, last week I attended an afternoon tea organised by my federal colleague Minister Jenny Macklin. The tea was in aid of cancer detection.

Mr Bob Wilson attended and spoke about community awareness of prostate cancer. His speech was very interesting, but frightening too. He stressed the fact that the medical test for prostate cancer may be embarrassing and uncomfortable, but a simple test can save your life if the disease is detected in time.

Sport and recreation: funding

Mr ATKINSON (Eastern Metropolitan) — There might be a touch of heresy in this statement. Last weekend I was at a suburban football match played between the Mitcham and Nunawading clubs, two clubs in the third division. The Mitcham club is a proud club in the eastern suburbs that has come upon hard times and dropped a couple of divisions in the Eastern Football League.

The discussion I had with many of the volunteers at that club on Saturday — and indeed it reinforces discussions that I and I know many of my colleagues have had in other places — was about the fact that really the support from this government for community football and community sport generally is inadequate. I acknowledge that the current minister is a lot more committed to community sport than the previous minister was, but nonetheless I am perturbed that this government persists in propping up the Australian Football League with massive amounts of money that really would be better directed to supporting volunteers in community sport.

I would like to know what Collingwood's deal is on the Victorian Institute of Sport premises at the former Olympic Pool in Richmond. That is a very significant facility that has been developed for the VIS at taxpayers expense. The VIS is now moving to South Melbourne, and Collingwood is to take over that facility. I think the government ought to put on record the deal that has Collingwood taking over that facility. I also think the government ought to be changing its priorities on funding for the other league clubs and be directing a lot more money to community sport.

STATEMENTS ON REPORTS AND PAPERS

Auditor-General: *Patient Safety in Public Hospitals*

Mrs KRONBERG (Eastern Metropolitan) — I am going to report on the Auditor-General's report of May 2008, *Patient Safety in Public Hospitals*. From the start I need to say, 'Shame, shame, shame' to this government. This is the most disgraceful indictment of neglect you could possibly imagine. The report

highlights an immense degree of suffering by people who find themselves in public hospital settings throughout the length and breadth of this state. The report opens with the statement that:

The risk that patients are harmed while receiving health care can never be mitigated entirely.

Whilst this is obviously a reasonable position to take, it is still beholden on this government to do everything in its power to ensure that patients in Victoria's hospitals have their care optimised at all times. We are told that it is estimated that a staggering 50 per cent of care-related injuries are avoidable. Expectations are then for health services to ensure that patient safety systems to minimise this risk are in place, but they are not.

At the time of compiling of this report, the Auditor-General found it impossible to record a precise number of clinical incidents that occur in Victorian hospitals — it is the great unknown; there is no way to measure the suffering. No estimate can be given under the present reporting and aggregation systems regime. This is because there are no data collection systems designed to aggregate the numbers and types of clinical incidents. Nobody in this government wants to know what is happening across the state. Nobody in this government can probably bear to know what these aggregated numbers would actually reveal.

Clinical incidents are incidents that occur in a health setting that could have resulted or did result in harm of a patient. Reporting here by the Department of Human Services categorises incidents according to the degree of harm or potential harm they cause. They range from near misses to serious incidents. What they have reported, however, is that clinical incidents are associated with approximately 10 per cent of hospital admissions. One person in 10 people going into a hospital is going to have an incident such as wrong diagnosis, wrong dispensing of drugs and access to treatment or intervention left all too late. So for the year 2006–07 that would mean 135 000 people experienced a clinical incident. In other words, their life might have been threatened and they may have been left with lasting damage both physical and mental. This government does not want to know precisely how many people have suffered like that or could suffer. It should develop a means of responding to this so that it can enshrine practices, quality regimes and performance standards to avoid this in the future.

We can all appreciate that clinical incidents can have serious health and quality-of-life consequences. While some consequences can be temporary, some may result in death. Of course clinical incidents have financial consequences. Measures of such consequences include

the length of stay in hospital of a patient who may fall victim to a clinical incident. Recent studies found their length of stay in hospital increased from 2.5 days to a staggering 12.6 days, while associated costs of that stay extension increased from \$2000 to \$14 000. It is therefore estimated that such incidents cost Victoria's health system \$511 million annually.

After examining five health services the Auditor-General reports that these entities had developed organisation-wide risk management frameworks, but unfortunately there is a turf war going on between the bodies, such as the Victorian Quality Council and the statewide quality branch of the Department of Human Services. There are overlapping roles and it is a dysfunctional reporting system. Nobody knows what is going on statewide.

Beaufort and Skipton Health Service: report 2006–07

Ms TIERNEY (Western Victoria) — I rise to speak on the Beaufort and Skipton Health Service annual report for 2007. It is instructive to point to page 1 where the health service states that, apart from it knowing that it needs to submit an annual report for legal requirements, it is aiming to inform its local community, the recipients of the care and their families and supporters of the activities of the service. That sentiment flows throughout the report. It is very user-friendly and has a genuine community thrust.

The major change for the Beaufort and Skipton Health Service in the reporting period was the massive redevelopment of the new Skipton hospital. In the middle of the report there is not only a description but large coloured photographs that speak a thousand words. This will obviously be very close to the hearts of the Skipton people and surrounding areas in times to come. In looking at the photographs, one would find it hard to believe that it is a health service. It is very comfortable and homely. The photograph I am looking at the moment looks like a lounge room setting of any family home.

The state government obviously has been a major financial contributor to this redevelopment. The president's report from Hilton Bourke thanks the Labor government for its commitment to the Beaufort and Skipton Health Service and to the community services that are also involved in the setting. The layout combines a number of things. Apart from the acute beds, there are also nursing beds and hostel beds which are near the assessment area, the emergency area and the committee health section, with the allied health professionals close by. It is very user-friendly, and the

services the community need are at everyone's fingertips.

In a media release of 3 July 2007 the then Minister for Health in the other place, Minister Pike, is reported as saying:

The Beaufort and the Skipton Health Service has had its bottom-line budget funding increased by 58.7 per cent since the Bracks government came into office.

While I have spent a fair bit of time talking about the new Skipton hospital, it is not just the hospital but the service in its wider form that has been a major beneficiary of the Labor government's health funding, again underlining the government's commitment to regional and rural health.

I also make mention of the Sustainable Farm Families project that has been undertaken by the health service. The motto of the Sustainable Farm Families project is 'No point in a better bottom line if you are not there to enjoy it!'. It is pleasing to note that 100 per cent of the farming families who have participated in that program have recommended to other farmers that they become involved in it.

It is these sorts of situations that underpin this government wanting to go further. That was evidenced by the most recent state budget announcement for the further expansion of the farm family health service and the announcement of a farmers health centre at Hamilton. We are concerned about the need for farmers to have access to health awareness and to have physical checks but also to build resilience so that they can better manage change, better manage the climate — —

The ACTING PRESIDENT (Mrs Peulich) — Order! The honourable member's time has expired.

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

Mr KOCH (Western Victoria) — I wish to report today on the piping system, particularly the Wimmera–Mallee pipeline, and I know others will be making a contribution about the goldfields super-pipe.

The Wimmera–Mallee pipeline project is Australia's largest water-saving project. Obviously it has been funded by three bodies, being the state government, the federal government and Grampians Wimmera Mallee Water. Its completion in 2009 will see 17 500 kilometres of open earthen channels being replaced by 8800 kilometres of a piped water distribution system. The new system will cover some 2.3 million hectares,

or 10 per cent, of Victoria's surface area and provide water to approximately 2500 rural customers, 35 000 urban customers and 36 towns in the region. The likely gains are in the order of 103 megalitres, of which it is hoped that 83 000 megalitres will be afforded to our river systems, particularly the environment of the wetlands and inland lakes — here I refer certainly to lakes Hindmarsh and Albacutya. Also there will be 20 000 megalitres afforded for regional economic development purposes.

In the report the Auditor-General has made some comments about how Grampians Wimmera Mallee Water has handled this whole contract, particularly in relation to overruns and the using of an alliance agreement, which moved the risk away from the contractors to itself, which in hindsight is unfortunate. But let us not live in the belief that Grampians Wimmera Mallee Water made all these decisions off its own bat — the Department of Treasury and Finance was sitting on its shoulder on every occasion and the government was very aware of what was taking place.

One of the major concerns is that the project was originally estimated to cost \$501 million, and according to the Auditor-General's report we have now seen a blow-out from \$501 million to \$749 million. But interestingly in this morning's press, not 24 hours behind the report being released, is an indication by the Auditor-General, Des Pearson, that he may have made an error in the report. The figures he is using now are on page 15 of today's *Herald Sun*:

... Des Pearson found the cost of Australia's largest water-saving project had now risen to \$936 million — almost double the —

original figure. I think we should all be concerned that the Auditor-General on one day puts a figure in a report and then within 24 hours goes out in the press putting a further \$200 million on it.

The community should be very thankful to those in the local districts who have spent hundreds of hours trying to put all of this together. It is a marvellous project. They are people like Peter Vogel, who chairs the pipeline development committee at Grampians Wimmera Mallee Water. He and his colleagues have done a fantastic job, and for them to be blamed for this situation is an absolute shame. Yesterday we had the Premier, and the Treasurer in this house, indicating that this overrun is due to the increased cost of the pipes and that this had come about because of rising oil prices.

Mr Lenders — It has gone up fivefold.

Mr KOCH — This is an absolute outrage. The cost has been attributed to the construction cost overrun and very poor management of the contracts. For the government to try to land the blame back on Grampians Wimmera Mallee Water and people in the community who have done such a fantastic job in putting this giant project together is abysmal.

Mr Lenders interjected.

Mr KOCH — We see this on every occasion. This government will not take the blame — particularly the Treasurer, who continues to interject. He knows very well that the Department of Treasury and Finance overruled this project all the way. The blame sits with the government, certainly not with the local people.

We all look forward to this project being completed. It is a marvellous project, but we are very concerned about where these overruns will be picked up. We know that the community does not have the capacity to find another \$150 million for this government's mistakes.

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

Ms PULFORD (Western Victoria) — I also rise to make a few comments on the Auditor-General's report *Piping the System — Incorporating the Wimmera Mallee Pipeline and the Goldfields Superpipe*. As Mr Koch indicated, the report comments on the Wimmera Mallee pipeline and the goldfields super-pipe. I will comment mainly on the goldfields super-pipe aspect of the report.

This project has provided Ballarat with water security for many years into the future. It is a testament to this government taking action when and where it is needed to ensure water security in the context of record low inflows and an ongoing drought ravaging Victoria. In today's Ballarat *Courier* newspaper there is a letter addressed to the editor claiming that the super-pipe is too little, way too late. I would like to assure the author of this letter that the super-pipe is not late but is actually being delivered ahead of schedule. The author refers to population growth, and whilst Ballarat's population has seen growth, many of our regional centres in Victoria are growing at a great rate and I believe that is a good thing. The impact of population growth on water demand is not what it would perhaps seem at first blush. I am advised by Central Highlands Water that demand for water was higher in the 1990s than it is today. No doubt this is in no small part due to the

efforts of all water users considerably reducing their use.

As water levels fall, salinity in the water increases. According to Central Highlands Water, the super-pipe will not only deliver security of supply and confidence to residents and businesses, it will also deliver better quality water to the people of Ballarat. In terms of rainfall, 2006 was the worst year on record for Ballarat. This led to 2007 being the worst year on record for inflows to the Ballarat water supply system. What this project has done is to deliver water to Victoria's third largest population centre. Lack of rainfall is not unique to Ballarat, but in respect of the goldfields super-pipe it is Ballarat that has benefited from the government's action in this area.

The Nationals candidate at the last state election and Liberal Party candidate at the last federal election — yes, one person: Samantha McIntosh — wanted us to take water permanently from the Lal Lal Reservoir.

Mrs Petrovich interjected.

Ms PULFORD — If I heard Mrs Petrovich correctly, perhaps Ms McIntosh was leading the charge on the coalition concept. That may explain it. It might also explain the role of Julian McGauran, the federal leader of The Nationals, because he has tried both parties, too. You heard it first in Ballarat with our duty senator and perennial candidate. Instead of supporting the super-pipe, Ms McIntosh and Mr McGauran indicated that they thought it was a half-baked idea. The Liberals have consistently had no solution and nothing to contribute on the issue of water supply in Ballarat.

I was delighted to join the Premier, the Minister for Water, the members for Ballarat East and Ballarat West in the other place, Geoff Howard and Karen Overington respectively, to see water flow through the super-pipe for the first time on Monday of last week.

The Auditor-General's report indicates that the water authorities managed the respective project components well. It indicates that construction of both pipelines commenced before commonwealth funding was secure. Obviously a degree of risk was undertaken by the water authorities in that respect, but fortunately we had a change of federal government and the \$90 million that had been committed for the Ballarat leg came through just in the nick of time. The Auditor-General is complimentary about the water authorities' role in managing these projects but suggests that perhaps securing project funding or developing an explicit contingency plan prior to commencing procurement would be a better way to go in future.

I conclude by congratulating the chair of the board, John Barnes, and chief executive officer Neil Brennan, all the staff at Central Highlands Water and the contractors who worked on delivering this important infrastructure.

Auditor-General: *Patient Safety in Public Hospitals*

Mrs PETROVICH (Northern Victoria) — I rise to speak on the Auditor-General's *Patient Safety in Public Hospitals* report. I was disappointed to see the risk that many Victorians are being placed in because of the lack of process and facilities in our public hospitals. I do not believe the risk of patients being harmed when receiving health care can ever be mitigated entirely. Nevertheless, estimates suggest that approximately 50 per cent of care-related injuries are avoidable. The challenge for health services is to ensure their patient safety systems are minimising the harm.

Clinical incidents obviously have serious health and quality-of-life consequences for patients. At worst, they can result in death. In many cases they can mean a longer stay in hospital for our long-suffering patients. They can also have significant financial implications for health services. As we know, an already overburdened health service costs an estimated \$511 million annually in Victoria as a result of these excessive injuries.

Several studies estimate that clinical incidents are associated with around 10 per cent of hospital admissions. In 2006–07 Victoria's public health services admitted 1.35 million patients. This means that around 135 000 patients may have experienced a clinical incident. These can vary in seriousness, but with stressed and overworked staff and facilities in some of the hospitals I have visited, which are looking a little Third World, overcrowding will only exacerbate these problems.

The cost is not only financial but also a great cost to the individual's health. When we are talking about the fact that 1 in 10 patients who are admitted to hospital in Victoria are being harmed as a result of these admissions, we have a serious issue. Up to 50 per cent of these incidents are avoidable, and yet the Brumby government has still not developed a statewide system which would monitor patient safety. The Auditor-General's report slams the Brumby government for not doing enough to ensure the prompt delivery and development of a clinical governance policy and integrated incident information system which would, we know, effectively reduce these incidents.

Victoria is the only state in Australia that does not have an incident monitoring system in place. Duplication at all levels of the current system makes it unworkable at present. While the Auditor-General recognises that there is some data gathered through sentinel events, infection rates and pressure ulcers, these only represent a small portion of the patient safety data. The Auditor-General, as of yesterday, has called for a process that measures the system as a whole.

Apart from the unnecessary trauma that patients and their families have to undergo, the cost of these clinical incidents is enormous. It costs the state of Victoria's health system more than \$500 million per year. The coalition believes — as the Brumby government should believe — that the safety of patients in public hospitals is of paramount importance. We believe the Brumby government is failing in its duty of care by not establishing recommended quality of care processes. In this day and age when we have quality assurance policies everywhere, I cannot understand how this has been allowed to go on.

Recently I visited some of Bendigo Health Care Group's facilities. Bendigo Health is attracting highly qualified professional staff who are being located in portable buildings on outside grounds. The site is predicted to have many more of these to compensate for the current overcrowding in staffing. We saw overcrowding in waiting rooms in the obstetrics and oncology areas. Families who are there to support their sick relatives and should be near their loved ones at these difficult times are being shuffled out of rooms to make space for additional patients. These patients and dedicated staff deserve better.

It is important that the Victorian community has confidence that our hospital system will provide the very best quality of care possible. This government has a responsibility to ensure the monitoring of such care. I commend the report to the house.

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

Mr DRUM (Northern Victoria) — This morning I would like to talk about the Auditor General's report *Piping the System — Incorporating the Wimmera-Mallee Pipeline and the Goldfields Superpipe*. I have been reading it this morning with interest. I am sad to say that it is not very accurate. It is not a very accurate history of what actually happened in the selection process for the goldfields super-pipe project.

The Auditor-General's report states that in the process of trying to work out which were the best strategies to be used, one of the strategies was for Coliban Water Authority to undertake a feasibility study to assess the options for obtaining additional water supplies from the Goulburn system. In March 2006 a consultant engaged by Coliban Water Authority and Goulburn Murray Water Authority commenced work on a feasibility study. That report was due to be finished by 30 June 2006.

What the Auditor-General has not realised and has failed to unearth is that in March 2006 — in fact at the start of March — the state government announced a different project. It made the front page headline of the local paper in Bendigo. The Labor members for Bendigo West and Bendigo East in the other place, Bob Cameron and Jacinta Allan, along with the then water minister, John Thwaites, were going to champion a plan to construct a \$20 million pipeline 8.5 kilometres from the Waranga channel to the Campaspe Weir. That was on 6 March. The MPs described this plan as one of the most significant water developments for Bendigo since Lake Eppalock was built. The channel would pipe 20 000 megalitres of water to Rochester irrigators, meaning that they would no longer have to rely on Eppalock and that Coliban Water would increase its share of Lake Eppalock water. The next day the Campaspe irrigators were absolutely furious because they were not consulted.

On 30 March, about two and a half weeks later, what actually happened, which the Auditor-General has failed to unearth, was that Coliban Water came out and said it was looking at three different options. The Auditor-General was correct in saying that in May 2006 the Coliban Water Authority asked a consultant to engage in the work and to come up with a range of different options. It came up with seven options, of which the initial goldfields super-pipe was chosen.

It is a bit disappointing that the Auditor-General did not pick up on the slipshod manner in which this government engaged in the selection process for this particular project. The fact is that the government was hell-bent on trying to sell the people of Bendigo a totally different water project, then all of a sudden — effectively at the drop of a hat — government members changed their minds and came up with this particular project.

In relation to the way the project has been built, there has been absolutely no consultation with the landowners who were affected. This project was called in by the minister and effectively pushed through. It was amazing to see what the government can do when

it puts its mind to it. It can take everything on board, including running the environment effects statement process. The government was able to get its planning and its version of consultation done, along with the digging of the ditch and the laying of the pipe. It was all done at roughly the same time.

The Wimmera–Mallee pipeline is also mentioned in this report. The report talks about the funding arrangements being shared by the federal government, the state government and Grampians Wimmera Mallee Water Authority. We know there is still some grief being felt by the water authorities in the Wimmera region because there is real concern that the Labor government here in Victoria is going to renege on part of its commitment to fully fund the cost blow-outs, and we know there have been substantial blow-outs. I agree with Mr Koch. It is cause for real concern when an Auditor-General's report comes out talking about a cost blow-out from \$500 million to \$700 million, and then two days later there is a newspaper report effectively saying, 'Whoops! Got it wrong! It is now \$900 million'. There are some real concerns with that as well.

Anti-Cancer Council of Victoria: report 2007

Mr ELASMAR (Northern Metropolitan) — I rise to speak on the Anti-Cancer Council annual report 2007. I read this report with great interest. One of the facts that struck me about cancer is the anti-discrimination of this loathsome disease. It attacks rich or poor, without any regard for religious faith or social status — and when it does it is usually a death sentence. Whilst it is true that medical science has made many inroads since the early days of the mid-1930s and the establishment of the Victorian Anti-Cancer Council in 1936, drug companies and governments of all political persuasions have ploughed huge sums of money into researching a cure for this disease, together with new medicines that ease the pain and associated symptoms of cancer.

We all know someone who has been diagnosed with some form of cancer. I would go even further and say that most families in Victoria have been touched by cancer. My own family has been. The Anti-Cancer Council has done a sterling job over the decades to try to inform the Victorian people of the dangers of smoking and living an intemperate lifestyle. Sometimes a close shave with death is the only way people actually stop and smell the roses.

I would also like to pay tribute to the thousands of volunteers who have contributed so much of their time and energies to this very worthy cause. I fully support the council in its heartfelt commitment to the ongoing care for cancer sufferers and in its strategic leadership

that continues to provide the organisation with excellent support staff who really are improving the chances of future generations by offering generally useful advice regarding proper healthier life choices. I commend the report to the house.

**Auditor-General: *Project Rosetta*
(*Streams 1 and 2*)**

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I rise to make a statement on the Auditor-General's report, *Project Rosetta (Streams 1 and 2)*, which was tabled in this place yesterday by the audit office. This report is an indictment of the government's handling of major ICT (information and communications technology) projects. Although it relates primarily to the implementation of Project Rosetta, it makes commentary on themes that are emerging in the mishandling of ICT projects by this government.

Since this government came to power we have seen a so-called emphasis on ICT. There was the appointment of a Minister for Information and Communication Technology — originally Marsha Thomson, at that time a member in this place and now the member for Footscray in the other place — and currently Minister Theophanous holds that portfolio. One of the government's proudest boasts about the ICT portfolio was the hiring of a chief information officer (CIO) several years ago. For a couple of years the CIO appeared at the Public Accounts and Estimates Committee hearings on the budget estimates with the ICT minister. After the first appearance by the CIO we saw a different CIO because the first one had suddenly resigned. More recently no CIO has appeared with the Minister for ICT at estimates hearings, and it subsequently became apparent last year that the office of the chief information officer had been abolished. So after all this fanfare surrounding the appointment of a CIO and the fact that a CIO was to be responsible, with the minister, for coordinating whole-of-government ICT matters — ICT policy and ICT strategy — suddenly the office has been abolished and we have seen the functions of the CIO split between Multimedia Victoria and the Department of Treasury and Finance. There has been complete disarray within government on how ICT projects are managed and strategies are set, and that has flowed through to the way that major projects have been implemented.

That brings me to Project Rosetta, which is the subject of this audit report. When Project Rosetta was conceived in 2001–02 the concept was that it would be a whole-of-government directory — effectively a staff directory; if you like, a glorified telephone list — that

recorded details of all Victorian government staff. It was to record basic contact details for them, such as email addresses and dates of birth — the type of basic information that is held about employees and made available on a select basis through an interface with the contact information.

At that time the estimated cost of that project was \$16.8 million, which is an enormous sum of money for what is, as I said, a glorified telephone directory. We have since seen the cost of that project blow out, not in terms of its capital cost but its operating cost. The reason governments undertake projects such as this and spend large capital amounts up-front is to deliver projects that are more efficient in the long term. They spend money up-front to have a reduction in operating costs, yet what we have seen with Rosetta, which, as the Auditor-General notes, was delivered seven months late, is a project for which operating costs are more than double — 107 per cent higher — the amount they were budgeted to be. Rather than achieving savings, the operational phase of this project is costing double what it was supposed to.

The Auditor-General notes in his report that there has been no appropriate assessment of this project and that that is a theme with other ICT projects delivered by this government. As the auditor notes, those projects are conceived and frequently delivered over budget and behind schedule. A key point the Auditor-General makes in his foreword is that it is now a theme that ICT projects in this state are delivered over budget and behind schedule. He states also that the project has not been adequately assessed as to whether it is meeting its original objectives. Quite clearly, given the operating costs of the project are double what they were supposed to be, the project is not meeting its objective of saving money in the operation of that database.

This is something we have seen with a number of projects. We have seen the debacle of the HealthSMART project, which the Auditor-General reported on earlier this month. We have seen just this week the Ultranet project, which was supposed to be rolled out in schools, fall over for want of a successful party in the tender. We have seen the debacle with the myki ticketing system, which is another proprietary ICT project the government commissioned and has failed to deliver. Time and again we are seeing this government seeking proprietary solutions rather than off-the-shelf solutions and failing to have the capacity within the ICT area to deliver them. This is a failing of the government, it reflects the policy failing with the chief information officer and it cannot be allowed to continue.

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

Mr EIDEH (Western Metropolitan) — There is no need for me to elaborate on the water crisis that is presently hurting our entire nation. For some 10 years rainfall has been far below what has been needed to sustain us, and so the Victorian Labor Government has taken a number of significant initiatives to ensure that this very precious resource is preserved. It is not with any pleasure that water restrictions were enacted, but they were necessary. As a government we must do what we can for our state. Water is critical for all areas — for industry, for the important rural sector and for our domestic use.

The report from the Office of the Victorian Auditor-General has reviewed the commitment of the government in its white paper *Securing our Water Future Together*, its various strategies and their application by the Department of Sustainability and Environment. It found that the department had effectively applied the planning framework within the white paper and that considerable progress is being made. I quote directly from the report:

A secure, reliable supply of water requires the selection, prioritisation and delivery of infrastructure in a cost-effective and timely fashion.

This is what the government has sought to achieve on behalf of all the people of Victoria, and I wish to thank the people of Victoria for their cooperation. I also wish to thank the amazing staff of the Department of Sustainability and Environment for their great efforts on behalf of us all. Of course the task has been difficult in some ways, and the report noted that greater progress is essential. I agree, as does the government, and we are committed to ensuring that the targets and strategies outlined in the white paper are achieved. That is why we initiated the \$4.9 billion Our Water Our Future strategy, which is the next stage of the government's water plan.

The Auditor-General wants more information provided to the community on all water supply projects. While I sincerely believe that the government has done a marvellous job in communicating with the people of Victoria, more can always be done. But I do not accept the claim by the Auditor-General that the government did not adequately consult with stakeholders. Government is about leadership, it is about being decisive, it is about moving forward on behalf of everyone, without exception. The government sought advice and consulted, but with the crisis being so real there was limited time to speak with every person and to canvas every single view and consider every

argument. We know that there are many conflicting views, even within the rural sector. Not everyone agrees on what is best for the state. But then that is how it is on most issues.

The government has, through the Premier and the Minister for Water in the other place, Mr Holding, already answered a number of the Auditor-General's concerns and is now delivering even more information to the community on water projects, on time lines, on costings and on expected outcomes.

Parks Victoria: report 2006–07

Mr P. DAVIS (Eastern Victoria) — I rise to make a statement on the Parks Victoria report for 2006–07. Parks Victoria manages about half of Victoria's public land — that is, 4 million hectares. It has a budget of around \$165 million and employs more than 1000 staff directly, in addition to contractors.

I am interested in the performance of Parks Victoria for a number of reasons, in particular because the government has some proposals, which will be coming relentlessly before the Parliament in due course, affecting the way that Parks Victoria operates in the future. By that I am alluding to the election policies of the Labor government, which include proposals to create additional reserves in East Gippsland and in the south-west — the Cobboboonee national park in south-western Victoria — and the extension and linking of existing parks in East Gippsland. In addition to that the Victorian Environmental Assessment Council inquiry into the river red gums is proceeding apace, with a final report due soon.

I am interested in the present performance of Parks Victoria in the context of the potential of future proposals to increase the parks base in this state, and I am interested in how well Parks Victoria is actually managing its role as the steward of Victoria's public land. As a result of representations made to me I have become progressively concerned, and this concern has been supported by my own observations over recent months while inspecting the Alpine National Park, the Mitchell River National Park, the Mornington Peninsula National Park and Croajingolong National Park.

My observations about those parks are made in the context of how well the New South Wales parks that I have visited recently are managed — for example, the Snowy Mountains national park and the Blue Mountains National Park. I believe Victoria has a good deal to learn from the approach taken by New South Wales — and I am delighted that the Minister for the

Environment and Climate Change is in the house to listen to my remarks. While I am not a great advocate for many things north of the Murray, I would have to say the comparative performance in terms of the management of parks certainly exceeds what we are doing here in Victoria.

Recently, in fact over the last break between parliamentary sittings, I was in the Croajingolong National Park again. I observed that significant efforts had been made to deal with some of the matters I had recently raised with the minister. There is some finetuning which I could go into in some detail, but I will resist that temptation. Let it suffice to say that it is disappointing that a member of Parliament has to raise with the environment minister a particular set of poor management issues in parks. It does not reflect well on the general stewardship by Parks Victoria and the overall state of parks.

I refer particularly to Croajingolong, which was described to me on my recent visit to Mallacoota by one individual who summed it up in these terms: 'It is a blot on the landscape of Victoria's national parks'. He was expressing a frustration that I know is felt by many people in the far east about how well that particular park is being managed — that is, that there is a lack of effective signage; where there are signs some of them are in a dilapidated state, and I have photographs to demonstrate that. There is a notion that if there are complaints about tracks and the declining maintenance of tracks, then the parks officers will advise the complainant that they will close the tracks that are being complained about. There is a general concept of turning the park into wilderness, I think for no other reason, frankly, than to limit the amount of investment in maintenance the park requires.

My concern is that we should not extend the reach of Parks Victoria's stewardship of our public land before it can manage the existing parks competently —

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

Victorian Law Reform Commission: *Civil Justice Review*

Mr TEE (Eastern Metropolitan) — I rise to speak this afternoon on the Victorian Law Reform Commission's report, *Civil Justice Review*, which makes an important contribution to improving our civil justice system. It is clear that more can be done to improve our civil justice system and to provide a more efficient and affordable civil justice system in Victoria. We know that civil disputes unfortunately play an

important part in the lives of those in our community. They affect a large section of the community, and they arise in all areas of life. Civil disputes include disputes about neighbourhood fences, consumer complaints, personal injury claims, disputes about wills and of course large contractual claims. We also know that the claims coming before our courts are becoming more complex and that court cases are taking longer. This report looks at ways to minimise disputation and the costs to those involved in our legal process. It is a groundbreaking and thorough review of civil litigation in this state. The report is the product of some 18 months of consultation and research. It has some 177 specific recommendations and is a weighty tome covering more than 700 pages.

What the recommendations aim to do is ensure that our courts are used responsibly, effectively and efficiently. Courts are, after all, a public resource. They are paid for by taxpayers. They should not be about grandstanding and they should not be about tactical games or pointless arguments that have no merit. However, litigation is, of course, complex, and the report finds that, while problems are easy to identify, solutions are far more elusive. On one hand we need to get the balance right to have a streamlined justice system, but on the other hand we do not want to have a system which compromises justice. That is where a tension emerges, and this report has made sure that the recommendations streamline justice without compromising justice. To ensure that justice prevails, the report recommends a process for ongoing monitoring and implementation of reforms.

The commission, as I said, has provided a comprehensive blueprint for reform, and central to its recommendations are reforms aimed at requiring parties to more quickly disclose information, to cooperate with the other parties and with the courts, to limit the issues in dispute and, finally, to improve standards of conduct. For example, the report recommends that parties and lawyers certify that all allegations made in pleadings have merit. The recommendations also deal with other issues, including improving the discovery process, the use of expert witnesses, class actions, costs and effectively enhancing judges' control over proceedings. Central to the reforms is the push for alternative dispute resolution, including mandatory use and judge-facilitated ADR.

I welcome this report, which is about ensuring that parties put their cards on the table early on in the process and do not play tactical games that serve no real purpose other than to increase delays and costs. I commend the report, which is about making our courts accessible to a greater number of Victorians.

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

Ms DARVENIZA (Northern Victoria) — I rise to make comments on the Victorian Auditor-General's report, *Piping the System*, and I also want to make some brief comments on the Parks Victoria annual report for 2006–07. Along with the Premier and the Minister for Water, Minister Holding, I welcome the Auditor-General's report. We see that the Auditor-General acknowledges the pressing need for the works on the Wimmera–Mallee pipeline to get under way as soon as possible. The Auditor-General quite appropriately acknowledges that there is an urgent need to supply water in the face of worsening drought, and that is what drove the Grampians Wimmera Mallee Water decision. This project has been brought forward by some six years. We have heard previous speakers on the other side talk about the budget blow-out. The largest single cost component of this project is pipes, and pipes are made up predominantly of petrochemical products. We have seen the price of oil rise, going from something like US\$25 a barrel to over US\$100 a barrel.

The Auditor-General found that Grampians Wimmera Mallee Water established appropriate governance arrangements and planned the project well. He also found that GWMW managed the construction of the project well. In fact he states in the report:

The authority's completion of the stage 1 trunk pipeline by October 2007, to secure town supplies and provide water to most rural customers during the 2007–08 summer, was a significant achievement.

The context of that achievement cannot be overstated. Stage 1 involved laying more than 1400 kilometres of pipeline, which is roughly a distance equivalent to driving from Melbourne to Adelaide and returning, with 17 pumping stations and 9 storages. With the continuing drought, this project's importance cannot be overstated. Regional storages are at their lowest level ever for this time of year — in fact they are at 3.4 per cent. The Wimmera–Mallee pipeline will replace 17 500 kilometres of open channel with 8800 kilometres of pipe and provide reticulated water to an area of 2.3 million hectares. It will service 2500 rural customers and 35 000 customers in 36 towns. The project will save 103 000 megalitres of water that are currently lost in the existing system.

Parks Victoria: report 2006–07

Ms DARVENIZA — I will move now to make some comments on the Parks Victoria annual report 2006–07, and I will start by congratulating Mr Mark

Stone, the chief executive officer, and Mr Rob Gerrand, the chairperson of Parks Victoria, on their excellent report. The report covers a range of very significant areas that Parks Victoria is involved with, including the management of wildfires and other emergencies that we have seen during this reporting period, where it has had to deal with research and conservation works as well as asset building; caring for the natural environment; protecting and enhancing our parks and reserves, which is of critical importance to conservation and one of the things that Parks Victoria does so well; and protecting cultural heritage, and of course we have a lot of cultural heritage here in Victoria.

We are a very diverse community, and Parks Victoria manages a collection of cultural heritage places in the state, including sites from our indigenous culture, early settlement sites, coastal shipping sites, colonial defence and mining sites, as well as natural treasures and historic huts that it is responsible for and which it does an excellent job of protecting. Parks Victoria also enhances the visitor experience, and you only have to visit any of our parks here in Victoria to be able to appreciate the excellent job it does.

This is a terrific report. I urge members to take the time to look at this, and of course I also urge members to visit the many parks and recreational facilities that we have open to us here in Victoria and to visit many of the parks that Parks Victoria manages and looks after so well.

Parks Victoria: report 2006–07

Mr SOMYUREK (South Eastern Metropolitan) — I rise today to make a statement on the 2006–07 annual report of Parks Victoria. The year 2006–07 was a challenging one for Parks Victoria, with bushfires burning all over the state, and I commend Parks Victoria on its effort throughout that year. The chairman of the board in his report makes the comment that he welcomes the additional funding that was received by Parks Victoria from the state government, and he states that this funding is:

... for the continued employment of 50 additional rangers and employment of a further 15 full-time employee ranger positions; funding for the revitalisation of several piers in Port Phillip and Western Port bays; capital upgrades at the Twelve Apostles and Loch Ard Gorge (Port Campbell National Park) and in Wilsons Promontory, Grampians, Dandenong Ranges, Point Nepean and Alpine national parks ...

I understand these were all funded due to the state government's election commitment of increasing funding for Parks Victoria.

I now turn to page 55 of the report where some performance measures are set out, and I am pleased to see that all of them have improved since 2004–05. I will mention just a couple of these performance measures. The first one is the area in parks treated to eradicate or control pest plants and animals. That has gone up substantially — from 684 700 hectares in 2004–05 to 928 000 hectares in 2006–07. Another performance measure is the number of Parks Victoria personnel who are required to assist in wildfire preparedness and suppression, and that has gone up from 625 in 2004–05 to 850 in 2006–07. That is a great achievement.

Another interesting performance measure is the proportion of indigenous staff. In 2004–05 there were no indigenous staff employed, whereas in 2006–07 6 per cent of Parks Victoria staff were from indigenous backgrounds. I have only a few seconds to go, so I would like to congratulate Mark Stone, the chief executive of Parks Victoria.

BUDGET PAPERS 2008–09

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

That the Council take note of the budget papers 2008–09.

Mr RICH-PHILLIPS (South Eastern Metropolitan) — The state government's strategy for the budget for the last nine years has been a very simple one. It has been, 'The economy is growing, revenue will rise and we can spend more'. This is the first year in which the government has faced some challenges in framing its budget. The economic environment in Victoria and in Australia has changed substantially. There is now an environment of rising inflation and rising interest rates. The cost of oil passed US\$135 a barrel overnight. Petrol hit \$1.64 a litre yesterday. The Australian dollar is trading above US96 cents and is predicted, certainly by the Australian banks, to pass US\$1.04 by the end of the year.

The national economy is slowing. The economies of our major trading partners are slowing. The International Monetary Fund is reporting for 2009 that the US economy will grow by only 1.9 per cent, and some commentators are saying it will be in recession. The European Union area is growing by 2.1 per cent. Japan is down to 1.7 per cent growth and even China, which is now becoming our major trading partner and is growing at 10 per cent, is slowing.

The environment in which this budget is being framed is very different to that which has been experienced by

this government over the last nine years. The other new factor coming into play with the framing of this budget is that this is the first budget in 16 years when the state and national governments have both been of Labor persuasion. The different political persuasions of governments have always been — certainly over the life of this state government — an issue of tension with the framing of a state budget. There has always been the opportunity for the state government to claim certain issues are the responsibility of the federal government with respect to revenue and service delivery. That option has gone. With both levels of government now being of the same political persuasion there is no longer the option, as there was previously, for the government to buck-pass. It is an entirely new environment in which our new Treasurer has had to frame his first budget.

This government has always prided itself on what it calls sound financial management. In 2000 after its election we saw amendments to the Financial Management Act. A whole range of principles of sound financial management were inserted into the act. They were things like maintaining prudent levels of debt, running budget surpluses, and maintaining a AAA credit rating. These were all areas where the previous Labor administration had failed substantially and the community knew it had failed. They were the issues that underpinned the Guilty Party campaign of 1992 and they were issues that this government knew it needed to address politically if it was to have any credibility as an economic manager. So in 2000 we saw a whole range of measures inserted into the Financial Management Act. They were broad principles of sound financial management that this government said it would adhere to in running its budgets.

One of the measures that was introduced then — not, I might add, in the legislation but in a policy position taken by the government — was to maintain a target surplus of \$100 million. That was put in place at a time when the government inherited a budget surplus of \$2 billion from the previous administration, the economy was growing strongly, expenditure had been contained and budget surpluses were large. Over the last eight years that target surplus has been maintained at \$100 million, so it has declined in successive years in real terms. It reached an absurd situation when the target budget surplus was reduced to only a fraction of a per cent of the total revenue collected by the government. It was down to under one-third of a per cent of the total collection by the government.

One of the first things the new Treasurer did on the day he became Treasurer last August was suggest that that target be changed. I recall distinctly the press

conference where his appointment as Treasurer was announced. He was there with the new Premier. Before Mr Lenders could even complete his sentence about wanting to change that target, the Premier cut across him and said there would be no change. So it was heartening to see in this year's budget that the Treasurer has got his way and that that ridiculous target of \$100 million has been replaced. The government has now adopted a target surplus of 1 per cent of revenue, which will mean that for this year with revenue expected to be \$37 billion the target surplus is \$370 million. I hasten to add that, if this same measure had been applied last year when the estimated surplus was only \$324 million, the budget for 2007–08 would not have met the new Treasurer's new targets for a surplus budget.

While I welcome the change in the target by the new Treasurer and that he has prevailed over his Premier in setting that new target, it is also worth reflecting on what the new Labor commonwealth government now has to say in respect to fiscal strategy. In the new commonwealth budget which was released a week after Mr Lenders's budget, the commonwealth also set new targets. I refer to commonwealth budget paper 1, *Statement 1 — Budget Overview*, which on page 1-4 sets out the commonwealth government's fiscal strategy. Referring to the gross domestic product (GDP), among the commitments that the new commonwealth government makes are to:

- ... achieve a budget surplus of at least 1.5 per cent of GDP;
- 'bank' rather than spend revisions to tax receipts ...

In this context I would like to consider the performance of the state government against the measures set by its new commonwealth counterpart. It would fall short on both those measures, if they were applied to the state budget. The budget delivered by Mr Lenders does not live up to the targets and strategy set by his federal colleague Mr Swan in bringing down his budget a week later.

The first issue is the budget surplus. Although the Victorian government has shifted its target from being based on a simple \$100 million, which has declined substantially in real value over the life of this government, and has now changed its surplus target to a percentage of revenue, it is still a long way from what the commonwealth is now doing in setting a target as a percentage of GDP.

The federal government estimates that this year it will achieve a surplus of 1.8 per cent of GDP. It is worth considering what Mr Lenders's new surplus will be expressed as GSP (gross state product), because for

Victoria the target surplus of \$827 million is only 0.37 per cent of GSP. If we were to apply the same test to the Victorian budget as the federal Treasurer now applies to his budget, the Victorian budget falls well short. We are far off achieving a surplus of 1 per cent of gross state product and we are far off achieving the 1.8 per cent that commonwealth will achieve. If the benchmark set by Labor governments is now 1.5 per cent of gross domestic product for the commonwealth and gross state product for the state, this budget falls well short.

The other area of interest is the commitment by Mr Swan to bank rather than spend windfall revenue. It has been a consistent theme of this government that it spends every extra dollar it collects. In the 2007–08 budget that was delivered in May of last year, taxation revenue for the current financial year was estimated at \$11.59 billion. We know from this year's budget that that figure has been exceeded substantially. It has been a recurring theme with budgets brought down by this government over the last nine years that revenue estimates have regularly been exceeded.

We know from this year's budget that taxation revenue for the current financial year 2007–08 will actually be just short of \$13 billion, so it is a windfall gain of \$1.4 billion, the actual result for this year compared to what the Treasurer forecast in the budget last year.

If Mr Lenders were to follow the strategy set by his federal colleague, Mr Swan, we would see that \$1.4 billion banked; we would see it spent on infrastructure; we would see it spent on debt reduction or paying down the unfunded superannuation liability, but instead what we have seen is it being spent. In fact expenditure for the current financial year is more than \$1.8 billion higher than what the budget forecast, so Mr Lenders is certainly no advocate of the federal Treasurer's plan of banking windfall gains: he spends them. Not only does he spend the windfall gain, he spends extra, because his windfall gain of \$1.4 billion has been exceeded by unbudgeted expenditure of more than \$1.8 billion.

If it were not for windfall gains in GST of more than \$1 billion we would have seen this year's budget in deficit rather than surplus. The challenge for Mr Lenders going forward is to sign up to the target set by his federal counterpart of banking windfall gains of tax receipts and seeing that flow through to debt reduction rather than expenditure, as has occurred every year for the nine years that this administration has been in power in Victoria.

With any budget there are two sides to it. One side is laying out the programs for the government providing appropriations for the provision of government services; the other side is a policy side related to driving the Victorian or the national economy. We have heard from the Treasurer time and again about the two-speed economy in Australia: the states with high levels of economic growth, being the resource states of Western Australia and Queensland, and the rest of the nation, which does not benefit from the resources boom, growing at a lower rate.

The Treasurer has always been proud to say that Victoria is the best of the non-resource states in terms of economic growth. We have in this budget, again in comparison to the federal budget, an interesting development because the Victorian budget is based on a growth forecast of 3 per cent growth in gross state product for the 2008–09 year whereas the new federal budget is forecasting national growth of only 2.75 per cent. Despite the Treasurer's previous comments about Victoria obviously not being a resource state and therefore growing more slowly than the resource states, we now have a situation where the Victorian Treasury is saying that the non-resource Victorian economy is actually going to outgrow the national average.

That is a very important factor in the framing of this budget, because if the Victorian Treasury is wrong and the commonwealth Treasury is right we are going to see some very different results to the budget bottom line than is produced in this budget. In regard to the Victorian government's suggestion that Victoria will grow faster than the national economy despite not benefiting from the resources boom, when this issue was put to the Premier at the Public Accounts and Estimates Committee his only defence was, 'We do not do the forecasts; we leave that to the bureaucrats in Treasury. Therefore we cannot comment on them and we cannot defend them'. That is a worrying sign for the Victorian community if two weeks after its budget the government is not willing to defend its growth forecasts when the commonwealth has come in with lower growth forecasts.

One of the key objectives of the budget, besides delivering services, is to drive the economy with which it relates. It was therefore with some interest that I looked at the Australian Bureau of Statistics (ABS) reporting on economic growth over the life of this government. *ABS Catalogue 5220, National Accounts — State Accounts* has some very telling information. Comparing the life of this government from the financial year ending June 1999 through to the last reported financial year ending June 2007 is very revealing, because the Victorian economy was the

slowest growing economy in aggregate of all the states and territories over the life of this government.

As amazing as it is, the Victorian economy over the life of this government has been the slowest growing economy. From June 1999 to June 2007 the Victorian economy grew by 57.3 per cent based on the latest ABS figures. The national economy grew by 72 per cent, and even the New South Wales economy, which is accepted as the basket case of the federation, grew by 58.8 per cent — faster than Victoria. That is an indictment on this government that Victoria, over the life of the government, has slipped to the slowest growing economy.

We have seen the same in GDP per capita, economic output per head of population. For Victoria, again over the life of this government, from June 1999 to the last full reported year, June 2007, the growth in GDP per capita was 42 per cent for Victoria; 64 per cent nationally, which obviously takes account of the boom in the resource states, but even New South Wales again grew faster than Victoria with a growth rate of 47 per cent in GDP per capita. How is it that a state like New South Wales that, as I said, is accepted as the basket case of the federation, has outperformed Victoria over the life of this government?

Another area of great concern, and the government has touched on this in the budget, is productivity. We accept that productivity growth is the key to improving the standard of living for our population. Under the life of the previous Liberal government, productivity growth in Victoria — that is, real GSP per head of employment — averaged at 2.7 per cent; that was for the seven years of the previous Liberal government. Over the life of this government — from June 1999 to the last reported financial year, 2007 — it averaged at just 0.7 per cent. Growth in productivity is one-fourth of what it was under the previous administration.

In more recent years, the last two years, we have seen zero productivity growth and a year of negative productivity growth. That is an absolute indictment of the economic policies put in place by this government. We are clearly not seeing a budget and broader policies from the government to drive the economy. When productivity has slowed to a crawl and fallen into negative territory, when the economy is the slowest growing in the nation, we are heading in the wrong direction — and something needs to change.

I would now like to turn to the issue of this year's budget and the forecasts that are contained within it. Again I go to the issue of the accuracy or otherwise of the forecasts that have been made. Last December the Treasurer

released his budget update. This was the update that looked at the expected outcome for 2007–08 and also updated the forecasts for the next four financial years. At that point the Treasury and the Treasurer were suggesting the Victorian economy for 2008–09 would grow at 3.5 per cent per annum. In making that forecast of 3.5 per cent growth the Treasurer said, ‘We will collect total state revenue of \$37 013 000’. In May this year, five months later, the budget has been produced and the Treasury has adjusted its forecasts. Not surprisingly, with the convergence of economic factors in the last five months, we have seen a downgrade in what the Treasury estimates the Victorian economy will grow at. As I said earlier, this year’s budget is now based on economic growth of just 3 per cent, so from December to May the Treasury has cut the forecast for the Victorian economy by half a per cent.

When looking at the fact that the government is now saying the economy will grow more slowly — by half a percentage point — most people would expect that reflected in the revenue estimates and in the expenditure estimates. They would expect the budget to be adjusted accordingly. If the economy is growing slower, tax revenue will flow in more slowly, GST revenue — which, of course, comes from the commonwealth and is based on sales — will come in more slowly and the revenue estimate will be adjusted downwards.

In fact what we have in this budget — as unbelievable as it is — is that as the economy growth forecasts have been revised down, the Treasury revenue estimates have been revised upwards. We see that from December through to May the revenue estimates have been adjusted upwards by \$800 million. For the 2008–09 budget the Treasurer is now estimating revenue of \$37.81 billion. This must be one of the most extraordinary economic phenomena ever to have been seen. We have a slowing economy — by the Treasury’s own estimates, which are six months apart, the economy is slowing — but revenue is nonetheless growing; taxation revenue in particular is growing. It remains to be seen whether these estimates can be achieved. In previous years time and time again we have seen Treasury estimates exceeded as growth has been equal to or above that forecast. This is the first challenging year for this government, and if these revenue estimates are not met we will very quickly see the targeted surplus of \$827 million evaporate.

In this budget we also see massive growth in expenditure. For 2008–09 expenditure is now estimated at \$36 982 million for a net result surplus of \$827 million. This surplus, as in previous years, particularly last year, is underpinned by substantial

dividends from the non-general government sector — in this case \$421 million.

It is worth noting the way in which the government has changed its approach to dividends. I refer to budget paper 4 at page 24, which sets out the government’s new policy with respect to dividends. Under ‘Forecast assumption’ it notes:

In determining the forecast dividend payments, the following two general benchmarks are used:

50 per cent of net profit after tax; or

dividends and income tax equivalent paid or payable of 65 per cent of pre-tax profit.

That has been the policy for some time. The non-general government sector, non-financial corporations and indeed financial corporations such as the Transport Accident Commission and WorkCover, have been required, in consultation with the Treasurer, to pay the dividends the Treasurer requires, and that has been generally set at 50 per cent.

We have commented previously on the delightful position the Treasurer finds himself in as a shareholder, on behalf of the government, in these corporations. He is able to dictate what dividends he would like from the instrumentalities of which he is the notional shareholder. To my knowledge there is not another corporation, certainly in the private sector, where shareholders are able to dictate to the boards what dividends they will receive. The Treasurer is in an enviable position in that regard. But this year he has elected to change the policy with respect to the Transport Accident Commission. With respect to dividends the following is stated on page 24:

The exception to this is that in the case of the Transport Accident Commission, it has been agreed that dividends will be calculated on 35 per cent of performance from insurance operations (PFIO).

Members might wonder, ‘Why do we have a sudden change in policy with respect to dividends from the Transport Accident Commission?’. The most recent annual report of the Transport Accident Commission is very revealing in that regard. Page 42 of the last TAC annual report sets out the income statement, which records the operations of the TAC — its premium revenue income, premium revenue expenses, reinsurance expenses, claims recovered, claims paid et cetera. It reports on the insurance operations as the main operating activity of the commission. Then included in the income statement is its performance from investments and its net gain of investment income. That combined produces the net profit before tax for the

corporation. It was that figure on which the dividends were taken from the TAC.

This year we will have a different scenario. Last year we had a positive result from the insurance operations and we had a substantial positive result from the investment operations — in fact, a return of \$980 million — which produced a profit before tax of \$969 million for the TAC. This year the scenario will be different. As members know, there has been turmoil in our equity markets, domestic and international, and the value of investments held by the Victorian government through the Victorian Funds Management Corporation has been diminished. It is not unreasonable to expect that when the annual report of the TAC comes out this year we will again have a positive result from insurance operations, but we will see a negative return on investments and more than likely the reported net profit before tax from TAC will also be negative.

Rather than accepting, as in the past, that that is the figure on which dividends are calculated, and therefore dividends will not be paid, the Treasurer has simply moved the goalposts. Rather than the return from investment operations this year being included in the figure from which he calculates dividends, they have been excluded. We have gone up one step on the operating statement, and now we only look at insurance operations as the basis for calculating dividends. Despite the fact that the TAC will more than likely report a net loss this year because of the investment situation, the Treasurer will still take a wad of dividends from that body by virtue of rebasing the measure on which he claims dividends.

Mrs Peulich interjected.

Mr RICH-PHILLIPS — Mrs Peulich referred to revenue greed, and that is what we see time and again on the part of this government. When the basis on which it levies a charge — in this case a dividend, or in other cases, taxes — is diminished or changed, it simply rebases them to maintain or increase its revenue base.

One of the key drivers of expenditure in this budget and in previous budgets has been the growth in employee expenses. That has been an issue over the life of the government. It is the single largest item of expenditure growth, and has averaged 7.3 per cent. We have seen a confluence of employment growth and wages growth that, year on year, over nine years has resulted in a growth in employment expenses of 7.3 per cent. Over the 2008–09 forward estimates period it will be even higher — it will be 7.6 per cent. Rather than seeing restraint of the sort that the federal Treasurer, Wayne

Swan, has been arguing for — if not delivering in his own budget — we are seeing acceleration in the growth of employment expenses. This is significant with regard to the outcome that the Treasurer expects. His \$827 million surplus is very thin in the context of what the government is spending on employee expenses over 12 months.

Comparing last May's budget with the expected outcome this year, we have seen an unbudgeted increase in employment expenses of 3.9 per cent. It would only take a 5.8 per cent increase in expenditure this year to completely wipe out the surplus the Treasurer has reported — and that assumes that revenue remains robust. We have seen a number of enterprise bargaining agreement negotiations take place. There are questions as to whether those agreements that have been concluded — in particular, the teachers agreement, which was announced in the 24 hours before the budget — have been fully funded in the budget. If they are not, we will see that flow through in yet more growth in the cost of employee expenses in the life of this budget eating into the forecast surplus.

One of the Treasurer's great boasts is in relation to tax reform, yet we have seen, from reports from the Business Council of Australia — most recently from its report *Tax Nation — Business Taxes and the Federal-State Divide*, which was released in April 2007 — that there has been a growth in both the number and base of taxes levied by state governments nationwide and in taxes levied by the Victorian government in particular. That report noted that 23 separate taxes are now levied on businesses in Victoria, and 14 of them have either been introduced or broadened by the current government. The Treasurer's claims to tax reform and reductions are hollow against that independent assessment of the growth of the tax base in Victoria.

Over the life of the government we have seen a substantial increase in tax revenue, far above the growth in the Victorian economy. In 2000–01 major tax reform was driven at a commonwealth level with the introduction of the GST and the abolition of a number of state taxes. After that the tax base stabilised, the process of abolition of taxes as agreed by the intergovernmental agreement was concluded, and it was up to state governments to drive tax reform. Since then we have seen the tax take of the Victorian state government grow from 4.6 per cent of gross state product to 5 per cent in 2007–08, with the prospect of it rising higher as we go forward. That is not the record of a government that is achieving tax reform and reducing the tax impost on business. The real share of the Victorian economy taken by Victorian taxes is growing,

and that is not something of which the Treasurer can be proud.

We have heard the Treasurer refer to the fact that following the budget the level of state tax as a share of Victoria's GSP will be lower than that of Queensland. What he does not point out, but which is obvious from the chart on page 16 of budget paper 2, strategy and outlook, is that the reason Victorian state taxes will be lower than Queensland state taxes is that Queensland state taxes are rising faster than Victorian taxes, but nonetheless Victorian taxes are still rising. The chart clearly shows that Victorian taxes will continue to rise as a share of GSP in the out years. The fact that the Treasurer's boast with regard to Queensland was made before the Queensland state budget came down shows that it was a hollow one. It will be interesting to see, once all the other states have produced their budgets, where Victoria sits on tax competitiveness. There is no point in the Treasurer being proud to say that our tax take is rising, but it is rising a bit more slowly than the other states where it is also rising. What we need is stability in the proportion of the economy that is taken in state taxes, or ideally a reduction in the proportion of state taxes, given the very strong revenue growth that the state has enjoyed from the commonwealth via the GST.

In this budget the Treasurer has announced a number of tax changes. For the current financial year, 2008–09, he has announced an adjustment to land tax that will see land tax revenue cut by \$122 million, versus what it would have been; we have seen changes to stamp duty on property transactions which will reduce revenue by \$149 million, versus what it would have been; and we have seen a change to payroll tax that will cut the payroll tax take by \$36 million, versus what it would have been had no change been made. The government is talking about cutting taxes in aggregate by \$308 million across those three separate tax changes.

What the government and the Treasurer have not spoken about is the dramatic unbudgeted increase in tax revenue for this year. This year, budgeted tax revenue from state taxes is \$13.382 billion. This is more than \$1.3 billion, in fact \$1385 million, more than the Treasurer estimated last year for the new financial year. Due to economic growth, taxes this year are \$1.38 billion more than the Treasurer said they would be when he produced his budget for last year. The fact that \$300 million is being given back to taxpayers through the initiatives announced by the Treasurer is insignificant. In total, what the Treasurer is effectively saying is, 'This year we have windfall taxation revenue of \$1.7 billion. I am going to give \$308 million of it back to taxpayers, and I am going to keep \$1.4 billion

of it for myself'. For the Treasurer to be saying that these tax changes are significant and are an important stimulant for the Victorian economy when the state tax take is going to rise by \$1.4 billion, even after taking account of the changes, simply does not reflect his words. The Treasurer is the major beneficiary of the growth in taxation revenue this year. That increased revenue is not being refunded to Victorians in any meaningful way. Less than 25 per cent of it is going back to Victorian taxpayers, despite the windfall gain compared to the Treasurer's estimates when he produced his budget last year.

As I said in my opening comments, one of the recurring themes of state budgets in recent years has been the blame game from the state government to the commonwealth government. Whenever there has been an issue of funding, particularly in the health area and on roads, we have seen the Victorian government say that it is the commonwealth's fault and that Victoria is not getting its fair share because of the Howard coalition government. This is the first budget in 16 years where both the state and federal governments are Labor governments, so there is now no excuse on a political level for the state government to be blaming the federal government for failing to fund Victoria. If there is a failure to provide funding, the failure is that of the Labor government, whether state or federal.

In previous years in budget paper 2, strategy and outlook, the Treasurer has had a chapter entitled 'Commonwealth-state financial relations'. In that chapter the Treasurer spelt out at great length how the Victorian government in his view was being short-changed by the commonwealth, particularly with respect to GST revenue. The government's argument was that GST revenue should be paid on a per capita basis, and therefore Victoria should receive just under 25 per cent of GST revenue. It was a common theme, and we had charts showing how the other states and territories were being subsidised by Victoria and how much Victoria, in aggregate, was missing out. This year that chapter has disappeared. There is no chapter in the budget papers this year on commonwealth-state financial relations. It is as if the Treasurer no longer has concerns about the proportion of GST revenue he is receiving from his commonwealth colleagues.

Mr Pakula — It is a different Treasurer.

Mr RICH-PHILLIPS — I cannot let Mr Pakula's interjection about it being a different Treasurer pass without comment. Perhaps Mr Pakula is suggesting that the new Treasurer is not concerned about Victoria receiving its fair share of commonwealth revenue. Perhaps he is suggesting that Mr Lenders is not as

committed to the task as his predecessor, Mr Brumby, the present Premier, apparently was. Or perhaps he is just admitting that the politics of the situation has changed, and what was held out as a significant issue for the Victorian government last year is of diminished significance this year due to the change of government in Canberra.

On Tuesday we heard the Treasurer say that he had dinner with members of the Commonwealth Grants Commission on Monday night. All I can say to the house is that I hope the grants commission picked up the tab for dinner because it certainly has not picked up the tab on the GST revenue and AusLink funding in this year's budget. Last year the Treasurer was strident about Victoria deserving 25 per cent of AusLink funding and deserving 25 per cent of GST funding. What we are not seeing in this year's budget is that funding being delivered. Either the Treasurer has gone silent on pushing his federal colleagues to deliver, or his federal colleagues are ignoring him and he is getting a dinner out of the grants commission but nothing more.

What we see in this budget is a continuation of the situation that existed in previous years. The commonwealth, in its budget paper 1, at page 5-29, which is headed 'Statement 5 — revenue', helpfully provides a list for the forward estimates period of the expected take in GST revenue by the commonwealth. It also provides estimates of how much will be provided to each state and territory. Surprise, surprise! We see over the life of the commonwealth budget forward estimates to 2011–12 no improvement at all in the share of GST revenue flowing to Victoria. It is at 92 per cent this year and it will be at 92 per cent at the end of the four-year estimates period. So much for this being an issue for the Victorian government, and so much for the Treasurer achieving progress on the issue. What stands out is how the state government has gone virtually silent on this issue, despite not achieving its target of 100 cents in the dollar, or 25 per cent of total GST revenue.

We see exactly the same thing occurring with AusLink funding. The commonwealth again has helpfully detailed what it is going to commit to AusLink road funding this coming financial year. The federal government has committed \$3.16 billion to AusLink funding for 2008–09. Victoria is going to receive all of \$497 million, which is just over 15 per cent. The Victorian government has failed to get the 25 per cent it believes it is entitled to, the 25 per cent it said the Howard government was denying it.

We are either seeing this government ceasing its fight because its fight was only political or we are seeing it being ignored by its Labor colleagues in Canberra. Either way, if Victoria's entitlement is 25 per cent of GST and 25 per cent of AusLink funding, as claimed by the Victorian government, the failure to provide that is Labor's responsibility. Either federal Treasurer Wayne Swan is failing to pay it or state Treasurer John Lenders is failing to secure it. Yet again we have seen this government go quiet on the issue of federal funding.

If the Victorian government is to achieve success in having its grants commission formula restructured in Victoria's favour in the 2010 review, it is going to need a more sophisticated argument than 'Victoria has 25 per cent of the population and deserves 25 per cent of the revenue' because we do not see any grant allocation from the Victorian government to the various regions or to the municipal councils calculated on population share. It is unrealistic to expect that the Commonwealth Grants Commission is going to roll over and accept that as an argument from the Victorian government when it does not implement that practice itself.

Mrs Peulich interjected.

Mr RICH-PHILLIPS — Mrs Peulich suggests that if Mr Lenders picks up the tab for dinner he may have more success with the grants commission. He is certainly going to need a more sophisticated argument than, 'We have 25 per cent of the population and therefore deserve 25 per cent of the revenue', because the government does not apply that itself in dealing with municipal governments and dealing with its own state grants programs.

The next area I would like to touch on briefly is infrastructure. The government likes to trumpet its performance on delivering infrastructure since it came to power and its infrastructure program moving forward. If the government's infrastructure program is as successful as it claims, why has the Victorian economy been the slowest growing economy of all the states over the life of this government? Why has productivity growth for the last couple of years been zero? Where is the return on the government's infrastructure investment? Why is it not flowing through to the benefit of the Victorian economy?

We are seeing the expenditure on what the government claims is an infrastructure program. We are seeing the increase in net debt — and I will talk about public sector net debt. The Treasurer likes to talk about general government debt, but the reality is that so much of this infrastructure is now being delivered off the

balance sheet through the public sector corporations that it is appropriate to talk about the public sector net debt and not just the general government sector. We have seen an increase from \$6 billion in 1999, or 3.9 per cent of GSP, to more than \$22.8 billion in 2012, or 7 per cent of GSP — almost a doubling in the real level of public sector net debt. We are not seeing the benefits from the government's claimed infrastructure program. We have the slowest growing economy, we have zero productivity growth, and we are simply not seeing the benefits.

The level of public sector net debt over the forward estimates period is growing at 41 per cent. That is not sustainable. If the Treasurer is suggesting that his infrastructure program will continue to grow at that rate in the estimates out years and beyond the 2011–12 year, it is simply not achievable. The Victorian economy cannot afford to have net public sector debt continue to grow at 41 per cent per annum. We have seen the interest expense in servicing that debt grow from \$1 billion in the current 2008–09 financial year to more than \$1.7 billion, almost \$1.8 billion, in 2011–12, which is a 72 per cent increase in debt servicing costs. Again, that level of growth is not sustainable. That is more than the entire budget of Victoria Police. The government is going to have to make some very careful decisions.

An area that I would like to touch on very briefly relates to the performance of the Victorian Funds Management Corporation. We see through the superannuation report in this year's budget papers that the value of assets managed by VFMC is going to fall. That is a reflection of the decline in equity markets. Comparing the assets under management for the last two years, we expect a decline of \$1.8 billion over those two years. At the same time as we see a \$1.8 billion decline in funds managed by the VFMC we see record bonuses paid to VFMC officers. We see an average of \$68 000 paid as performance bonuses to senior principals of the VFMC. I emphasise 'performance bonuses', because the reason given is that the VFMC is operating in a competitive market for these people and they need to be remunerated in a similar manner to professionals in the financial services sector.

What we see is that the VFMC is performing consistently with the financial markets. The VFMC over five years, three years, 12 months and the last quarter has not exceeded market performance in any of the indexes that it measures against, yet it is paying itself and its senior officers substantial performance bonuses. The members of the superannuation funds who have lost money due to the change in equity markets need to know why the VFMC officers, when

they are not outperforming the markets they measure the corporation against, are still receiving performance bonuses.

In closing, this budget is based on optimistic forecasts, and it is yet to become clear whether the government will achieve them. For the first time this government is facing a difficult environment in which it will need to get the figures right. In previous years we have seen record revenue, unbudgeted revenue and unbudgeted expenditure. We cannot afford to have that this year. Over its life the government has failed to drive the Victorian economy. We have slow growth and slow productivity growth. This budget does not offer real reform and it does not offer the leadership the Victorian economy needs as it moves into this difficult time.

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Planning: Camberwell development

Mr D. DAVIS (Southern Metropolitan) — My question is for the Minister for Planning. I refer to the government's plan announced last week to strip local communities of planning powers in activity districts or centres that often form one of the community hearts of a municipality. In this context I draw the minister's attention to Camberwell Junction in Boroondara. Will the minister guarantee that the unelected development assessment committee he appoints for Camberwell will not endorse buildings that exceed the height of the 14-storey tower he himself supported on the Henley Honda site?

Hon. J. M. MADDEN (Minister for Planning) — I welcome Mr Davis's question, but initially I want to correct his premise about stripping council powers. Let us make this perfectly clear: I am not a Maclellanesque planning minister, for a start. I am not a Kennettesque planning minister, so I do not strip powers and I do not strip authority from local government. Let me make this perfectly clear: we are working in partnership with local government to make sure that we can improve housing affordability and accessibility. The first premise is housing affordability and accessibility. We have a plan, and the alternatives in this chamber do not have a plan in relation to any of these matters.

Honourable members interjecting.

Hon. J. M. MADDEN — You do not have a plan, for starters. Can I make this perfectly clear, too: we will work in partnership with local communities. I reflect on my conversation with the mayor of Boroondara. I am

very committed and very happy to be working with the Boroondara council to make sure that we enhance its powers in relation to the planning policies in its immediate area, to make sure that what is happening in that activity centre zone reflects the ambitions and the intentions of the community but ensures that we provide for additional housing.

The problem with David Davis's proposition is that councils will still have the planning powers that they need, but the decision making will be a partnership model, as announced. The decision making will reflect the clarity of those controls. What is particularly important, Mr Davis — —

Honourable members interjecting.

Hon. J. M. MADDEN — How does that go again, Mr Davis? Just show us that one again? Thanks very much.

The critical issue here is that we will work with councils, in partnership and with a plan, to make sure that we improve the availability of housing and hence the affordability of housing. We have a plan to make Victoria an even better place to live, work and raise a family. The difficulty here is that opposition members have no plan. We will stick to ours, and we look forward to them announcing their plan.

Supplementary question

Mr D. DAVIS (Southern Metropolitan) — We always thought that open skies referred to aviation policy, but I can see that the minister will quickly give it a new meaning. Given that he plans to take these planning powers and that he will not cap tall towers at 14 storeys in Camberwell, will he cap them at 20 storeys?

Hon. J. M. MADDEN (Minister for Planning) — I made it perfectly clear to the mayor of Boroondara when I spoke to him that we are happy to work with the council on any height controls that it is seeking. We are happy to work with the council in partnership. The critical issue here is that we are happy to work with it, but it must bear in mind — and Mr Davis must bear in mind — that we need to provide more housing in this state, more housing on all fronts. That is as opposed to the Liberal opposition. They are prepared to put a ring around it and say, 'Don't come here. Don't come here to Melbourne'. That is what they would like to see. They would like to put a fence around Melbourne with a big gate and a moat and say, 'Don't come here. We don't have any more housing, and we're not prepared to provide it' — because they do not have a plan.

Honourable members interjecting.

Hon. J. M. MADDEN — We have a plan, we will continue to work on that plan and we will continue to deliver on that plan to make Victoria the best place to live, work and raise a family.

The PRESIDENT — Order! Yesterday I explained to the house that references about the government being either corrupt or having a brown paper bag policy or whatever was something I could not rule out. However, I made it very clear that referring to a minister or an individual and brown paper bags was unacceptable. I heard comments from my left about brown paper bags directed at the minister. Fortunately for that individual I did not quite get the tone of her voice.

Mr Leane — It was Inga!

Honourable members interjecting.

Questions interrupted.

SUSPENSION OF MEMBER

The PRESIDENT — Order! Mr Leane's interjection whilst I am on my feet talking to the house is totally unacceptable. I will use standing order 13.2 and remove him for 30 minutes. Anyone else who wants to go with him can — just speak up! I remind all members of the house that there are some comments that are inappropriate, and I will deal with them appropriately if I hear them again.

Mr Leane withdrew from chamber.

Questions resumed.

Information and communications technology: Australian Information Industry Association awards

Mr THORNLEY (Southern Metropolitan) — My question is for the Minister for Information and Communication Technology. Can the minister inform the house why Victoria is the home of ICT and how the Brumby Labor government supports excellence and innovation in information and communications technology industries?

Hon. T. C. THEOPHANOUS (Minister for Information and Communication Technology) — I thank the member for his question and of course for his interest in IT in this house. Last night I had the privilege of attending the iAwards, which were held in Victoria this year. These are national awards, so it was important

that they be held in Victoria and held to a high standard. I have to say that I was very impressed by the fact that there were nearly 800 people present at the awards last night. I understand that that is a record for the Australian Information Industry Association; it has never had so many people attend the awards. I should also thank the opposition for providing me with a pair to allow me to attend the awards. I specifically thank Gordon Rich-Phillips, because I know he supports these awards and having the awards here in Melbourne.

This industry is really important to Victoria. It is growing at a significant pace. Australia-wide it delivers 6 per cent of gross domestic product. That makes it an enormous industry. Its economic contribution is bigger than those of the agriculture, defence and education sectors. It is almost as big as the mining sector. ICT (information and communications technology) is an absolutely enormous industry, and it is pleasing for me as ICT minister to see that Victoria is getting a significant share of that, in that we now have something like \$25 billion of economic activity arising out of IT, and it employs about 85 000 people. This is a huge industry, and it is important to have these kinds of awards to recognise it.

I must say that we executed a bit of a coup last night. I was speaking at the awards and I indicated when I got up that I had decided that we would give a special — —

Mr D. Davis — It was a great speech, was it?

Hon. T. C. THEOPHANOUS — I don't know. Others can say, Mr Davis.

Mr Lenders — It was a great speech.

Hon. J. M. Madden — I heard it was a great speech.

Hon. T. C. THEOPHANOUS — What I want to highlight is that we took a decision last night that we would give a special award to all of those people who won in the national awards — \$10 000 each; so a significant amount — but only to the Victorians. That went across really well with the Victorians there but perhaps not so well with the winners of awards who were not Victorian! But we did this deliberately and I can tell members that it was acclaimed universally as showing once again that Victoria is prepared to go out there and promote its own people. I added during the speech, for Mr Davis's information, that of course it was also an incentive for all the winners who were from interstate to relocate to Melbourne and share in the winnings next time around.

I want to mention those winners here today as well. Melbourne business IP Payments won the start-up company award and special merit in the financial applications category for its unique approach to online payments. The company iCare Solutions of East Melbourne won the general application iAward for its web-based solution that connects clinical hardware to simplify paperwork and improve care. Carrum Downs company Stop Motion Pro won the media and entertainment iAward for its animation software that makes it possible to capture individual frames of a puppet or object. Finally, Victoria was also at the cutting edge even at the secondary school level, with Caulfield Grammar School once again taking home the iAward for a secondary student project. The department provided the school with a prize of \$5000. It was a fantastic evening, again showcasing the information and communications technology industry in Victoria to a wider audience nationwide.

Planning: development assessment committees

Mr GUY (Northern Metropolitan) — My question is to the Minister for Planning. Given that Victoria does not have an independent commission against corruption, can the minister advise the house what checks and balances will be in place to oversee the operation, management and decisions made by his new development assessment committees?

Hon. J. M. MADDEN (Minister for Planning) — I understand Mr Guy is finally interested in matters of policy.

An honourable member — It has taken a long time.

Hon. J. M. MADDEN — It has taken a long time for him to get interested in policy, and I suspect it will take a long time for those opposite to come up with their own policies. Let me just say that the announcement we made recently in terms of the development assessment committees and in terms of the principal activity zones has been wholeheartedly endorsed by the building industry. I will quote a few responses to the announcement from representatives of the industry. The Master Builders Association, which is not necessarily a great supporter of a Labor government — —

Mr Guy — We are asking about checks and balances. We are asking about transparency, about corruption.

Hon. J. M. MADDEN — I know Mr Guy does not want to hear this, because it hurts. I can understand why

this hurts the opposition, because when you develop substantial policy and complement it with a plan and with a rollout, it is going to be supported by the industry. Some of the responses were:

Today's announcement restores balance to a system which has been undermining Melbourne's livability.

That is the Master Builders Association. The Planning Institute of Australia said:

PIA is very pleased that the Premier has shown leadership on behalf of the government and has accepted all the audit expert group's recommendations and announced a range of specific actions, which are consistent with PIA's submission to the audit.

As well as that we have the Master Builders Association again saying:

The association believed the establishment of development assessment committees ... to manage building in areas of metropolitan significance will reduce planning delays and will encourage a more strategic and long-term approach to community planning.

So it has been wholeheartedly endorsed. I know that would irk the opposition. But we are very pleased to have made this announcement.

Mr Guy interjected.

Hon. J. M. MADDEN — We look forward to delivering more housing for the enormous growth occurring in Victoria in these principal activity centres. As I said yesterday, Mr Guy, I would expect the highest standards, the highest levels of governance, the highest levels of probity and the highest levels of accountability in relation to these matters. I look forward, through these announcements, to making Victoria the best place to live, work and raise a family.

Supplementary question

Mr GUY (Northern Metropolitan) — I thank the minister for his answer and ask if he could now advise the house whether the proceedings of development assessment committees will be held in public and their transcripts made available, as council meetings are, or whether they will be subject to no public scrutiny.

Hon. J. M. MADDEN (Minister for Planning) — It is interesting to note how Mr Guy is desperately trying to find a flaw in this announcement. I might even be prepared to acknowledge his interest in matters of principle or policy if he were interested in those anyway. But this is coming from an opposition that, when in government, sacked councils, appointed commissioners who could make unilateral decisions and for seven dark years had a planning minister who

was prepared to call things in on a whim and make unilateral decisions with no accountability to this Parliament. Once again we see the hypocrisy of opposition members. No wonder they are a rabble, and no wonder they are in complete disarray.

The PRESIDENT — Order! I remind ministers in particular not to debate answers. I know there has been a bit of robust questioning and interjecting going on, so I have allowed a little licence, but I would like my comments to be taken into consideration.

Agriculture: exports

Mr DRUM (Northern Victoria) — My question is to the Minister for Industry and Trade, Theo Theophanous. Is the minister aware of trends within the Victorian vegetable industry, where exports have gone down by 37 per cent in the life of this government and imports in vegetables have gone up by 19 per cent in the last financial year alone? If the minister is aware, what is he doing about it?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — First of all, I am not sure of the extent to which this matter falls within my portfolio, but I am happy to try to give the member an answer. The question of our agricultural industry is obviously a matter for the Minister for Agriculture in the other place. He has the overall responsibility for assisting that industry and making sure that it remains a vibrant industry. The responsibility for food does not rest with me or the Department of Innovation, Industry and Regional Development in any case, but I have overall responsibility for trade matters, and obviously trade includes trade in food products out of Victoria.

I might say to the member, without having directly at my fingertips the relative contribution of the food industry versus other industries in Victoria, that the agricultural industry as a whole — and the food bowl in particular — is one of our top three large exporters, the other couple being the aluminium industry, which is one of our biggest export earners at the moment, and the automotive industry, in particular Toyota but also increasingly Holden as well. Trade in food is in the top three in terms of our exports overseas, and we therefore see this as an important part of our industries and our exports.

It is an industry which has suffered in a couple of ways; in particular, because of the drought conditions we have experienced. That has had an effect right throughout Victoria and on the whole of our agricultural industry. Notwithstanding the effect the drought has had on this particular industry, I can say to the honourable member

that in terms of exports Victoria is still doing very well. We have increased our overall exports, and we have increased them dramatically in the service area, but we have held our own in the area of goods overall. We are now exporting \$31.4 billion worth of value out of the state, \$11.4 billion of which is services exports, but \$20 billion is still in the export of goods and products.

We have held that level steady despite an enormous number of challenges, including the rising value of the Australian dollar, which is causing our exporters significant issues, and the drought that we have experienced as well. Within that context we have still maintained, with some improvements — although it does fluctuate a little bit on a month-by-month basis — our exports in goods and products and we have dramatically increased our exports in relation to services.

Supplementary question

Mr DRUM (Northern Victoria) — Given that the minister has acknowledged the importance of the industry and the hardship being suffered as a result of the current drought, does the minister have any plans to help with input costs into this industry, such as the cost of water in relation to the production of vegetables, which could in fact help arrest this trade imbalance?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — Again I would indicate that my responsibility rests with assisting businesses to be able to get export capability out of regional Victoria. In that context, the member would have noticed that yesterday I indicated that we were establishing a new Industry Capability Network office in Wodonga, which will deal with the Hume area coming down as far as Shepparton, and which is designed to assist local businesses, including those in this sector but also those right across industry, in putting together the sort of package they need to put together in order to be effective exporters. That is the role of my department, and that is my role in particular.

In relation to the direct question which the member has asked me about water subsidisation schemes, that is not an area of responsibility which I have, but I recognise that these are significant issues for the industry. We will continue to work with the industry, including through our new office in Wodonga but also through our broader network, to help local businesses to more effectively export. Again I would suggest to them that, if they wish to have assistance from my department on export issues, they should contact one of those offices.

Victorian government business office: Malaysia

Ms DARVENIZA (Northern Victoria) — My question is for the Minister for Major Projects, Mr Theophanous. I ask the minister if he could update the house on any recent announcement that will help attract international investment from South-East Asia to Victoria.

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — I thank the member for her question and her interest in these areas. I was pleased to announce with my colleague the Minister for Education in the other place, Bronwyn Pike, who was in Malaysia for the announcement, the opening of a new Victorian government business office in Malaysia. This will bring the number of worldwide offices that the Victorian government has to 12 — they include London, Frankfurt, San Francisco, Chicago, New York, Hong Kong, Shanghai, Nanjing, Dubai, Tokyo and Bangalore. We are very pleased with the announcement about this Malaysian office.

It will be a very important office. Just by way of background, we went through a process of trying to decide where we would be best positioned to put an office in South-East Asia. There were a number of possibilities with some emerging markets, particularly in Vietnam and Thailand, but ultimately we decided that the best place to position this office was in Malaysia. We already have a large set of arrangements with Malaysia. The house may be interested to know that there are 7600 Malaysian students studying in our education system already, that Monash and Swinburne universities have also established campuses in Kuala Lumpur and that we are building very much stronger links with Malaysia as a result. The decision to open the VGBO (Victorian government business office) will help us maximise the benefits flowing from the continuing strength of the economies in the South-East Asian region.

I might say more generally that this VGBO network has been a success from the point of view of the Victorian government. It was supported by the previous government as well. Success is not just about the reach of all these offices; we also monitor the success of each of our overseas offices, and I can say that in an overall sense in 2006–07 the VGBO network supported 32 industry capability networks and trade missions and delivered an estimated \$300 million of export opportunities for Victorian companies. Beyond that, the VGBO network was central to attracting into Victoria about \$3.5 billion of investment in 2006–07, and through that network and investment activity we estimate that 8000 new jobs were created in Victoria.

This is part of our strategic approach of reaching out to the rest of the world and having commercial engagement with the rest of the world.

I also think it is a means for us to reach out to the rest of the world in a whole variety of other ways to engage at cultural and other levels, given that we have such a multicultural society here in our state. Melbourne is one of the best places in the world to live, and we want that to be known and we want to use that to also attract investment and create new job opportunities.

State Coal Mine: restoration

Mr VINEY (Eastern Victoria) — My question is for the Minister for Environment and Climate Change. Can the minister inform the house of how the Brumby Labor government is preserving our history and enhancing our natural assets in South Gippsland?

Mr JENNINGS (Minister for Environment and Climate Change) — I thank Mr Viney for the opportunity to talk about the support of the Brumby government for the community in Wonthaggi and the importance of coal to that community, as is represented by the State Coal Mine. The Brumby government recognises the value of the State Coal Mine in Wonthaggi in terms of its history, its community participation, its tourism attraction potential and its importance to the Wonthaggi community. We have supported that in a very tangible way by providing \$1.5 million of a \$3.4 million redevelopment of the State Coal Mine in Wonthaggi, which I am very pleased to say falls under the responsibility of Parks Victoria, one of the agencies that works with me.

William Hovell found coal in the region in 1826, but in fact the prospected nature of the black coal reserves in Wonthaggi was not called upon and mined until 1909. The government is intending to mark the 100-year anniversary of the opening of that coalmine in a very specific way in a celebration that will see the culmination of the work that is going to be commissioned to reopen the mine shaft to enable tourists to go back into the mine, and this will be a more inclusive and engaging activity.

Under the \$3.4 million program the government estimates that 70 people will be employed in the redevelopment, in landscaping, in the redevelopment of the facility and in building better infrastructure to reopen the mine as a tourism attraction. Seventy people will be employed. We anticipate 100 volunteers joining a great community effort to make this redevelopment occur. This is nowhere near the number of people who were formerly employed at the coalmine. In its halcyon

days 1800 people were employed there. In the Great Depression somewhere in the order of 660 000 tonnes of black coal came out of this mine on an annual basis. But black coal, whilst it has high utility in other jurisdictions, is not used much within our jurisdictions because demand for it had been driven primarily by steam trains in Victoria. They were the prime driver of the demand for black coal, and as all members of the Victorian community know, brown coal is now used in our electricity generation.

Whilst we do not actually want to call on our commitment to use black coal again, we certainly want to recognise the importance of the State Coal Mine to the city of Wonthaggi and to the local regional economy as a driver of tourism activity. We want to build on the 20 000 annual visitors we have to the coalmine now and make it a centre of attraction to people coming into the community in the years to come. It is consistent with the commitment of our government to support regional communities. Indeed, over \$398 million has been used through the Regional Infrastructure Development Fund under the auspices of my colleague in another place, the Minister for Regional and Rural Development, Jacinta Allan, to support over 170 projects across regional Victoria, and those funds have leveraged over \$1.1 billion worth of economic activity.

Mr Drum interjected.

Mr JENNINGS — Mr Drum has heard that, because obviously he knows the importance of that work in communities right throughout Victoria. Regional development is a very important priority of the Brumby government. In this case we are very happy to provide tangible, meaningful support to the redevelopment of the State Coal Mine in Wonthaggi to support the community and to preserve our rich natural heritage and the heritage of the region in the years to come. We look forward to that redevelopment and the 100th anniversary of the State Coal Mine in Wonthaggi next year.

Water: desalination plant

Mr O'DONOHUE (Eastern Victoria) — My question without notice is also to the Minister for Environment and Climate Change. The environment effects statement (EES) for the proposed desalination plant at Kilcunda and the commencement of works on the site are taking place concurrently. I ask: has the decision about the location, size and scope of the desalination plant not already been made, making the EES process an irrelevant sham?

Mr JENNINGS (Minister for Environment and Climate Change) — Mr O'Donohue has joined a line of people who have tried to put the proposition to the Minister for Planning previously and my ministerial colleagues now. Finally the question has actually come to me, but it is one in a series. In terms of the response by my ministerial colleagues and in terms of my response, whether it is put to me in this chamber or in the public domain, my interest and the interest of the government is to make sure the appropriate approval processes and environmental effects are measured and delivered. From my vantage point it is very appropriate for us to test rigorously within the EES (environment effects statement) process any environmental effects that need to be accounted for and need to be addressed in relation to the development proposal.

I reject the assumption that is embedded in Mr O'Donohue's question — that in fact it is a mutually exclusive proposition and inconsistent with an EES process that you can actually test by having the appropriate degree of scale and engagement in terms of testing environmental effects and engage in works under an approved environment management plan. It is not necessarily a feature of EES processes, and my colleague the Minister for Planning has explained that on any number of occasions. Indeed, the proponent, the Minister for Water, has explained that on any number of occasions. I accept that in fact it is not mutually exclusive and that a rigorous EES process was not compromised by the degree of activity that has been engaged in on the site up until now or in the community-engagement issues.

From my vantage point I will be acutely interested in the outcomes of the EES to make sure it accounts for any statutory responsibility I actually have or any effects on environmental values that require either management or mitigation to prevent the proliferation of those environmental issues. I am very happy to be engaged in that process. I am very happy to act in accordance with whatever advice is obtained in relation to assessing environmental risks. I have confidence in the EES process that is being undertaken by the proponent, which will subsequently be assessed by my colleague the Minister for Planning.

Supplementary question

Mr O'DONOHUE (Eastern Victoria) — I note the minister's comments. Does he stand by the comment he made with regard to the proposed site, as reported in local South Gippsland media, that 'If it can be shown to be wrong, then another site will be chosen.'?

Mr JENNINGS (Minister for Environment and Climate Change) — I have not actually seen that report of that specific quotation. In my memory I have never given such a literal, direct quotation, but whatever response I have given to local media is totally consistent with the substantive answer I have given to Mr O'Donohue.

Agriculture: government initiatives

Ms TIERNEY (Western Victoria) — My question is for the Minister for Planning. Farming families in regional and rural Victoria have been faced with various challenges over recent years, ranging from drought and climate change to increasingly competitive overseas markets. I ask the minister to inform this house how this year's budget responds to the planning challenges faced by the farming and agricultural sector.

Hon. J. M. MADDEN (Minister for Planning) — I welcome the member's interest in this issue, particularly because she represents a significant part of regional Victoria and has a particular interest in these matters.

The 2008 announcement more recently around the \$205 million Future Farms strategy was a very significant announcement by the Premier and the Minister for Agriculture because it shows this government's commitment to rural and regional Victoria. We know that stands in stark contrast to former governments. There were former governments which closed 178 country schools and it was a former government which closed 12 country hospitals and 6 country rail lines. This government believes in regional and rural Victoria and is committed to it. We know there are other parties which believe in a lot of things, but we also know they do not believe in planning. We believe in planning and in committing to that planning and ensuring that we support not only the growth of Melbourne but planning for rural and regional Victoria.

As part of that we worked very closely with local governments in regional and rural Victoria to ensure that, when we made the translation of rural zones to farming zones, that complemented the need for productive farming land in rural Victoria. It is important because we have heard from The Nationals today about their enthusiasm for the vegetable industry. We have an enthusiasm for that because we want to maintain productive agricultural land. There have been issues no doubt with some of those local governments about how they made or failed to make that translation, so we needed to make that translation on their behalf.

As part of the Future Farms announcement, we have committed \$3.79 million over four years. It has been allocated to formulating a regional strategic planning group to work with local government and local communities to make sure that we can complement the needs of farmers, but also complement the needs of farmers in difficult times because in difficult times some of those farmers look to other uses for their farms.

The great risk is that we may lose productive farming land forever through farmers suddenly wanting to take the opportunity to develop their land for uses other than productive farming. We have to acknowledge and work with local communities to find complementary uses for the farms so farmers not only maintain their productive farming land and the virtues of that but also find other streams of income if they need to do that in a complementary way to the needs of not only the individual farmer and the local community but also more broadly all of Victoria and the productivity that needs to take place in relation to farming and productive land.

I look towards The Nationals as I say this, because this is a question I might have expected from The Nationals, but it has not been forthcoming. Like the Liberal Party, it does not seem to have a plan around planning either.

We know that the opposition is divisive and exclusive. We are a party of unity and inclusion. We practise unity and inclusion in partnerships, but we know other parties in this chamber not only prescribe division; they practise division as well. I look forward to working with local communities, particularly in relation to strategic land use — —

Mr Guy — I don't think Victorians can take much more of you lot.

Hon. J. M. MADDEN — I take up Mr Guy's interjection and look forward to his being the Leader of the Opposition in this chamber in the near future.

The PRESIDENT — Order! The minister may well want to take up the interjection, but it does not impress me. Earlier in the day I alerted all ministers to the rules about debating answers. Members know the rules covering answers during question time. I ask that they adhere to those rules. They should try to control their rage just for a moment and get on with it.

Hon. J. M. MADDEN — We will work very closely with local communities in rural and regional Victoria and local government to make sure that we add value to what productive land can and will do in the future and to assist farmers through this strategic working group and through the funding we have

allocated to make sure that we continue not only to maintain the productive agricultural land use for the longer term but also to complement the existence of farmers on that farming land going into the future. That will not only mean that they can be productive in terms of their farming but ensure that rural and regional Victoria is an even better place to live, work and raise a family.

Environment Protection Authority: community liaison committees

Ms HARTLAND (Western Metropolitan) — My question is for the Minister for Environment and Climate Change. I would like to congratulate the minister for meeting with residents from Tullamarine and Lyndhurst, but I was surprised to read in the *Sunday Age* that in fact the Environment Protection Authority wanted to put gag orders on the two community groups in relation to the community liaison committees. I have spoken to Kaylene Wilson from the Tullamarine group this morning, and she confirms this. Can the minister explain why people on a community liaison group are being asked to sign confidentiality orders in regard to the community liaison organisation?

Mr JENNINGS (Minister for Environment and Climate Change) — I thank Ms Hartland first of all for recognising that I met with the residents. She did not say that we took the opportunity at that engagement to announce that the landfill site was not going to receive any more waste at all. In fact the site is going to be closed. We are talking about a process by which we have an ongoing involvement of the community in dealing with the decommissioning issues to make sure there are appropriate environmental measures in place to ensure that the restoration and rehabilitation of the site is undertaken in a satisfactory fashion, that there is community engagement about monitoring broader environmental effects in the area and to account for some ongoing community concerns in relation to environmental health matters that were raised in the context of that meeting and have a history of having been raised for a very long period of time.

The government is interested in the after-care of this site and the after-care of the community in the context of closing the landfill location. Let us be very clear about that. The government and the agencies that work for me, in this instance the Environment Protection authority (EPA), have an intense interest in accounting for all the issues I have described and to do it in an engaging way. That was the offer that was made, and it is an offer that continues to this day.

The form of community engagement process by which we want to make sure that the owner of the site discharges its responsibility involves the community in an appropriate and inclusive fashion. It includes the most strident representatives of the community, who, as members well and truly know, are the people who are most knowledgeable and passionate about this issue. They are not to be excluded but encouraged to participate in the process. The notion that the community engagement mechanism has been designed to exclude the most vocal, knowledgeable and committed members of the community from this process is an erroneous accusation or implication in what has been put to me. I want to put that issue to rest because this is a process to make sure that the EPA and other agencies account for the range of issues I have described.

Within the context of this community engagement process going forward, all community engagement processes one way or another have a degree of formal or informal arrangements and acknowledgements about the way in which committees are going to relate to one another. The issue that has raised prominence in the newspaper report and may have been interpreted as a gag is not a gag and was never a gag. No-one intends it to be used as a gag. The proposition that has been explained to me — and people have been made to account to me in relation to this issue — is that clarity is being sought about how either commercial information or other information that comes into the committee may be used in the public domain. It is to ensure that there is an understanding of how information is going to be used and clarity about who is authorised to speak on behalf of the committee, as distinct from people exercising their individual rights to pursue any issue that they like.

The individuals who have been most concerned about this purported gag are encouraged to continue to participate and to express their points of view as individuals or representatives of outside bodies in any shape or form that they want to. In terms of the issues that will be considered by the committee, there will be some understandings reached about the way in which information that is shared there will be used and who will represent the interests of the committee. That is all; that is the process that has been worked through.

Supplementary question

Ms HARTLAND (Western Metropolitan) — I say to Mr Jennings that in all the years and all the committees that I sat on with the Environment Protection Authority, as ineffectual as they were, I was never, ever asked to sign a confidentiality clause. I am

surprised that he is doing this. I am happy to acknowledge the work that has been going on at Tullamarine and happy to acknowledge the minister's role at that meeting, but I am extremely surprised that he is doing this.

The PRESIDENT — Order! Ms Hartland knows the rules about debating. I ask her what her supplementary question is.

Ms HARTLAND — What does the minister intend to do about removing these gag orders from these committees?

Mr JENNINGS (Minister for Environment and Climate Change) — This is not a dispute about whether the member interprets the validity of my answer. The validity of my answer means that the supplementary question is based upon a false premise, because this is not an attempt to gag any member of the community in relation to their pursuing interests they are concerned about, knowledgeable about, passionate about and committed to achieving. What this is about is a protocol and understandings within a committee about how information should be shared and who has the authority to speak on behalf of the community engagement committee.

Hospitality industry: patronage

Mr ELASMAR (Northern Metropolitan) — My question is to the Treasurer. Can the Treasurer inform the house about the contributions the hospitality and restaurant industry provides to the Victorian economy, and in doing so can the Treasurer inform the house about recent events that may have boosted the local restaurant industry?

Mr LENDERS (Treasurer) — I thank Mr Elasmarr for his question. As we know, the accommodation, cafe and restaurant industry is a very significant part of Victoria's economy. In addition, about 36 per cent of that revenue comes from tourism, and tourism is something on which this government has spent \$350 million over the life of this government. It employs 150 000 people, and it now contributes \$11 billion a year to the economy. But the other 64 per cent of the restaurateur industry revenue comes from domestic use. We need to understand that it comes from domestic use. Last night 17 members of this Parliament did their bit to boost domestic use in a restaurant.

Mrs Peulich — On a point of order, President, I suspect that the Treasurer is going to be using this particular question without notice to enter into a party-political debate and that — —

The PRESIDENT — Order! The member cannot raise a point of order based on something she suspects.

Mr LENDERS — In response to Mr Elasmar's question about any specific instances that may have boosted the restaurant industry, I will use this as an example. Last night 17 members went to a restaurant, the Saigon Inn in Liverpool Street, Melbourne, to have a meal. Of the 99 items on the restaurant menu, 3 were served on skewers. If we are talking about boosting the restaurant industry, people who are in fear of their political lives should not go into restaurants that use skewers. Three items on the menu had skewers. Another item, no. 26 on the menu, was combination soup.

Mr D. Davis — On a point of order, President, this is clearly a matter that the minister is debating. It has nothing to do with the restaurant industry, and I ask you to rule him out of order.

The PRESIDENT — Order! I have to say that everything I have heard to date suggests it is everything to do about the restaurant industry. I am not sure where we are going with it, but I will give the Leader of the Government a little licence. I am hoping he will get to the point and establish a connection with the question.

Mr LENDERS — Mr Elasmar asked me about what we could do to boost the restaurant industry. I think the menu at the Saigon Inn in Liverpool Street is important. If we are to boost clientele, it is important that I briefly go through the menu. Item 26 on the menu is combination soup. A combination of people coming together in harmony, groups of people coming together, will add to the patronage of a restaurant. Combination soup is another item on the menu. I will only go through a few more items on the menu. I will not go through the stuffed dishes on the menu; that might be provocative. The menu concludes with a series of banquets. Some banquets are designed for one person — not conducive to increasing crowds in restaurants.

Mr P. Davis — On a point of order on the question of relevance, President, the question to the Treasurer is a matter for the Treasurer to respond to in relation to government policy and administration. This is not a circus and the Parliament should not be demeaned in the way that the Treasurer is demeaning it at the present time.

The PRESIDENT — Order! I agree with Mr Davis. I ask the Treasurer to make his comments relevant to the question asked — I think the point about

government business and administration was made — or wrap it up.

Mr LENDERS — In relation to government business, the Minister for Tourism and Major Events expends money every year to encourage tourism and encourage use of our hospitality industries and the things that are necessary to get more Victorians to support these integral small businesses. President, I heed your point, but I will conclude on the menu by saying there is a series of banquets generally for one, two or four people. It is a pity there were not any for 20. It begs the question: if there were 17 people dining with the Leader of the Opposition in the other place, Mr Baillieu, at this restaurant last night, where were the other 21? Where was Mr Mulder? Where was Mr McIntosh? Who was dining with him?

The PRESIDENT — Order! That is as close to flouting my ruling as the minister would ever want to get, and I will rule that last part out of order.

Supplementary question

Mr ELASMAR (Northern Metropolitan) — On a supplementary question —

Honourable members interjecting.

The PRESIDENT — Order! I remind Mr Elasmar that, although he is in fact entitled to ask a supplementary question, he should be careful.

Mr ELASMAR — Can the Treasurer inform the house who attended the dinner?

SUSPENSION OF MEMBER

The PRESIDENT — Order! Some people learn a little more slowly than others. I will use standing order 13.02 to remove Mr Elasmar from the house for 30 minutes.

Mr Elasmar withdrew from chamber.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Treasurer) — I have answers to the following questions on notice: 1383, 1479–1537, 1758, 1975, 2056, 2064, 2069, 2098, 2099, 2163–68, 2195, 2210, 2213, 2237, 2307, 2314, 2315, 2341, 2342, 2397, 2410, 2593, 2633, 2703, 2753.

Sitting suspended 12.57 p.m. until 2.03 p.m.

BUDGET PAPERS 2008–09**Debate resumed.**

Mr EIDEH (Western Metropolitan) — When the Premier in the other place appointed the Leader of the Government in this house, John Lenders, as the Treasurer of Victoria, that was a very important decision. History was made on Tuesday, 6 May, when a member of this house addressed the other house to hand down the 2008 budget, a budget that will go down in history as one with a great vision for the future, with concern for the growing population of Victoria and as one of the most financially responsible documents in the history of our state. I congratulate the Treasurer, John Lenders, for his professionalism in preparing a budget that cares for all sectors of Victoria's diverse communities. In particular I thank him for paying attention to the needs of the people of the Western Metropolitan Region.

This community in my electorate has often been the most neglected and the most in need, due to higher unemployment and greater problems than, with respect, any electorate in Toorak or South Yarra. But it is also an electorate with a number of growth corridors, such as Craigieburn. The Treasurer has recognised this, and over \$30 million will go towards an additional railway track to significantly improve public transport in that growing area.

In Melton, which is working hard to become the growth centre of Victoria, the Bacchus Marsh Primary School will receive \$6 million to completely upgrade the entire school. This is just one example of the Brumby Labor government's commitment to education and its commitment to the west, and I thank the Treasurer for having the foresight to consider the needs of primary schoolchildren in that community.

In Sunbury some \$14 million will go towards a day hospital. In Sunshine we were fortunate in the 2007 budget when \$20 million was allocated towards the redevelopment of the Sunshine Hospital. Now a further \$73.5 million has been committed to extend that development. This will mean a great deal to the people in the west, who will benefit from having a modern hospital where service delivery is an important priority.

This budget, the first of many to come for the Treasurer, has cut taxes for first home buyers and introduced other incentives to make home buying far more affordable. I am particularly impressed with his support for first home owners in regional communities. He has offered even more support to people who are

seeking a lifestyle in rural Victoria, and I am certain The Nationals will support this brilliant move.

People in my electorate will applaud the tax cuts for first home owners and for businesses, which will see them receive extra support from a government that understands the important part that business plays in Victoria's economic growth. As the budget shows, Victorians will benefit from \$1.8 billion invested in further improvements to public transport and the road network, over \$800 million in schools and over \$700 million in hospitals to not only further improve services but to slash hospital waiting lists.

There will be major investment in additional police, a new prison, \$185 million to improve ambulance services and almost \$180 million just for maternity services, child care and kindergarten. But there is also an amazing sum of almost \$300 million towards climate change initiatives. Only a few weeks ago the Premier held his special meeting on climate change; this is one step towards the future health of our state.

WorkCover premiums will be cut for the fourth year in a row, a further boost to business growth and security, but also a recognition of how much we have all achieved in making Victoria a safer place in which to work, live and raise a family. In that area the often-maligned union movement deserves some praise for its unswerving commitment to safer workplaces for Victorians.

This budget takes into consideration what Victorians need and what we can achieve together. It is a budget that will further strengthen Victoria's position as the leading state in this nation. It is my honour to commend the government and the Treasurer for bringing to the people of Victoria a budget that is a budget for all Victorians.

Mr HALL (Eastern Victoria) — I welcome the opportunity to speak on the budget papers for 2008–09. By way of a general comment, let me say that I find budgets being delivered by treasurers — whether in state or federal Parliament, by coalitions of conservative governments or by Labor governments around the place — something of a let-down. We all wait with anticipation to see what new things might be in the budget and how we might benefit from it, but invariably people are let down. Some people will rub their hands together when something might personally affect them, but there are a whole lot more people who are invariably left disappointed. It does not matter what government it is: people are left disappointed because their needs have not been met from the budget of the day.

In my view this budget was no exception to that general description. It was a bit of a let-down, and I do not see many important initiatives which will help the sectors of our community which I think are in most need. In terms of exceptions in the budget, it had nothing of any great excitement. A lot of people were disappointed because it contained no grand vision for the future. It also provides for increasing debt.

However, I am always the first to acknowledge something good if there are good things in the budget, and there were pockets of excitement after the release of the budget papers. There is funding for a couple of schools in my electorate, including Alberton Primary School and Maffra Primary School, which is the subject of a good sized grant for its refurbishment. However, I point out that it took the government a little while to work out which school it was — whether it was the Maffra Primary School or the Maffra Secondary College. Initially those at the Maffra Secondary College were jumping for joy, only to be let down a few hours later on budget afternoon when they were told that the press release should have assigned that amount of money to Maffra Primary School rather than Maffra Secondary College.

I am sure the government will claim there are significant funding initiatives in this budget, such as some new health facilities or new schools around the state, but invariably people feel let down because their particular project has not been incorporated in the budget for the current year. I know you cannot please all of the people all of the time, but the government should be setting out some vision and rational plan, and I do not see that in this budget. I do not see any evidence of it in statements made by government members.

In the time I have to speak on the budget this afternoon I will not give an analytical description of the budget and talk about all the different revenues and expenditures and make some comparisons. I have picked out four or five topics on which I want to make some general comments. Invariably these are areas in which the government could do and needs to do better.

One area I have been quite passionate about during my time in this chamber is that of carers in the state of Victoria. Of any group of people I have ever had the opportunity to meet, talk with, mix with and learn about, I think carers have the hardest job in the world, particularly those who look after disabled people in their homes. I see so many parents who go through a lifetime of caring with little support from government generally, or at least inadequate support from government. This budget is no exception to that

category, because there was virtually nothing in the budget for carers.

I noted a comment in the *Gippsland Carer*, a newsletter published by the Gippsland Carers Association, of which I am a member, so I put on record my pecuniary interest. In its May-June newsletter the editor states:

But not a single new bed will be funded for people with dependent disabilities on wait lists for urgent supported accommodation ...

It is reprehensible when across Victoria at present there are 1600 people on the urgent waiting list, and I know the needs in Gippsland are unmet. If the government were a caring government, it would do some of the less sexy things — that is, provide some support for people with disabilities. Even the federal government budget was a major disappointment in that it provided precious little for those in our community who are most deserving, they being the carers and the people who are being cared for. That was a big disappointment with this budget. I put on record that I do not think this government has done enough to meet the needs of people with disabilities.

I want to move on and talk a little bit about transport. I will talk about train services in country Victoria — —

Mrs Coote — Or the lack of.

Mr HALL — Or the lack of train services, as Mrs Coote mentions. I also want to speak about some of the roads which are under the umbrella of the transport ministry and are contained within this budget. One of the great disappointments suffered by the South Gippsland section of my electorate was the fact that the government failed to deliver on a pre-election promise — that is, to return rail services to Leongatha. An editorial comment under the heading 'ALP's empty promise' appeared in the Leongatha-based *Great Southern Star* of Tuesday, 6 May. It states:

So this is all we deserve.

Getting on for a decade after the ALP first announced it would be returning rail to Leongatha, the state government finally announced it would renege on the deal.

Just a few casual lines at the bottom of a Friday afternoon press release is the sort of gutless manoeuvre that has become the calling card of the Victorian Labor Party machine.

They didn't even have the decency to send the minister down the highway to tell us the news in person.

Steve Bracks was swept to power promising — among many other things — to reopen the rail lines closed by Jeff Kennett.

We now know that Mr Bracks and his successor, John Brumby, never intended to honour that pledge.

The Spring Street spin merchants were happy to lie to win a vote and just as happy to throw that lie back in the face of South Gippslanders.

...

As Kevin Rudd pledges to bring a 'new order' of trust between politicians and the public, Premier Brumby ensures that people in South Gippsland, at least, have good reason to think governments are lying, cynical and dishonourable.

...

It is time to move on from the train issue and make the most of what we have got.

But whatever happens from now on, the state Labor government will never again have the trust of voters in South Gippsland.

They are some pretty strong statements. I read a large part of the editorial, but I would say that feeling is strong throughout much of regional Victoria. The people on my left, on the government benches, should not be offended by that, but they should take note of those comments, because there is a lot of ground that the Labor government as a government needs to make up if it is to win the further trust and confidence of country Victorians. The people of South Gippsland seemingly now have no chance of getting that rail service returned. I think the government announced something like \$14 million towards improving bus services to the region.

I also point out that the costing for a return of the rail service has now been released. It was of the order of \$70 million to reopen that line to Leongatha, so the people of South Gippsland have been short-changed. This government gave a \$70 million promise to that region and is now delivering, at best, \$14 million in a form less preferred by the people of that electorate. Again, it is a broken election promise, and that is how the people of South Gippsland people feel about it.

I also want to make some mention of country V/Line services. Some members may not know that you are allowed to take a pet on a Met train, but you are not allowed to take a pet on a country train.

Mrs Coote — Except seeing-eye dogs.

Mr HALL — Seeing-dogs are allowed, but no other pets. Whereas once country people could put a pet in a cage and have it secured in the guard's van of the train, that is now no longer possible. For the same reason, people are unable to book their luggage onto trains in country Victoria. At one time elderly people who were carrying suitcases to Melbourne or beyond were able to book their luggage into the train and have it cared for in the guard's van of that train. Now, because of the

V/Locity trains and the Sprinter trains that access those lines, people are not able to book luggage through.

Recently a group of active older aged people from Morwell and Moe came to me and said, 'Forty of us are taking an excursion to Adelaide. We have luggage'. These are older people. They have luggage to take with them. They can book it on the train going from Melbourne to Adelaide, but for the stretch of travel between Morwell and Moe and on to Melbourne those elderly people have to lug those suitcases in themselves and virtually sit on them and guard them in the train. There are no facilities on this new train to take people's luggage and store it in a safe manner.

In terms of services, I am the first to acknowledge that I have received some positive feedback on improved V/Line services in country Victoria but I have also received a lot of negative comment as well. I have just mentioned two examples of that. I have a letter in front of me from Mrs Doreen King, of unit 73, Yallambee, in Traralgon. She is a grandmother who tells of her 16-year-old granddaughter being directed to the wrong platform at Flinders Street station. She and about 30 others who were to travel on the Gippsland line were directed to a platform from which the train would pick them up; however, the train arrived at a platform on the other side of the station. The people did not have time to get from one platform across to the other and they missed the train. It was the 6.30 p.m. train leaving Melbourne, the last one for the night, and because those people were directed to wait at the wrong platform, they missed the train. I know that the V/Line people are well meaning and try to do well, and I have the utmost respect for the V/Line managers across the Gippsland region, but these are the sorts of things that are happening, and they should not happen. The government should be looking at effectiveness and efficiency and whether V/Line services are meeting the needs of those country people. In some ways they are, but in a lot of ways they are not, and there are many things that could be improved in that regard.

I want to talk about roads because roads are the important arterial routes through country Victoria. We have very limited public transport services so most country Victorians rely on their own motor vehicles for transport. There has long been a campaign to see some further duplication of the Princes Highway eastwards. At the moment it is duplicated between Melbourne and Traralgon. There is some issue about a bypass at Traralgon. Planning has been discussed and almost decided upon in respect of the route, but it was promised by both federal and state governments that the next part of the duplication would be between Traralgon and Sale.

Given what we have seen in the federal budget and the absence of any specific mention in the state budget, we see no further duplication funding on the horizon for that particular road. I might add that before the federal election both sides of politics — that is, the federal coalition and the federal Labor Party — promised \$160 million towards the start of that upgrade. Neither the federal Labor government nor this state Labor government has put any money at all on the table. With respect to the duplication of Princes Highway east, the government is dragging its tail.

I mentioned during the week on the adjournment that I travelled the Great Alpine Road on Friday of last week and noted that some road improvements have taken place — all with the \$6 million promised prior to the 2004 federal election. There has been precious little funding since. The needs there are still great. There still needs to be a lot of money spent to improve that major tourism link between the north-east and Gippsland. I might also add that the Omeo Highway is highway no. 1 in Victoria, because it was the first declared highway, but there are still about 24 kilometres of that highway unsealed. Local people and local councils have been talking for years about trying to secure some funding to seal the remaining 24 kilometres of this road. Why is it important to seal? First of all, it provides a safer surface for people to travel on.

A second compelling reason for it to be sealed is the fact that people who hire vehicles, as part of the hire conditions, are not allowed to travel on unsealed roads. We are missing a lot of tourism traffic which could circumnavigate much of Victoria — start in the east, head west and then north across the top of Victoria through the north-east and back down to Gippsland. There is only one route that will take you that way, and that is the Great Alpine Road. The more popular and scenic outback, and I might add, lower level route, is the Omeo Highway itself, so there needs to be a commitment from government to get that road sealed. It has been suggested that it could cost as little as \$5 million to put a surface seal on that road, which has been established for over 100 years now. It does not seem to be an extraordinary amount for the people of East Gippsland to be asking for, particularly considering the main service that they ask of government is decent roads.

I could apply the same argument to the Benambra-Corryong Road, which is also an important link between East Gippsland and the north-east of this state. Something like 70 kilometres of that road is unsealed. The estimated cost of sealing it is something like \$15 million. I know that these are big chunks of money, but we see no plan in place for this

government's works program on roads around Victoria from one year to the next, and it is a disappointment to see this budget with no current or future commitments to those projects. That is pretty disappointing for the people in that area.

I want to talk quickly about the Regional Infrastructure Development Fund. The fund comes under the portfolio of regional and rural development, and at page 145 of budget paper 3 there is an output summary table, table 3.4, that shows that under the skills and workforce participation program the 2007-08 budget was \$1755.9 million compared with the current figure of \$1690.1 million. There is a decrease in funding in the areas of skills and workforce participation by 3.7 per cent.

This government talks about education being the no. 1 priority and about the need for improving skills and upgrading skills in the workforce around the state, but how can you possibly achieve that with a reduction in funding for the vocational training which is required to meet the objectives of skills and workforce participation? This is disappointing and illogical on the part of the government. It is decreasing the budget allocation for a particularly important field in Victoria — that being skills and workforce participation.

There are tables on pages 152 and 153 of budget paper 3 which set out the amounts allocated for different areas under the Regional Infrastructure Development Fund and the amounts expended in those areas in previous years. As my colleagues Mr Ryan, the Leader of The Nationals in the other place, and Mr Drum have pointed out in the past, what this government promises and what it delivers are vastly different.

If you look at the budgetary outcomes over the nine-year period since the Labor Party came to office in this state, you will see that the total of announced expenditure for those nine years in budgets like the one delivered a couple of weeks ago has been \$580.7 million. If you look at how much of that money has been spent over that nine-year period, you will see that it is only \$276.5 million. There is a difference of over \$300 million in those figures. I know the government will say that you need lead-in time for projects. Yes, you do, but this data is taken over a nine-year period. For there to have been less than 50 per cent of the allocated budgetary money spent on particular projects is a pretty poor performance. The government has hoodwinked the people of Victoria in respect of the Regional Infrastructure Development

Fund, because that which has been promised has not been delivered.

If you look more carefully at the tables over the budget period you will notice the incompetence of this government in its estimates for future expenses. Take, for example, the year 2006–07. The government's expected expenditure in May of that year was the revised budgetary figure of \$116 million; two months later, at the end of the financial year, we find that it has spent only \$77.5 million. How could you get such a big variation in such a short time? I would have thought that this government would have people competent enough to have, two months out from the final budget cut-off time, a fairly reasonable estimate of exactly what that is going to be. But that figure for 2006–07 was \$116 million compared to \$77.5 million; there is a difference of about 30 or 40 per cent from what it expected two months previously. That is typical of all other budget periods during that time. In 2000–01 the expected budget expenditure in May was \$26.4 million; two months later it had spent only \$6.9 million.

That gives a flavour of some of the concerns we have with this government in respect of expenditure, or lack of it, from the Regional Infrastructure Development Fund. As I said, what is promised and what is delivered are vastly different. In this case there is a more than 50 per cent difference in those two items. We see very little of that Regional Infrastructure Development Fund being spent in country Victoria.

Moreover we got another whack around the head when the federal budget came down a week after the state budget when it was announced that the Regional Partnerships program would be closed. Those with applications in the system were just told, 'Too bad. You haven't got a cheque from us yet, so we're not going to give any further consideration to that'.

The federal Regional Partnerships funding provided some significant assets to assist with infrastructure development in country Victoria. One of those projects that is taking place at the moment is the relocation of a TAFE facility in the city of Sale. It is a \$40 million project; \$30 million of it has been promised or secured, and it was hoped that the other \$10 million would come through the Regional Partnerships program. That is now up in the air, which that has created a great deal of disquiet amongst the people we represent.

I noted in the *Age* newspaper this morning a small article that suggested that perhaps the federal government was going to keep alive those applications that are already in the system. I welcome that, but we do not know how far that will go. Whether all projects

that have an application pending will be treated in the same way, I do not know. I can tell the house that with the underspending in the Regional Infrastructure Development Fund at a state level and the abolition of the Regional Partnerships program at a federal level, country Victorians have a real reason to be concerned about the commitment of Labor governments to our regions.

I also want to mention another fund, the Provincial Victoria Growth Fund. The only reference to that fund is on page 45 of budget paper 3, where it talks about the achievements of the state government to date. That appears in boxed text on page 45 of budget paper 3. It states in one dot point:

\$502 million to deliver services outlined in the *Moving Forward* (provincial Victoria statement), including the creation of a new Provincial Victoria Growth Fund and the renewal of the Regional Infrastructure Development Fund ...

Nowhere in these four budget papers which we have to consider is there any further detail of how that \$500 million has been spent. I do not know one project which the government has announced that has come out of the Provincial Victoria Growth Fund. In fact I know little of it, but it was a promise of over \$500 million given by the government some years ago, and there is not one scrap of accounting for it in these budget papers. There is no other line item. You would think that a \$500 million fund would have warranted at least some cursory consideration of the types of projects that have come out of it.

Interestingly, the document says that the Provincial Victoria Growth Fund has been used to top up or supplement the Regional Infrastructure Development Fund. I reckon if we were able to go right through the books we would find that there seems to be a bit of a shady transfer of funds from one project to another, with the government claiming it twice — once for the Provincial Partnership Growth Fund and once for the Regional Infrastructure Development Fund — and then, to cap it all off, it is not spent anyway. This, I think, is typical of the spin of this government and how it is hoodwinking the people we represent in country Victoria, in particular in relation to those two projects that I spoke about.

I want to go to the last topic for serious comment, and that is the government's proposed directional changes in TAFE. This is important. It is also instructive that the funds for our vocational education programs in this state have decreased by 3.7 per cent. When you look at the recently released discussion paper from the government on skills reforms, 'Securing our future economic prosperity', you see that the Minister for

Skills and Workforce Participation says in the foreword:

... Victoria's VET system is recognised as a national leader. We want to continue leading the way — that's why we are proposing an ambitious set of reforms ...

If you are starting to undertake major reforms of a sector, you have got to be pretty sure about the outcomes of where you are going. What we find here is that the minister is saying that we have a terrific training system in Victoria. I agree with that comment — I think it is a very good training system we have in Victoria — but now we want to throw out the baby with the bathwater, so to speak, and put in place a radically different, restructured vocational training program in Victoria. This discussion paper canvasses two main issues, the first being the introduction of a higher education contribution scheme (HECS) style of fee for TAFE students, and the second being greater levels of contestability in the delivery of vocational programs. If we want to get more people into training and if we want to meet the skills shortages that the government says we have, then why would we be jacking up the fees that students in our major vocational training institutions have to pay? If you want more kids to go to TAFE, then you make it easy for them; you do not put an economic barrier in front of them. As you, Acting President, know, in the current inquiry of the Education and Training Committee the strongest argument coming to the committee is that the economic barrier for people in country Victoria to send their kids to university is so great that it is insurmountable for many families, and that is why fewer kids from country Victoria go on to university than those who can attend university and live at home.

Where have our country kids gone and where do they go? If they are not able to afford to go to uni, a lot of them go to TAFE. In fact we have had growth in TAFE numbers in country Victoria, but if we are about to impose a HECS-style fee on all those students in TAFE institutes and those receiving training from private providers in Victoria, then we are going to discourage them from getting skills rather than encourage them to do so. The minister has shown a lack of logic in suggesting that one way of training more people in Victoria is to put up fees. It just does not make sense. There is no logic in that whatever.

Mr Drum — They will not pay.

Mr HALL — What Mr Drum says is right — they will not pay. But in many cases they will not be able to pay. They cannot afford to pay those fees, and so those people will perhaps go on to become unskilled workers, and that is counterproductive to where we are heading.

The TAFE section in the discussion paper talks about contestability in TAFE programs, and I want to make these few comments about that. First, I acknowledge the importance of having both public and private providers in the training area. I think our private providers do a great job, and they complement the existing job that is being done well by our TAFE institutes. What will happen if, as the minister proposes, you make all training contestable by about 2011 or 2012? It will mean that every provider of training will be able to bid for training packages, and obviously the bigger TAFE institutes or the bigger private providers will certainly put their hand up and be in there and cherry pick the best possible course that they can take. What we will find is that our regional institutes of TAFE will be less capable of competing with some private providers and some of the big institutions coming out of Melbourne.

So I can envisage that in the future, if their main and most profitable and popular courses are being cherry picked by others, our TAFE institutes will not get sufficient business to remain viable in their own right. The last thing that I want to see or I am sure that anybody in this house wants to see is our regional TAFE institutes becoming a second best option offering the lower level jobs and training opportunities, so to speak. But this will happen under contestability. What the Minister for Education needs to make up her mind about is how to ensure the ongoing existence and viability of public providers of training in country Victoria. She is a country girl herself. She should understand better than anybody that if we go to a full contestability model it will be the little institutions, the smaller institutions in country Victoria, that will fail. We cannot afford that. Our country kids do not go on to higher education at the same rate as city kids do. There are lower retention rates and there is lower participation in higher education among country kids. At the moment there is greater participation in vocational training but if we put an economic barrier in front of that by removing the program delivery from institutes, we will be in the same position with vocational training as we are with higher education — that is, country kids doing less of it compared to city kids.

With the discussion paper the government has published on skills reform in Victoria I certainly believe there is an underlying agenda to deregulate and privatise the vocational education and training sector, and the government is doing it by stealth. Essentially what it is doing with the HECS-style fee is transferring the costs of the provision of that vocational training from the public sector and the state to the individual, so individuals will be paying for the programs that they wish to undertake. As I said before, when members

read the budget papers they will see the lack of commitment to vocational training — there are hardly any capital works programs for TAFEs in this budget; the budget decreases that particular program line by 3.7 per cent. Then they have to think, ‘What is this government’s commitment to vocational training in Victoria?’. If over the next 12 months the government moves down some of the paths suggested by this discussion paper, then I think there are some tough times ahead for vocational training in Victoria. I think the move is counterproductive.

On that particular issue, it is a pretty poor reflection on the government that claims to have higher education as its no. 1 priority. When the government says that, it does not match it with actions. Its actions do not match its rhetoric, and that is a major disappointment in this budget. There is probably a whole range of other issues that I could speak on but in fairness on time — I have gone for nearly half an hour now — I should leave it at that so others have the opportunity to comment on the budget. I want to conclude by saying that this budget will be notable, I think, for its mediocrity rather than for its inspiration.

The government claims that it wants to make Victoria a better place to live, work and raise a family. I believe that this budget does not nearly meet any of those three situations for the vast majority of Victorians. They feel disappointed and I can understand why, because I feel disappointed as well that this budget has let down the people we represent and I do not think it gives great inspiration to the whole population of Victoria.

Mrs COOTE (Southern Metropolitan) — I have mixed feelings about commenting on this budget for 2008–09. The expectation of a budget is that it will be a blueprint for future growth and future development, it will be an outline of the health and wellbeing of our community, it will be a document that provides confidence to our welfare sector, but most of all it is supposed to be a statement about the good management and husbandry of the taxes collected from all taxpayers in Victoria. It is expected to be visionary. My reservation is that this budget does not fulfil any of these conditions.

I will not drill down into all the detail because I believe my colleague Gordon Rich-Phillips did this in an exemplary way on behalf of the Liberal Party, and I think one can get a great deal of detail out of the excellent contribution that he made earlier today. But I do want to say that the Liberal Party has put together some facts about what Victoria has faced over the last nine years of Labor government, and at the commencement of my contribution I would like to just

remind this chamber of some of those things. I am reading from a Liberal Party briefing paper. It starts with a paragraph that says:

While the Brumby Labor government has benefited from a time of record state tax and GST revenue flowing into the Treasury’s coffers, it has failed to use huge budget windfalls to deliver better services, to help grow industries, to lay the basis to turn around lagging growth, repair worn-out infrastructure or build Victoria’s economic, social and competitive infrastructure for the future.

Victorians are being taxed at record levels. For example, we pay the highest level of property stamp duty of any state, land tax has increased by over 160 per cent, payroll taxes have increased by 70 per cent and gambling taxes are estimated to raise over \$1.5 billion this year. Labor has imposed 15 new or extended taxes that each year extract hundreds of millions of dollars from Victorians.

Victoria has an overburdened and underfunded health system in crisis mode. Each day when Victorians pick up our newspapers we see another scandal erupting within Victoria’s health system. Victorians no longer have confidence in what was a first-rate system in Victoria, one of the best in the world. Now there are dirty hospitals that are mismanaged, with disputes over doctors and a whole range of inadequate supplies. For example, Victoria has the lowest funding per capita of any state, leaving Victorian hospitals over \$400 million behind the national per capita average. Victoria has the fewest hospital beds per capita of any state, leaving us 1500 beds short of the national average, and there is an urgency in the waiting list, which has increased by 87 per cent. So this is a system in crisis and it has happened on Labor’s watch. It happened first of all under Mr Bracks and now it continues under Mr Brumby. It is a disappointment, it is inadequate and it is unacceptable.

In education, there is a slump in teacher morale and a slide in student performance. Victoria has the lowest per capita funding of state students of any state, the lowest literacy and numeracy levels of any mainland state according to the Organisation for Economic Cooperation and Development, and since 1999 the government schools maintenance backlog has doubled to \$268 million.

Other parts of this government’s rhetoric speak about us becoming a centre for excellence of biotechnology and medical research. If we do not have a properly educated community and a task force ready to take up the challenges, we will never compete in biotechnology, medicine and in the areas this government hopes and wishes to place us in a

worldwide context. It is simply not good enough and is unacceptable to continue as we are in the 21st century with an education system which is not being enhanced with modern technology and opportunities for learning, but is in fact going backwards.

I must say I was pleased to see the Labor Party take on the Liberal Party policy of increasing the salaries of teachers. This was an important step forward. It was catch-up politics again by the Labor Party. Even Mary Bluett, who is not a natural advocate for the Liberal Party, came out and praised Ted Baillieu, the Leader of the Liberal Party, for the excellent work he did in raising this debate and pressurising the government into having to meet those requirements to encourage the morale of teachers and to pay them adequately.

We have chronic public transport problems with overcrowding, and the roads are increasingly congested. I will again touch on that later in my contribution to the debate.

The main concern goes to the very thrust and heart of what this budget is all about, and that is state debt. The state debt is set to quadruple by 2011. Victoria's net public sector debt, including net debt for public non-financial corporations, is estimated to more than quadruple from \$4 billion in 2005 to almost \$20 billion in 2011. Debt sends shivers down the backbone of nearly every Victorian who can remember the Cain and Kirner years. We remember we were known as the rust bucket; we remember the near bankruptcy and all the serious debt the state was in.

Mr Hall — The capital of Victoria was 20 cents.

Mrs COOTE — The capital of Victoria was 20 cents in those times. I will take up Mr Hall's interjection.

We were the rust bucket. We had no morale and businesses were going broke. Let us remember the State Bank. We can think of a number of other issues for which a Labor government was responsible. Debt sends shivers down the backbones of most Victorians. We expect our economy to be run effectively and efficiently. We do not want to go back into those debt-ridden days. It is incumbent upon this government to make certain that we do not go back into debt.

Underlying this budget is a huge deficit, as I have just suggested. There were a number of commentaries in the papers after the budget. One was from John Ferguson and Ashley Gardiner in the *Herald Sun* of 7 May:

State debt will more than treble over the next four years as the Brumby government funds projects for a booming population.

Treasurer John Lenders yesterday revealed that state debt would rise to \$9.5 billion by 2012, leading to soaring interest bills.

The Liberal Party disputes that figure from Mr Lenders. As I said before, we are expecting it to be more in the vicinity of \$20 billion by 2011. It is up to Mr Lenders to prove that our figures are not correct. He is very revisionist in his approach to counting these numbers, I would suggest. The article continues:

The government's preferred definition of debt — which shows debt climbing from \$2.3 billion to \$9.5 billion — excludes the impact of borrowings from entities like water authorities.

Mr Lenders said increased budget surpluses would be used as a buffer against tougher global times.

'Worldwide, many governments carry a level of debt to drive their economies and invest for the future', he said.

They would be negligent if they did not.

We will see who is negligent. I am hoping, as the rest of Victoria is hoping, that Mr Lenders is in fact right and that he does understand completely what is going on.

There was another article by Duncan Hughes in the *Australian Financial Review* of 8 May. He said:

Standard & Poor's rating services, which confirmed the state's AAA rating, endorsed the government's approach while the funds are used for infrastructure, rather than for recurrent expenditure.

That is the key to this debt. It is the key to AAA rating. I suggest we are on shaky ground as far as recurrent expenditure goes. There is some suggestion, for example, that the Community Support Fund is being used once again for recurrent expenditure. This is just beginning to nibble away at the edges of some of the areas which are going to cause major concerns if it becomes widespread. The Liberal Party most definitely will be watching this, and we will be making certain that we bring it to the community's attention should this become a regular occurrence.

I spoke at the outset about community expectations of a budget, and one of the things I spoke about was vision. It is one of the things I believe is totally lacking in this budget. If we go back to the 2002 federal budget cycle, Australia's very best Treasurer, Mr Costello, introduced his intergenerational report at the time of bringing down the 2002 budget. He commissioned this report because he felt it was important that we had a look to see where our budgetary challenges were going to be, what

Australia was going to be facing into the future, and how funding could be best used to address those pressure points that were inherent in the demographic situation that Australia was facing.

It was no surprise to find the huge increase in independent aged care. It was therefore incumbent on the government to put proper and adequate funding into aged care to make certain that this was taken up and that people in this country could age with dignity and with a level of comfort that we would expect from our community. That had to be done in a process built on empirical data, and that is what the intergenerational report did. Mr Costello also identified that we had a declining birth rate. People may recall that he encouraged families to have three children — one for the mother, one for the father and one for the country. It would seem as if Mr O'Donohue and Mr Guy are doing their very best to do exactly that! I suggest that many Australians have taken up the former Treasurer's point, and we have seen an increase in birth rates in Australia, which is very pleasing.

My point is that this intergenerational report was commissioned because it wanted to build future budgets from 2002 onwards that reflected what were the demographics and what was reality. That is in direct contrast to what we have here in this state in this budget.

The report commissioned by the government for Sir Rod Eddington to have a look into transport is a measure of going in this direction. On paper it looks like a very good idea. In fact it could almost be said it was visionary, by looking into what is going to happen into the future in this state so far as transport is concerned, although I might add that any of us who drive around Melbourne on a regular basis would have been able to put a number of these points on paper ourselves.

However, this report was completely and utterly excluded from this budget. When pushed, Mr Lenders came out and said, 'We're going to have a look at the short term and medium term and we'll come back and address the issues that Sir Rod Eddington identified in his report'. So much for vision. I would say that instead of being visionary in its approach to the Eddington report it was being reactionary.

I wish to remind the chamber of some of the things that Sir Rod Eddington suggested for the transport impasse we have in this state which, as I say again, was completely and heartily ignored by Mr Lenders and by the Brumby government. What are the

recommendations? There were 20 recommendations, which include:

Planning work should commence for the staged construction of a new 17-kilometre Melbourne metro rail tunnel linking Melbourne's booming western and south-eastern suburbs and providing a major increase in the capacity of the rail network.

Recommendation 4 states:

Planning work should commence on the staged construction of a new 18-kilometre cross-city road connection extending from the western suburbs to the Eastern Freeway.

Another recommendation states:

The Victorian government should re-evaluate its 30/2010 rail target (which aims to move 30 per cent of freight from and to all Victorian ports by rail by 2010) ...

Another recommendation states:

The Victorian government should consider a funding structure for the proposed new metro rail tunnel that includes contributions by beneficiaries (including public transport users and property owners across Melbourne).

Where was the vision? There was no vision and lots of spin. We did not see any of these recommendations being given future funding. It was not recognised in this budget. In fact it was a total and utter exclusion of an important report for Victoria. It was totally and utterly ignored.

What did the government do? Unilaterally the Premier decided he was going to address the issues of congestion on our roads and bring in a new wonderful scheme of clearways. In a 10-kilometre radius of the central business district — and at this stage we are still not 100 per cent clear on where that starts — he is going to implement, starting in June, a program for clearways in residential suburban streets, such as Bridge Road, Richmond; Swan Street, Richmond; Toorak Road; Malvern Road; High Street; and parts of the cities of Boroondara and Port Phillip.

What is this going to do? This will effectively stop people from parking and residents going to the shops. Particularly on the northern sides of all of those streets there will be no parking from 3 o'clock in the afternoon until 7 o'clock. What is going to happen to these businesses? They will go broke — totally and utterly broke. They will be given a reduced time frame in which to operate: residents will not be able to call into these shops and businesses will be severely curtailed. Residents in these areas are furious because parking will be pushed onto residential streets. The government, in its scathing, cynical, cost-shifting approach has said, 'The councils will have to come up with some additional parking'. How on earth can councils come

up in the short time frame with anything near the sorts of parking provisions that are going to be needed to pick up the slack of what this government has imposed upon these traders?

We saw last week a very effective demonstration by traders marching with slogans at 8 o'clock in the morning from Chapel Street down to Punt Road. I walked with those people. They are very concerned about their livelihood. There was no consultation. Those people who came from Prahran said that the member for Prahran in the other place, Tony Lupton, was not interested but had been instrumental in making this recommendation. Most of the shops fall within his own electorate and most of these people will go out of business. This will not be forgotten and this is what was made very plain at the demonstration that was held last week.

There was another demonstration this morning on Glenferrie Road and High Street. These are not people who would normally come out to demonstrate; these are not people who have ever demonstrated before. They are people out of the Treasurer's very own electorate. Mark my words, they will not forget what this cold-hearted, cynical Premier has done to them.

Oskar Cebergs, who is the Stonnington Trader Group chairman, in an email to me of 22 May said that in September 2005 the then Victorian Treasurer, John Brumby, announced that there would be a Victorian Competition and Efficiency Commission inquiry into managing transport congestion, and that one of the charters of this was to consult with key interest groups and affiliated parties and to hold many public hearings. We now know that the member for Prahran, Mr Lupton, was integrally involved in this. Mr Cebergs said:

In June 2006 the Victorian Competition and Efficiency Commission released a comprehensive examination, *Making the Right Choices: Options for Managing Transport Congestion for the Metropolitan Transport Forum*.

Two of the main points to come out of this inquiry, Mr Cebergs tells us, are:

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.

In other words, this report shows that the government with its clearway proposal undermines its very own 2030 activity centre policy. Mr Cebergs went on to say that the Metropolitan Transport Forum:

... also emphasises that policies should not favour sole person occupant commuting vehicles by expanding clearways at the expense of economic activity in strip shopping centres.

There is a petition being taken up at the moment. It would seem, from all the people who are involved — people who were not consulted and who had this imposed upon them — that there are in the vicinity of 11 000 signatures to date, so there is some way to go.

But it is not just clearways that are an issue with transport, there is also public transport. In each part of my electorate — in Bentleigh, Oakleigh and also in Stonnington — we have issues dealing with the public transport system. This government acknowledged that the trains were not running on time. So what did it do? It decided to change the timetables. It did not bother to change the systemic problems with late trains and breakdowns; it decided to change the timetables. The commuters and punters can see through this and they know it is all spin.

Let me remind the chamber that extra commuting time equals less family time. Every minute commuters stand in crowded, late and slow trains is time — minutes and hours — spent away from their families. My constituents say that one of the things that irritates them most of all is getting to the station and finding that a train has been cancelled without any notice being given.

If you look at the statistics, you see that public transport figures for February 2008 show 34 cancellations on the Frankston line, which Bentleigh is on, and that is significantly more than other lines such as Belgrave, which experienced only 13. Thirteen are still too many, but 34 cancellations in just one month is unacceptable. The 2007 figures for Frankston show that late trains occurred as frequently as 17.2 per cent of the time. This is absolutely unacceptable.

In Oakleigh we have a similar situation. The Oakleigh train line is on the Cranbourne and Pakenham lines. Late trains on those lines occurred as frequently as 17.2 per cent and 25.7 per cent of the time respectively. Figures for February 2008 show 22 and 20 cancellations on the Cranbourne and Pakenham lines respectively and that they had increased significantly in a short time frame.

Each one of these statistics has a ramification for a family. This government has forgotten that there are those sorts of ramifications. I have an interesting letter from a constituent of mine in the city of Stonnington which explains it all:

Labor claims that for some of the morning peak there is a 9 minute frequency on Connex's Sandringham line.

Fine in theory, but it doesn't reflect reality.

This morning —

which was 2 May —

the 0817 from Sandy to Flinders Street was cancelled.

Between about 0833 and 0848 at Prahran, five trains went through on their way down to Sandy; three carrying passengers and stopping at all stations, and two 'empty car' (without passengers) movements (running express as no passengers on board) going into the yard at Sandringham for repositioning of train sets.

The latter meant at least one train from Flinders Street to Sandringham was almost 20 minutes late, badly delaying peak-hour commuters who come from other areas of Melbourne to Prahran for its Swinburne University or Prahran and other stations to work.

It says that between February and March this year:

there have been 80, 54 and 75 cancelled trips ... on the Sandy line, meaning a total of 209 trains cancelled so far in 2008.

One of the other problems with getting a train in South Yarra is that one in four trains is supposed to be an express, but the reality is that the trains are so full that people cannot get onto them at all. They may stop, but no-one can get on.

The worst scenario is one I heard of recently; it was not in my own electorate but relates to trains on the Geelong and Ballarat lines. Because the government has taken so many seats out of these trains, the people who are coming from Geelong and from Ballarat have to take their own camp stools so they can sit down on the journey from Ballarat or from Geelong to the city. We are not talking about India here; we are talking about people in Geelong and Ballarat coming to Melbourne. The next thing will be that those people will be sitting on the roof. It is totally and utterly unacceptable. People in Victoria today having to take their own camp stools on a train is just absolutely absurd.

Another disaster in my electorate is that of planning. Melbourne 2030 is a planning disaster, as are the new residential zones and the lack of consultation on them. The fact is that this government is slow to implement things, as I have suggested before — and we only need to look at the Eddington report to see that — but on these new residential zones it went right in there and supported what was obviously a draft form. The main thrust of the proposal is to commence the reduction of the powers of local government planning authorities. Basically it does not want local government involved with the planning for local government areas. The best people to understand and know what is best for a community are the members of the community, and the

community representatives are in fact the local councillors. Under the new residential zone system they will be cut out of the equation. We have seen more evidence of this recently.

For my constituents there seem to be three major areas of concern: one is crime, one is planning and one is transport. There does not seem to be any new funding for additional police in this budget; there was a shuffle and a reshuffle. The local police have told me that although there is supposed to be a special task force to look after the crime spots along Chapel Street and Commercial Road on a Saturday night, there has just been a reshuffling and recycling of people who are already supposed to be attached to the local police station. In fact, all of the resources from the Prahran police station are being siphoned off to deal with this hot spot area, and other areas of Prahran are not being serviced adequately. The police in Prahran deserve a medal — in fact, members of the police force around the state deserve a medal. They do an excellent job, but they are inadequately funded. The best way to reduce crime on our streets, which is increasing at a rapid rate, is to have more police on the beat.

Frequently I have gone on in this chamber about the incidence of alcohol-fuelled violence and the increase in alcohol-fuelled violence and crimes against the person in all of my electorate, particularly in and around Chapel Street and Commercial Road. I remind the chamber that in this last year in Chapel Street there have been five shootings. At the moment we are all being bombarded by a group of young people who are engaged in an email campaign of sending us information about the 2.00 a.m. lockouts that have been imposed by this government. They say that it is all right on the streets, that they should be able to be out on the streets and that the crime statistics have been exaggerated.

I will outline the actual crime statistics for Stonnington. They were recently up — rape was up 85.4 per cent; robbery was up 54 per cent; and harassment was up 90.5 per cent. In Port Phillip assaults were up from 582 in 2003–04 to 744 in 2006–07; rape increased from 31 in 2003–04 to 43 in 2006–07; and property damage offences rose from 852 in 2003–04 to 1228 in 2006–07. Those young people who are sending around the information about the lockouts have not got it right. They should go back and look at the statistics, and I encourage them to do that. No doubt the people who are approaching us are law-abiding citizens, but we have had five shootings in Chapel Street — which is far too many — and another one could be fatal. This is happening on an increased basis. We are only going to be able to deal with this issue if there are additional

police on the street and if the police are given a heap more funding. We did not see that anywhere in this budget.

I must give credit where credit is due. I would like to put on the record that the Minister for Planning was particularly instrumental in helping to have an all-of-government approach to this lockout situation. There is no point in giving new licences for licensed venues and for nightclubs — all-day, all-night clubs in most instances — until we have sorted out the issues that are at hand. I believe that the moratorium on the issuing of new licences and the 2.00 a.m. lockout is a very good step in that direction. I am pleased to see the government take this position, because until we know how it is going to affect violence on our streets we cannot make appropriate planning into the future. I commend the Minister for Planning for taking this on board.

Another issue that was not dealt with in this budget at all is the issue of sporting grounds. This government is very big on obesity and talks about the benefits of prevention into the future. It has given funding to look into obesity clinics. We only have to open the paper each day to see information about the incidence of obesity in our children. Nothing has been done in this budget to increase funding for sporting activity in and around Victoria. Hundreds of families every weekend are involved in sporting activities, but due to sustained years of drought these people can no longer play effectively on their sporting grounds. Many of them cannot even practise. A number of constituents have written to me, particularly about Glen Eira, and said that it is becoming a dire situation. I have an email that I would like to read from the Bentleigh Uniting Cricket Club. It says:

Park sports ovals and the deteriorating state of ovals is a major concern to all club members and supporters from the local community ...

Bentleigh Uniting is one of the largest members-based clubs in Glen Eira with seven senior teams and six junior teams. All club members, their families and supporters appreciate your efforts in improving grounds for use by members of the Glen Eira community.

I have been running a campaign on this issue. It is a pity that the Treasurer, who is also a member of the Southern Metropolitan Region, has not been doing the same. He could have at least dipped into the budget and delivered some additional funding to make certain that sporting grounds are kept up to standard and provided with appropriate grass and appropriate watering. The councils have done as much as they possibly can, but it needs a huge injection of funds from the government. This was not forthcoming in this budget. It is a major

disappointment to all of these sporting clubs and the families who use these facilities.

As I said, there are many issues in my own electorate that reflect upon my community, but planning, crime and transport are issues that people are particularly perturbed about. None of these issues were adequately raised in this inadequate budget that has been presented to the state this year. This budget does not meet the benchmarks on any of these issues. All of these issues that I have been speaking about today have been about my own electorate.

I know other members of the opposition in their contributions on the budget will add their areas of concerns and the shadow ministers will speak about their particular portfolios. However, I cannot finish this contribution without referring to the disability sector. Mr Hall, who gave his contribution just a moment ago, spoke about the lack of funding for the disability sector yet again. I fully and utterly concur with him. Carers in this state carry a burden well and truly beyond the expectation of any of us. We should give them recognition. It is fine to put the spin on it, it is fine to give them hope, but the reality comes back to the actual dollars that are given to this sector.

Once again may I remind the house of the heartache and heartbreak of elderly parents who are facing their own demise and wondering what on earth is going to happen to their now ageing disabled children. This budget did nothing to recognise that. It is a shame and a blight on this government and on us as a community. They were let down by the Rudd federal government, and they have been let down here in the state as well. I remind the chamber that it was this state that neglected to take up the very generous offer of the former federal Minister for Community Services, Mal Brough, in the commonwealth state/territory disability agreement on dollar-for-dollar funding for the disability sector and for supported accommodation. The government did not take it up, and the whole offer lapsed. It was to the disadvantage of the disability sector and to those carers who have put their lifetimes into supporting their disabled family members.

I would also like to read from a Gippsland Carers Association media release of May 2008. The president, Ms Jean Tops, was talking about Mr Rudd and how disappointing it was. She went on to say:

Hot on the heels of this pre-budget announcement —

from Mr Brumby, that is —

comes news this morning that Premier Brumby has not provided a single new dollar to relieving the chronic shortage

of disability supported accommodation in his pre-budget release. Nor is there any relief of the 'crushing and unreasonable burden' placed upon families as the result of this deliberate inaction.

I think Ms Tops voices it for all of the disability sector. It is not good enough for the Treasurer, who is in the chamber, to continue to ignore the disability sector. I know him to be a humane man and I encourage him to go back next year, to sharpen his pencil and to make certain that this sector is well and truly looked after.

In conclusion, this money is our money. It is taxes that have been raised from our endeavours. All Victorians, although they are not necessarily happy about paying taxes, believe they are a necessity, particularly if we are to live in an equitable community. All Victorians expect the basics for their money — health, education, police and transport systems that are not of Third World quality. We want First World quality. We want to be the benchmark for the world, not second-rate, not sliding into oblivion, not going into decline instead of growing and showing how good we can be. We want an economy that will grow, not recede. As I said at the outset of my contribution, this budget is not visionary, it lets a lot of people down, it disappoints on many levels and I believe the Treasurer, in his very first budget, could have done better.

Mr LEANE (Eastern Metropolitan) — It is a pleasure to speak on the budget papers. I start by congratulating the Treasurer on what I think is a fine budget. It covers all aspects and a lot of areas that are important —

Mrs Coote — You are sucking up to the Treasurer. What position are you after?

Mr LEANE — I am happy where I am. It is a good budget with a lot of aspects that are very important. I will get to them — mainly mental health, social housing and health services in general and aspects pertaining to my electorate in particular, which I will touch on briefly later — very soon.

I noticed that a lot of opposition members have put themselves down to speak on the budget papers. I for one am looking forward to hearing them. I am sure there will be a common theme about debt. Even though government debt is lower than this government inherited from the Kennett government when it came into office, there will be a lot of talk about debt. I am sure there will be a lot of thumping the table about concerns about infrastructure projects that might have been promised in the electorates of members opposite but have not come through this time. The reality is that this government has a far better record of delivering

infrastructure — I think it spends four times the amount of money on infrastructure — and a lower level of government debt than the previous government had. Infrastructure is obviously important in maintaining growth. Victoria is a great place to live, work and raise a family, and people are voting with their feet as far as the influx of population we are having.

This budget is a great example of how the government promotes growth. I am sure that opposition members will scream about debt and then proceed to defeat their own argument by thumping the table about spending more. It is a shame that defeating your own argument is not an Olympic event, because if it were, maybe some of the members opposite would be on the plane to Beijing wearing the green and gold!

I will go to some local issues and also some issues that I see as very important for the state in general. The \$111 million allocated to mental health over the next four years is very important. Mental health is an area that needs a lot of support and a lot of spending on it. I know some money has been allocated for accommodation for people with mental health problems in what is basically a halfway house in Ringwood. They are probably not sick enough to be in hospital but are just not well enough to be back at home. That is an important thing.

In terms of social housing and housing affordability, the Brumby government is committed to a two-pronged attack to help put housing within reach of all Victorians, with \$86.2 million of initiatives designed to free up land more quickly and improve access to public housing for people on low incomes. This is building on the \$510 million for more than 23 000 affordable homes which was announced in last year's budget. Getting back to the Ringwood project, that is part of more than \$38 million that was put aside for a number of areas. This money will also go to support housing for indigenous people.

There is a bit of a myth about the eastern suburbs suggesting that there may not be the same issues in terms of homelessness, especially homeless youth, as there are in other areas. But things are just as bad there as anywhere. There are issues, and money needs to be spent on them. In the future I will be pushing for more money to be spent in my electorate, because there are issues in that area that may not be acknowledged, compared to other parts of the metropolitan area.

On the health issue, it is a good thing that the announcements made in the budget include what is probably the biggest investment into ambulance services in Victoria's history. The \$185 million that has

been allocated to ambulance services is very important. In the electorate I represent, a new paramedic team will be based in Box Hill, which is very important. As well as that, new MICA (mobile intensive care ambulance) single-responder units will be introduced in the Box Hill and Ringwood areas. These are very important for the people who live in my electorate. A new 24-hour MICA unit will commence operation in Boronia, which is a great thing for that area and very important for the people who live in Boronia and the surrounding areas. A lot of money has been put into providing better services in the hospital system. The \$364 million for health services will be put to great use.

This is on top of the \$30.5 million that has been allocated for new maternity wards, and that is very important. I am pleased that \$8.5 million is being put towards an infrastructure upgrade for Box Hill Hospital, including the operating theatre and electrical and mechanical services. People in the Box Hill area will appreciate this injection of funds into a very important hospital in the area. I know that Mrs Kronberg has said that it would be hard for Mr Tee and me to compete with her, as she knows every crack in the concrete at Box Hill, and I am sure that is a great asset to her. After speaking to people in the area I know that this injection of funds into the Box Hill Hospital is important.

There has been an injection of close to \$600 million into the school system for capital works. This government has made the biggest allocation of funds to capital works in schools for 50 years, and there is no doubt that it is sorely needed. Governments on both sides of this chamber have probably been guilty of not putting enough money in, but this government is doing the right thing and acknowledging that funding for capital works is needed in the school system, and that is what is happening. I am very pleased about a couple of the school upgrades that were nominated in the budget, and they are Doncaster Secondary College and Surrey Hills Primary School. It is very important that this program continues, and I look forward to more schools in my electorate being part of the Building Futures initiative in the next few budgets, and in between budget announcements as well.

Getting back to health, the government's action plan for a chronic disease program is very important. There is a new \$150 million cancer action plan and a \$203 million package to tackle chronic disease. As well as that, prior to the budget being announced, there was also the important initiative of health checks in workplaces. Early detection of the signs of diabetes and other health issues that are starting to become an epidemic is important, as is spending on prevention rather than

cure. I know from working on construction sites that a lot of men do not get their health checked — it might be a bit of a bloke thing — but I am sure that if there are health checks available at their workplaces they will more than willingly participate.

The investment in skills in Victoria is very important and something that is close to my heart. I know that a \$94 million skills and employment package is part of the budget. The \$25 million to extend the completion bonus program for another 12 months is very important. Having previously been a board member of a group training scheme I know that the completion bonus for employers is important. It is no good if people start apprenticeships but do not complete them. They need to be nurtured and helped to get through to the end to get their qualifications. The awarding of bonuses to employers for apprentices who get through their course is a good thing and should be continued.

In respect of skills and the environment, I am very pleased that there is \$2.1 million in the budget for the new green plumbing training centre in Brunswick. This will provide a world-class facility. It is going to be unique in the world as far as training plumbers in sustainability, waste reduction and water conservation is concerned. It will not just look at current technology, it will do research and look at new technology and ways of broadening water-saving and energy-saving technologies into the future, and that is very important. One of the technologies that plumbers will be trained in is cogeneration and trigeneration, on which I know Mr Thornley has done a lot of work with the plumbing industry. He sees it as a possibility in the future of being a good way of saving energy.

Getting back to emergency services, I spoke about the injection of funds into the ambulance service but over \$2 million is also going to be injected into emergency services for the volunteers system. I was very pleased to see that a fair whack of that money is going towards the State Emergency Service in the state, which does a fantastic job. A large proportion of this money will also go to the Country Fire Authority. Having visited the Lilydale State Emergency Service I know that the volunteers there are fantastic people who give up their time for the safety of others. They were looking for a new piece of machinery, and they were doing a bit of fundraising for that. In a post-budget bid I would like to see them receive support to get their new unit because the men and women down there do a great job.

As far as transport investment goes, there has been a big injection of \$755 million-plus delivered for major roads, public transport and the freight network. The extension of the bus services in the electorate that

Mr Tee and I represent has been important. The introduction of the SmartBus service has been a great thing for the area, and that service will be improved. In Melbourne we have all probably grown up in a culture in which we do not use buses as much as trains. Sydney people are wedded to the bus system and Melbourne's culture probably will change, with things like the SmartBus.

The beauty of the SmartBus service is that it uses priority lanes and its advanced technology. The buses communicate with bus stops so that people waiting at bus stops have real-time information about when the bus will be there. The services are run more frequently and with the real-time information people know when the bus is coming. One of the things about the bus system that probably has not been attractive for people in Melbourne is that they might be concerned about when the next bus is coming if they do not have a timetable, so that bit of technology is fantastic. The technology also enables the bus to communicate with the traffic signal system. A SmartBus communicates with the traffic signal system when it is so many hundred metres away, which will give a priority signal for the bus. Getting through the traffic congestion is obviously very important for the bus system. The technology is fantastic and it will be improved, as well.

What was not mentioned in the budget about the electorate I represent is that the biggest road project in Australia is about to open up in a couple of weeks, on 29 June — that is, EastLink, which will be very important for the Eastern Metropolitan Region. The money that has been injected by this government into EastLink is very important in promoting industry. I know from speaking to people at some of the councils in that electorate that they are promoting and attracting business into the area through the fact that EastLink is about to open, and they have been very successful in doing so. It is very important that we have this road.

There was a lot of controversy about the tolls when they were announced, but the only question I have had about EastLink from the many people in the Eastern Metropolitan Region I have spoken to is, 'When is it going to open? Can't wait to get on it'. I was speaking to one gentleman who was very keen for it to open. He acknowledged the tolls and said, 'Listen, mate, I'll give you two bucks now if I don't have to go down Stud Road tonight'. I thought that was not a bad call at all. This bit of infrastructure that this government has invested in will be a great fillip for the Eastern Metropolitan Region. I look forward to further major road infrastructure announcements once the Eddington report is digested and commented on, after people get a chance to speak on it. The movement of freight and the

movement of people getting to work and for pleasure are very important. This government is prepared to spend the money and do the work, and I commend it for that.

I would like to wrap it up, but there is much more I would like to talk about. There is just so much; it is just fantastic. It is not a race, so — —

Honourable members interjecting.

Mr LEANE — It is not a race. It has been a long week, and I ask for a bit of licence.

I would like to finish where I started, by complimenting the Treasurer on a fantastic budget. It was a bit like *Back to the Future* during yesterday's general business, when commercial-in-confidence documents were called for. The next thing will be that the Leader of the Government in the upper house will be the person who has to hand them over. Then, when he cannot do so because they are commercial-in-confidence documents and no big companies would ever want to tender in this state again if that were what they were open to, he will have to refuse, then there will be motions calling for sanctions and all that. I suppose that is all part of the opposition trying to stump the Treasurer at question time and failing dismally. Opposition members need to try something to get a blot on his copybook. This is a great budget. The Treasurer has done a great job, and I commend the budget to the house.

Mr O'DONOHUE (Eastern Victoria) — I am also pleased to rise and make a contribution on the budget papers for 2008–09. I am also pleased that the Treasurer is in the house at this time.

Starting with the macro picture, it is interesting to see what is in the first budget of the new Premier and the new Treasurer. There really is a lack of a vision and a long-term plan for Victoria's growth and future. It is a budget that is scant on big-picture thinking and scant on detail to address the issues that face Victoria.

Of course the Treasurer and others in the government like to talk at length about Australia's two-speed economy and the so-called disadvantage that Victoria suffers because it is not one of the resource-rich states. Whilst Queensland and Western Australia — and potentially South Australia, with the expansion of Olympic Dam and other mineral projects — have some advantage with regard to exports and other economic activity, what this government always forgets and likes to play down is the fact that Australia really has a national economy and that much of the consultancy work and many of the headquarters of the big mining

houses are in Victoria and much of the income derived from the mining boom actually comes back to Victoria.

We only have to look at the enormous headquarters of BHP Billiton a few blocks from here and consider the many thousands of people who are employed by that company alone here in Victoria benefiting directly from the mining boom to know that the Treasurer's and the Premier's belief that we are the best of the rest is not good enough. We can be the best of the best, particularly with the competition that Victoria has from the other Labor states. I make that as an opening remark: that the government really does not strive to be the best that Victoria can be, and accepting a second-rate position behind other states is not good enough.

Mr Leane commented on the rising Victorian debt. It is instructive to compare the rhetoric of the new federal Labor government and its so-called fierce fight against inflation and its wish to put downward pressure on interest rates. Of course that turned out to be a furphy when that government delivered its own budget, which increased spending. At the end of the day the so-called razor gang was limp and impotent.

But what is accepted by Mr Rudd and Mr Swan and was advocated by the previous federal government is that when you are in the money markets competing against the private sector, when capital is scarce, when interest rates are on the rise, you increase demand for debt, and by increasing demand for debt you add to the pressure on interest rates. This is a government that is growing Victoria's debt at a significant pace, at an enormous pace, at a very concerning pace, and the dividend that we are seeing for that is very small. If the dividend for increased debt, and therefore increased pressure on interest rates, was improved infrastructure, improved services, improved outcomes for Victorians, that is something that perhaps Victorians could live with, but with a rising cost base Victoria is paying more but getting, it would appear, less and less. Of course the debt that is being accrued by the state of Victoria, if you include statutory corporations — the water companies and the like — is much more than the Victorian government and the Treasurer, who is in the house, would have you believe. That is a very concerning proposition. As Mrs Coote said, Labor does not have a great track record when it comes to managing debt and managing our economy.

I will move, just briefly, to some specific comments that Mr Leane made. Mr Leane made much of the imminent opening of the EastLink tollway. What a great tragedy it is that it will not be a freeway, as was promised by the former Premier, Mr Bracks, when the

project was first committed to by the government. Every time a motorist hears that beep in their car from their e-tag when this project opens it will be an indictment of the lie of the government that it would make the freeway a freeway and not a tollway. Mr Leane also spoke at length about the SmartBus, and some of those SmartBus services will be beneficial. But I wonder what sort of ticket they will be using — will they be using the current ticket system, will they be using the myki? We do not know. The rollout from myki seems to grow month by month and the cost to the Victorian taxpayer is going up and up and up. Of course this is symptomatic of an inability to deliver on both major and minor infrastructure projects. I look at some of the desperately needed infrastructure projects in my electorate of Eastern Victoria, which I have brought to the attention of the house previously. One is the Lakeside railway station. Despite already having 4000 residents in the Lakeside estate and with the Cardinia Road precinct set to boom with thousands of new homes to be created, the government refuses to commit the few million dollars required to build the Lakeside railway station.

There was much excitement in the Berwick community when it was announced by the minister that the railway station car park would be expanded with another 209 parking spaces as part of the budget release. It is only if you read the details of the release that it becomes clear that those car parks will not actually become ready until 2012. By the time the car parks are built another 209 car parks will be needed for that ever-growing community of Berwick, Narre Warren South, Narre Warren North and surrounds. That is the heart of the mortgage belt, an area from which the commute to town is very difficult on the Monash Freeway, with the traffic on the freeway. We should be doing everything we can to encourage increased patronage on the rail system, but the sad reality at Berwick, Pakenham, Belgrave, Lilydale, Frankston and numerous other railway stations on the fringe of the suburban network throughout eastern Victoria is that unless you arrive at the railway station by 6.30 a.m. or 7.00 a.m., you cannot get a car park, and if you cannot get a car park to catch the train, what do you do? Invariably you just keep on driving, adding to the congestion on the road of commuters trying to make their way into the city.

Perhaps one of the most disappointing outcomes of the budget was the absence of increased funding for noise protection. Again, as traffic volumes have increased on our major roads, so too has the noise that comes from those roads, and so there is the need for additional noise protection for those residents. Residents of Beaconsfield and Pakenham whose properties abut the

Hallam bypass and the Pakenham bypass respectively are suffering intolerable noise that keeps them awake at night. It compromises their capacity for quiet enjoyment of their properties, and the intolerable noise is having serious health consequences for some of those residents. The government really needs to expedite the backlog of noise attenuation projects that are needed along our major road arterials.

The Frankston bypass is an issue that is contentious for residents of Frankston and the Mornington Peninsula. I think we all agree that a Frankston bypass is urgently needed, and it is negligent of the government not to have constructed the Frankston bypass as part of the EastLink project, because when EastLink opens the increased traffic load that will flow onto the Mornington Peninsula Freeway and come onto the intersection with Cranbourne Road will make what is already a terrible intersection much worse. The government has belatedly come to the party and has started talking about the need for the Frankston bypass. I was disappointed to see that there was no firm commitment to funding in the budget for the Frankston bypass, despite the fact that the required investigations into the best route alignment had been under way for many months and at significant expense. That is a great disappointment.

I would say to the Parliament that the proposed location or route of the bypass has caused significant community concern on the peninsula. There are a number of different options, and the preferred option of the South Eastern Integrated Transport Authority appears to be along the Moorooduc plain, coming out at Mount Martha and connecting up with the freeway there. That of course will potentially have a significantly detrimental effect on the residents of Moorooduc and the peninsula and will create a freeway in the middle of the peninsula, possibly compromising that productive agricultural area.

Something that has gone through to the keeper, so to speak, as part of the budget announcements was the decision by the government to turn its back on its 1990 promise to reopen the Leongatha railway line. Mr Lenders, Mr Viney and others in this place have made much out of their government's supposed investment in rail infrastructure and rail projects, but Mr Lenders has been very quiet on his decision and the government's decision to abandon their promise to reopen the Leongatha railway line.

The Minister for Public Transport in the other place, Ms Kosky, in a press release made some comments about improved bus services from the Bass Coast to Pakenham and elsewhere, but those bus services are a

poor replacement for what was a longstanding commitment from the government and a longstanding promise to reopen that railway line. There are different schools of thought about whether the cost of that project was justified, but at the end of the day the government made a promise whilst in opposition in 1999 and maintained that promise to reopen that railway line right up until a few weeks ago. Government members should hang their heads in shame for failing to honour that commitment, for in effect turning their backs on those communities in South Gippsland, and for being dishonest when it comes to honouring promises.

The announcement by the government of 1000 regional home grants also highlights another great challenge for interface councils and interface communities. Communities in local government areas such as Cardinia and Yarra Ranges are classified as metropolitan, but the reality for the greater percentage of the communities in those shires is that they are genuine country rural communities. Communities such as Lang Lang and Koo Wee Rup in Cardinia shire, and communities such as Warburton, Millgrove and Yarra Junction in the shire of Yarra Ranges, are isolated in terms of the availability of public transport. They are isolated in terms of access to jobs and economic opportunities, and often have poor results for school completion and attainment of higher education qualifications. But those communities, because they are in what this government deems to be metropolitan municipalities, do not qualify for grants such as those offered by the government, and they do not qualify for some of the grants that are available under other programs. That is a great disappointment, and it is not fair to those communities, as they are often, as I said before, in great need of government assistance.

The environment has also been left out of this budget for the people of Eastern Victoria Region. Despite all the claims and all the debate about Point Nepean, particularly when the Howard government was in power, the government has failed to deliver on its promise to fund Point Nepean when it transfers to state government ownership and responsibility later this year. It failed to intervene and purchase the site — a great historical site — on the southern peninsula, and it has failed to deliver with regard to Devilbend and to provide significant capital investment to grow Devilbend.

Mr Tee interjected.

Mr O'DONOHUE — I pick up Mr Tee's interjection, because despite the fact that the government flogged off 42 hectares of that site and

despite the fact that the government promised to use the funds from that sale to invest in the park, there is no mention of Devilbend in the budget papers — no mention at all. That is a great disappointment, not only for the people who use that park but also for the great need to invest in improved protection of habitat for wildlife in what is one of the largest chunks of public land on the Mornington Peninsula and a very important piece of land.

I will move on to the issue of water and an issue that I raised earlier today. I hope that in future speeches of government members they can clarify for me whether the Minister for Environment and Climate Change, Minister Jennings, is committed to the desalination plant location that has been identified at Kilcunda or whether the comments that have been reported in the local media in South Gippsland that the desalination plant may be moved are true. Mr Jennings is reported to have said:

We want the best outcome for locals and Victorians in general. This government has done its homework on an issue that is vital. Our information is that the chosen site, for a variety of important reasons, is the most appropriate. However, if that can be shown to be wrong, then another site will be found.

I can't make that any clearer.

Again there is no mention in the budget of the purchase of alternative locations or the cost of conducting an EES (environment effects statement) for alternative locations. I hope the government can make clear its intentions as to whether the site is final, whether the site can be changed or whether the EES process will address the fundamental question of whether that is the most appropriate site for what is an enormous facility. What a great shame and what a great tragedy it is that the upgrade of the eastern treatment plant and the greater use of recycled water were not made the no. 1 priority of the government rather than building the enormous desalination plant that it appears committed to constructing.

With those comments on the budget I will sit down, but, as I said at the start, this budget has been a great lost opportunity for a new Premier and a new Treasurer to outline their vision for Victoria and to outline a long-term strategic plan to address the many issues that affect Victoria. It is a great tragedy for all Victorians that that vision has not been clearly enunciated and that it is a reactionary short-term document that will leave the great challenges facing Victoria unanswered.

Mr TEE (Eastern Metropolitan) — I am pleased to speak on the budget, which is vision writ large. It is a very forward-looking budget, and it is a budget that

recognises that Victoria is in the middle of the biggest population boom in the state's history. This boom will see our population grow to 6 million people within the next 10 to 15 years, and that is an increase of 1 million people on our population today. This population boom has seen nearly 1200 people added to Melbourne's population each week. It is a boom that speaks volumes for this government's success in making Victoria a great place to live, work and raise a family. It is a boom that has been brought about because we have a government that is forward looking, we have a Premier who is forward looking, and we have a Treasurer who is forward looking.

It has to be remembered that when this government came into office, it took over from a mean-spirited Liberal government. It was a Liberal government that cruelly cut services to Victorians. It was a Liberal government that left no stone unturned in its attempts to slash and burn services. It was a Liberal government that cut schools. It was a Liberal government that gutted health funding. It was a Liberal government that left our public transport system in shambles. This budget continues the Labor government's commitment to look to and build for the future, to promote growth, infrastructure, skills and services and the projects that Victoria needs to lock in that prosperity that has been delivered by this Labor government.

There are a number of aspects that are particularly worth noting. Roads and public transport receive a record \$1.8 billion of investment, including delivering extra morning peak train services, station upgrades and significant road projects across Victoria. The budget shows that the vision that this government has for education — a vision where education is the no. 1 priority — is again being built on and locked in. That is why there is a boost to education, including funds to rebuild, renovate or extend some 128 schools, and an education reform program that will lift standards for schools. The other key feature of the budget is, as you would expect, health services. Again, this budget shows a government with vision in that area. There is funding for hospitals to treat an extra 16 000 elective surgery patients, 33 500 outpatient appointments and 60 000 patients in emergency departments. In terms of the core areas where you would expect a Labor government to deliver, there is delivery in abundance in this budget.

The impact of this budget in my electorate in the eastern suburbs is again worth noting because it highlights the commitment that this government has to govern not just for the Melbourne central business district but also for our regions and our suburbs. I will point out some of the initiatives that this budget delivers

for public transport. I am very pleased that the city of Manningham will receive significantly increased bus services along the Eastern Freeway to Doncaster as part of a \$22.5 million package, and this investment is another step in the Brumby government's commitment to upgrade Manningham's public transport services. There is \$11.2 million in this package to fund eight buses, resulting in 20 extra peak services every weekday and an additional capacity to transport 1000 people and cover an additional 10 000 kilometres per week.

What we have with this additional commitment is funding for 20 extra peak services every day, and I think it is important to note that these are extra peak services. These are the services being delivered when they are needed most, and what it means is that we will have 1000 more residents a week on our buses during those critical morning and after-work peak periods. This is a massive win for the Manningham community, but particularly for families because it will enable parents to spend less time waiting for a bus and more quality time with their children as a result.

The \$22.5 million package also provides Manningham with one of the two new NightRider services, and again this will involve a comprehensive route through Manningham at 30-minute intervals between 11.00 p.m. and 5.00 a.m. Again, it means that residents can go and enjoy themselves in the city and have a late night, and they will no longer need to face either expensive taxi fares or a long wait for public transport. So this budget initiative is very much welcomed.

The state budget also contains a huge investment in health, and again the eastern suburbs have been the beneficiary of this very generous commitment. Local residents will benefit from some \$14 million which will be delivered into health services in the city of Whitehorse. The budget has allocated \$8.5 million for infrastructure upgrades at Box Hill Hospital, which will go towards theatre and electrical and mechanical services works, and this will ensure continuing operation of existing hospital services and enable the continued redevelopment of the hospital. This is a very welcome initiative. The eastern suburbs also receive a new 24-hour paramedic team supported by additional ambulance stretcher services, which will be based in Box Hill.

This is an investment of more than \$6 million into the Whitehorse area. This announcement was very welcome because it is critical that medical services are placed and delivered right in the communities in the suburbs where they are needed most. The additional stretch services and mobile intensive care ambulance

services will mean ambulances can respond faster to emergency cases. This will provide peace of mind to the local community who will know that the highest quality medical help is at hand should they need it. I congratulate the government on its commitment in the area of health. I also want to particularly note the \$39.1 million commitment for 31 new beds in 3 community-based facilities in Ringwood, Clayton and Frankston which are part of Prevention and Recovery Care services.

I turn now to the no. 1 priority for this government which of course as we have seen in the budget is education. The eastern suburbs have benefited enormously from this commitment and this budget is no exception. I want to focus on a couple of examples. Doncaster Secondary College very much got a budget tick. It will get some \$6.6 million for what will be a major renovation for the school. This is just another example of a government committed to delivering safe and comfortable schools for the students of the eastern suburbs. This \$6.6 million will fund stage 2 of the school's redevelopment and modernisation plan: it will provide new classrooms, staffrooms and specific classrooms for art, technology, graphics, fabrics and information technology. There will be a complete makeover of the school. It is worth noting that the response of the principal, Mr Sal, when he heard the budget news was that he was ecstatic at the announcement.

The other school I want to point to briefly is Surrey Hills Primary School which will receive some \$6.2 million again for the construction of classrooms, art and library rooms and staffrooms. The government recognises that investments like these in our education system are vital if we are committed to giving students the best possible opportunity to get the right start in life. There is also a \$600 000 contribution to the Victorian Football League ground redevelopment in Box Hill for the Box Hill Hawks. That was a much welcomed budget initiative.

I am very proud to be part of a government that believes that it governs for all Victorians, including those who live in the suburbs. As I said, the eastern suburbs are particular beneficiaries of this commitment to govern for all Victorians irrespective of where they live. The budget is about planning for growth, including growth in the eastern suburbs, and those matters that matter most to the community: it is about hospitals, schools and public transport. The outcome of this vision is that as a community we will be better placed to manage the growth that will continue to flow into Victoria. I congratulate the government and in particular the Treasurer on this excellent budget.

Mr GUY (Northern Metropolitan) — It is indeed a pleasure to be here late on Thursday afternoon. Again just Mr Thornley and I are left to talk about issues relating to the state government and the supposed vision of the state government and to discuss issues of finance, infrastructure, vision and where this state is going under the Bracks-Brumby Labor governments.

Mr Koch interjected.

Mr GUY — As Mr Koch points out in a sarcastic tone, the word ‘vision’ is one that has not usually been associated with the government — and nor should it be, because this government is indeed sadly lacking when it comes to vision or a forward plan for this state which exists beyond the 24-hour news cycle. That is how we exist in Victoria under the Brumby government and how we have existed for some time under the Bracks-Brumby governments. It is the same old tired form of government where you govern for the next day’s paper or maybe in advance for the next week’s paper, but you certainly do not look 20, 30 or 40 years ahead, as governments of the past did. That is the thing I want to talk about in my contribution today to the debate on the budget papers.

The budget that was delivered by Mr Lenders is a gag, heist and joke. It is all about spin and not about substance. It was never intended to be about substance. If it were about substance, it would have featured real commitment, money and action. It would have actually had a plan to do things and not just say things. Unfortunately this budget only commits to yet again saying what the government will do; it does not talk about or show where it will do things.

We should all be fully aware that Victoria now has the greatest amount of recurrent revenue in the state’s history. That obviously comes with population growth and a range of other factors, but the reality is that Victoria today has a budget position of \$35 billion worth of revenue — which is astounding when you think this government when elected had a revenue base of just \$19 billion. We have grown from \$19 billion in revenue in 1999 to \$35 billion in revenue for the year 2008. I advise Mr Thornley that it took 140 years for Victoria to go from a base of zero.

Mr Thornley — Shameless.

Mr GUY — It is not very nice of Mr Thornley to call me shameless. I could call him many things too, but I like to keep my presentations honourable, even though he may not.

It took 140 years for Victoria to go from zero revenue up to the 1999 figure of \$19 billion worth of recurrent

revenue. In the nine years of this government we have seen recurrent revenue increase by \$16 billion to \$35 billion, but in the budget delivered by Mr Lenders a month or so ago we saw not a single level crossing to be eliminated in Melbourne; not a single railway line to be extended — and with an infrastructure crisis in Victoria, in Melbourne in particular, not a single railway line will be extended; not a single arterial road will be built by this government; not a single tramline will be extended; not a single new train will be ordered; not a cent for a single project recommended in Rod Eddington’s review — not a single one.

About seven or eight months ago we had a change of Premier. He was meant to be the return-to-action Premier, the return-to-action man, the infrastructure Premier.

Mr Koch — The spin king!

Mr GUY — The spin king, as Mr Koch says. We have a Premier who does more of the same — more talking and no action; a Premier who is committed to looking like he is doing something but is doing nothing. In fact I saw an example of this on television the other day with Anna Bligh. The Labor Party, and this government in particular, is obsessed with image, so here we had Anna Bligh standing in front of the media cameras with her hard hat on and her yellow vest, and of course everyone around her was just wearing a suit and tie as normal. That is what John Brumby does and that is what Steve Bracks used to do. That is the image of this government; it is all about spin. It is a time when Victoria’s population is growing at record levels, at 75 000 people a year. If anybody wants to check the census statistics, they will see we have had 11 years of population growth in this state. From 1997 onwards, which was the middle of the Kennett government, our population has been booming. Yet the Labor government in this budget failed to deliver a single piece of major infrastructure work for the state of Victoria.

I would like to welcome into the chamber the Parliamentary Secretary for Roads and Ports, because Mr Pakula should take a major interest in not only what was in the budget but what was not in this budget. This budget should have been a boon for Mr Pakula’s area of infrastructure. He should have been out there to crow about the issues in his own portfolio area. Instead, he remains silent; he remains like Humphrey B. Bear on the front bench, a puppet who can look good but just cannot talk because he has nothing to say.

Mr Pakula — Do you think I look good?

Mr GUY — I advise Mr Pakula that I am never physically disparaging to anyone — this from someone who is 5 foot 8 inches tall — so I am here to say that you look the part, but unfortunately like Humphrey B. Bear you cannot say anything because there is nothing in the budget; there is no substance whatsoever. That is the reality.

I want to contrast, if I can — I know it is late on a Thursday afternoon and the chamber is a little restless maybe — —

Mr Viney — There are not many people from your side in the house.

Mr GUY — They are in their offices, Mr Viney. I wanted to contrast, if I can, some other periods in Victoria's history where we have had similar circumstances.

Mr Viney interjected.

Mr GUY — My friends always help, Mr Viney, that is why you are here, Mr Pakula is here and Mr Thornley is here, which I appreciate.

Mr Pakula — You are like the Pied Piper, because you dragged me in!

Mr GUY — What I would like to do is to contrast — —

The ACTING PRESIDENT (Mr Elasmarr) — Order! The member should get back to the subject.

Mr GUY — I would like to get back to the subject, although I am being interrupted by the Humphrey B. Bears who have found their voices.

I want to contrast the current period with another great time in Victoria's history, and that was the Bolte era. Both eras have gone through periods of population growth, periods of large immigration growth, periods of a transformation in the Victorian economy, very large growth in Victorian revenue and in infrastructure spending, and of course an increase in recurrent revenue.

What was achieved under the Bolte government: the West Gate Bridge; the Eastern Freeway; the Tullamarine Freeway; the South Eastern Freeway, which is now the Monash Freeway; the completion of the Latrobe Valley energy projects, which used the brown coal to bring electricity to Melbourne; Melbourne Airport; the port of Portland; and the city loop — members will remember the city loop — was

put in place by the Bolte government for our state's future. There was also the Cairn Curran Reservoir.

It is worthwhile comparing the Bolte legacy, a legacy which set up Victoria for where it is today. It was a government that looked ahead and said, 'This is what we need to do and this is where we need to be'.

Mr Pakula — Maybe if you had Bolte here you would have half a chance!

Mr GUY — If Mr Pakula would like to contribute to the debate, I am sure he will get his chance.

The Bolte government looked ahead to Victoria's future. It said, 'This is where we need to be in 50 years; this is what Victoria needs to do to retain its place as a real state of investment, as a state where the population will grow, a state where people will want to live, to move to, and to invest in for business to grow'. It recognised it needed to provide infrastructure and put in place the building blocks for this state to grow.

Mr Thornley interjected.

Mr GUY — There must be a radio on in here and it must be tuned to Evan Thornley FM because it just will not shut up. It is playing the worst style easy music I have heard since the old EON FM. It is still going, so if someone has the mute button maybe they would like to press it, because it is a little annoying buzz like the mozzie you get around your head at night in summer. He is still going. It is a Professor Mozzie! I will try to keep going anyway.

Before I was rudely interrupted I was referring to where we are now with the Bracks and Brumby governments — that is, EastLink, which is a private consortium. But what are we putting in place now through this budget? What are we doing now for 50 years time? Not what are we doing for five years time or for 5 minutes ahead — what are we doing to build our state for 20, 30, 40, 50 years time in infrastructure? We are doing nothing. The state government cannot even build the Epping to South Morang railway. It is for 3 kilometres and \$18 million; it cannot even build it. It cannot even extend the railway line to Cranbourne.

Mr Dalla-Riva interjected.

Mr GUY — Exactly, Mr Dalla-Riva; we can manage to do the parliamentary kitchen but we cannot build infrastructure for the city's future.

Mr Viney made some comments about railway lines and I think he is quite right. Let us look at railway lines

which were promised faithfully by the Labor Party — Mildura and Leongatha — and rural standardisation. Where are all those projects today? The government gloats about the size of the surplus, it gloats about Victoria's economic position, but what are we actually doing to invest in our state's future for many generations ahead? Are we investing in rural standardisation? No, it has been a heist — another gag, another joke, another scam upon the Victorian population. What are we actually doing to reinstall rail services to Leongatha? That was Labor's promise in 1999. The government made a decision of the day that the patronage was not there and the line was closed to passenger traffic in the 1990s, and the Bracks opposition promised its reopening. Where is it? If you have seen the railway line at Leongatha you would know the weeds which have grown over the line are higher than some of the trees. That is because the promise has not come through. It was another joke, another scam, another heist, another spin opportunity.

I refer to the railway line to Mildura. Russell Savage, the former member for Mildura, was elected on the railway line promise for Mildura: he'll get the *Vinelander* back. The *Vinelander* was that 1980s institution that used to go from Spencer Street station up to Mildura. Where is the *Vinelander* from Spencer Street station up to Mildura? It is nowhere to be seen; it is mothballed. I think the carriage is sitting somewhere up in Seymour, at the historical society up there. The train is not on the rails and it is not running. The government members opposite should hang their heads in shame, because these are the promises they made to the people in country Victoria, but they are nowhere to be seen. We cannot even build a railway line 5 kilometres or so from Epping to South Morang. Yet the Bolte government electrified the Latrobe Valley; it built the city loop — it looked ahead.

As we all know, we have had an investigation, a review — another review — by a fellow by the name of Rod Eddington. He is a well-qualified individual; he did similar reviews of the city of London and looked around at what infrastructure London needed to be provided with in a decade's time and made a similar report, I understand. Rod Eddington made some recommendations for Melbourne, some of which were bizarre and some of which were obviously quite useful. The idea of building an underground rail link under St Kilda Road and the Domain is worth considering and should be considered. He also made some recommendations for what would cost quite a bit less than it would cost to put a tunnel under the Domain, such as linking Tarneit and Deer Park with another heavy rail access. The thought that linking two suburbs through green wedge land on a broad-gauge heavy rail

access is more of a priority than, say, building the Epping to South Morang railway line or the Cranbourne to Cranbourne East rail extension, or electrifying Melton to beyond Craigieburn, is up to him, but the point is that he made a number of suggestions in that report.

What is telling about this government, yet again, is that in a budget of \$35 billion there was not a single dollar for a single project in that Eddington review. We had an entire review put out by Sir Rod Eddington about what we needed to do to secure the future of our state and metropolitan areas, yet not a single dollar has come forward from the state government as a result of that review, which is an absolute disaster. It is a disaster because he made the very telling point in his report that doing nothing is not an option. Yet the state government has chosen to do nothing, and that is a damning indictment upon this government and the members who represent it.

I know we are getting close to 4.30 p.m. on a Thursday, which means we are going to adjourn, but I quickly want to turn to the issue of debt. Members opposite have talked about debt and about a number of the Bolte projects, saying, 'Oh, that was financed by debt' — and indeed it was. It is good to see that when the Sir Henry Bolte government went into debt it did so to build projects for Victoria's future; it went into debt to build projects that would last 30, 40 or 50 years.

Mrs Kronberg — Thank goodness they did.

Mr GUY — Mrs Kronberg is exactly right yet again — thank goodness the former Bolte government undertook those projects, because at the end of the day if you are going to go into debt it needs to be for a project that is worthwhile. But let us look at what this Victorian government has done. What have we gone \$23 billion into debt for? Can anyone name a single project that will last for our children's future, a single major project that this government is borrowing money for, a single major piece of infrastructure that this government is going into debt for and that Victoria is going halfway back to Kirner for? Not a single one.

Ms Lovell — Not one. Those on the other side can't name one, either.

Mr GUY — No, silence — not one — because Victoria is going back into debt, as it did in the 1980s, to finance projects that should be funded from recurrent revenue. We are not borrowing moneys to build infrastructure projects that will last five and six decades, two or three generations. That is the reality. As I said, in debt terms we will be halfway back to the

level that Joan Kirner had taken this state to when the coalition came to government in 1992 and was faced with incredibly difficult financial decisions — decisions such as that of a friend of mine who was a minister at that time and who said that his departmental head came to him and said, ‘Minister, the cheques you are signing I am not sure we can honour’. That showed the parlous state of Victoria’s finances in 1992. What a complete disgrace. The department could not even honour cheques back in 1992.

It is insulting to all Victorians when members opposite get up and lay into the Kennett coalition government about its performance from 1992 to 1999 when the performance of that government was absolutely fantastic: it did everything possible to put this state in a position where it would be a national leader. When it left office in 1999 it was a national leader on economic growth and it was a national leader when it came to debt management, because the position it inherited just seven years before was entirely the opposite. When talking about debt and about governments that have done nothing for the future of their constituencies it is worthwhile considering and being reminded of the Field, Wran, Burke, Bannon, Keating, Lennon, Carr, Iemma, ‘Call me Carps’ Carpenter, Rann, Beattie, Martin and Stanhope governments — all those governments which when they have taken out debt have forgotten one critical factor — that is, you actually have to pay it back.

Mr Finn — Not if you are in the Labor Party!

Mr GUY — Not if you are in the Labor Party. You have to pay it back. I find it astounding again that Labor members come into this chamber and say they have no issue with going into debt — because all of them opposite have no issue with going into \$23 billion worth of debt — and they make not a single mention of any of that debt being paid back.

This budget is all about spin. It is another heist — a bunch of lies perpetrated on the Victorian community. I say in conclusion that unfortunately from 22 November onward it will yet again be left to the coalition to pick up the mess that Labor’s current budget and the budgets preceding it have failed to deliver over eight years time.

Debate adjourned on motion of Mr THORNLEY (Southern Metropolitan).

Debate adjourned until next day.

BUSINESS OF THE HOUSE

Adjournment

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

That the Council, at its rising, adjourn until Tuesday, 10 June.

Motion agreed to.

NATIONAL GAS (VICTORIA) BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) on motion of Mr Jennings.

Statement of compatibility

For Hon. T. C. THEOPHANOUS (Minister for Industry and Trade), Mr Jennings tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities (the charter), I make this statement of compatibility with respect to the National Gas (Victoria) Bill 2008.

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

Overview of bill

The main purpose of the bill is to establish a framework to enable third parties to gain access to certain natural gas pipeline services. This is done by applying the National Gas Law set out in the schedule to the National Gas (South Australia) Act 2008 as Victorian law.

In December 2003, the Ministerial Council on Energy responded to the Council of Australian Government’s report *Towards a Truly National and Efficient Energy Market*, also known as the Parer review, by announcing a comprehensive and sweeping set of policy decisions for its major energy market reform program. These policy decisions were publicly released as a ministerial council’s report to the Council of Australian Governments on Reform of Energy Markets. All first ministers endorsed the ministerial council’s report.

The 2004 Australian Energy Market Agreement, as amended in 2006, commits the commonwealth, state and territory governments to establish and maintain the new national energy market framework. An important objective of the Australian Energy Market Agreement is the promotion of the long-term interests of energy consumers, which have been enshrined as a key objective of the new National Gas Law.

Also in 2004 the Productivity Commission completed its *Review of the Gas Access Regime*. The new National Gas Law implements the policy responses of the Ministerial Council on Energy to that review and incorporates a number of resulting regulatory reforms.

As the honourable members are aware, an existing cooperative scheme for the regulation of pipeline services came into operation in 1997. The lead legislation was the Gas Pipelines Access (South Australia) Act 1997. Victoria passed the Gas Pipelines Access (Victoria) Act 1998 in response to that legislation. The existing cooperative scheme is known as the gas code.

Under the proposed reforms the gas code will be replaced with the National Gas Law.

Under the proposed reforms, the National Gas Law and the national gas regulations made under the South Australian act and rules will be applied in all Australian jurisdictions by application acts.

Part 2 of the National Gas (Victoria) Bill 2008 will apply the National Gas Law as set out in the South Australian act as a law of Victoria and as so applying may be referred to as the National Gas (Victoria) Law. The regulations in force for the time being under the South Australian act will apply as regulations in force for the purposes of the National Gas (Victoria) Law and as so applying may be referred to as the National Gas (Victoria) Regulations.

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

As stated, the bill will apply the National Gas Law as set out in the National Gas (South Australia) Act 2008 as Victorian law. Accordingly, the National Gas Law provisions have been assessed against the charter.

The National Gas Law establishes a framework to enable third parties to gain access to certain national gas pipeline services by providing functions and powers to gas market regulatory entities. One of these entities is the Australian Energy Regulator (AER) established by section 44AE of the commonwealth Trade Practices Act 1974. Included in the function and powers of the AER is monitoring compliance with the National Gas Law, the regulations and rules, and investigating breaches or possible breaches of provisions of the National Gas Law, the national gas regulations or the rules.

Search warrants

In exercising its powers, the AER can seek, by an authorised person, the issue of a search warrant from the Magistrates Court of Victoria and also has the power to obtain information and documents in relation to the performance and exercise of functions and powers.

Section 35 of the National Gas Law provides that an authorised person may apply to a magistrate for the issue of a search warrant on reasonable grounds or reasonable suspicion that there has been or will be a breach of a relevant provision. The search warrant authorises an authorised person to enter, search, examine and seize. This provision engages the right to privacy and the right to property.

Insofar as a person owns or occupies the place, the person's right to privacy is engaged. However, the issue of a search

warrant is lawful and has a clear public purpose, the entry and search is not arbitrary and is clearly lawful. In so far as a person's property is seized, it is seized lawfully pursuant to a warrant.

Information gathering powers

The National Gas Law adopts the AER's information gathering powers under the national electricity law. They are designed to address ongoing issues of information asymmetry between regulated businesses and the AER. These information gathering powers do not raise privacy issues as the information relates to businesses.

Section 42 of the National Gas Law makes it an offence to provide false and misleading information. This section engages a person's right to freedom of expression. However, special duties and responsibilities are attached to this right and the section 42 limitation is reasonably necessary to ensure compliance. Accordingly, the right is not limited. Further, section 42(8) of the National Gas Law protects legal professional privilege and section 42(6) of the National Gas Law protects against self-incrimination.

Section 60 of the National Gas Law makes it an offence to provide false and misleading information. This section engages a person's right of expression. However, special duties and responsibilities are attached to this right and section 60 is reasonably necessary to ensure compliance. Accordingly, the right is not limited. Further, section 62 of the National Gas Law protects legal professional privilege and section 63 of the National Gas Law protects against self-incrimination.

Access

The National Gas Law also provides for applications for access to pipelines. If access is disputed, the dispute is to be heard by the dispute resolution body. The Australian Energy Regulator (AER) is the dispute resolution body under the National Gas Law as that law applies as a law of Victoria.

Proceedings conducted by the dispute resolution body may engage the right to a fair hearing in section 24 of the charter if one of the parties to the dispute is a natural person. The right to a fair hearing states that a party to a civil proceeding has the right to have the proceeding decided by a competent, independent and impartial court or tribunal after a fair and public hearing. The right is engaged because section 196 of the National Gas Law provides that a dispute hearing is to be held in private. However, under section 24(2) of the charter, proceedings may be private if permitted to be so by a law other than the charter. In this case, the law provides for the proceedings to be in private and as such the right is not limited. In any event, the National Gas Law provides that a dispute hearing may be held in public subject to both parties agreeing.

Dispute resolution proceedings also engage the right to freedom of expression. This right includes freedom not to impart information. The right is engaged by section 200 of the National Gas Law which makes it an offence for a person to divulge certain information. Section 201(2) of the National Gas Law gives the AER the power to summons a person to appear before the AER to give evidence and section 203 of the National Gas Law makes it an offence to fail to answer questions. These powers can only be exercised for the purposes of hearing and determining an access dispute. As

stated, the right to freedom of expression can be lawfully restricted and section 203 is a lawful restriction reasonably necessary to enable the dispute resolution body to function. In addition, under section 203 a person may refuse or fail to answer questions or produce documents if the answer or production of the documents might incriminate the person or expose the person to a criminal penalty.

Bulletin board

The National Gas Law provides for a bulletin board operator which must maintain a website. Section 228 of the National Gas Law provides that a person must keep confidential certain information. Again this engages the right of freedom of expression. However, this is a lawful restriction reasonably necessary to protect confidential information.

Conclusion

I consider the bill is compatible with the Charter of Human Rights and Responsibilities as any limitation is lawful and reasonably necessary for the operation of the National Gas Law.

The Hon T. C. Theophanous, MLC
Minister for Industry and Trade

Second reading

Ordered that second-reading speech, except for statement under section 85(5) of the Constitution Act, be incorporated on motion of Mr JENNINGS (Minister for Environment and Climate Change).

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

That the bill be now read a second time.

Incorporated speech as follows:

The bill will facilitate implementation in the Victorian gas sector of the second phase of the national energy market reform program under the Council of Australian Governments (COAG). In particular, the bill contains transitional provisions to transfer responsibility for economic regulation of gas access distribution networks from Victoria's jurisdictional regulator (the Essential Services Commission) to the Australian Energy Market Regulator (AER) under a new national framework.

The national energy market reform program is being implemented through the Ministerial Council on Energy (MCE). In 2005, in the first phase of the reform program, the Australian Energy Market Commission (AEMC) and the AER were established as rule-maker and economic regulator respectively, and a new National Electricity Law (NEL) was enacted, together with new National Electricity Rules (NER), for regulation to the national wholesale electricity market and electricity transmission networks. On 1 January 2008, the economic regulation of electricity distribution networks was transferred to the AER from various state and territory jurisdictional regulators pursuant to amendments to the NEL and NER.

In the second phase, a bill was introduced on 9 April 2008 into the South Australian Parliament for the National Gas

Law (NGL) and the National Gas Rules (NGR) to provide for the transfer of economic regulation of gas transmission and distribution networks from the Australian Competition and Consumer Commission and various state and territory jurisdictional regulators to the AER under a new national framework.

The NGL contains new incentives to encourage investment in gas infrastructure, which are important in light of the important role gas is expected to play as we move to a carbon-constrained economy. These incentives include the continuation of the greenfields pipeline incentives, a new light-handed regulatory regime and improvements to the rules around cost recovery for investment in expanding existing gas infrastructure capacity.

A further major reform is the streamlined rule change process, now embodied in the new National Gas Law. As a result of these reforms, the rules that govern the regulation of pipeline services, and which are currently embodied in the national gas code, will be replaced with rules made under the National Gas Law.

The National Gas Law also makes significant advances in transparency in the market for gas by establishing a bulletin board to provide information about natural gas services and assist in the response to gas emergencies.

Overall, the National Gas Law will strengthen and improve the quality, timeliness and national character of the governance and economic regulation of pipeline services while increasing consistency between electricity and gas regulation and improving transparency.

The COAG Australian Energy Market Agreement requires transfer of responsibility to the AER progressively as gas distribution access reviews become due in the various jurisdictions. The AER will therefore be responsible for the next review in Victoria which is scheduled to apply from 2013.

The agreement also allows for earlier transfer of responsibility for current access arrangements. Accordingly, this bill provides for the ESC to continue to administer the Access Arrangement Review 2008–2012, Gas Pipeline Access (Victoria) Act 1998, Gas Industry Act 2001 and the Essential Services Commission Act 2001 until a nominated date and for the AER to assume responsibility on and from that date.

Statement under section 85(5) of the Constitution Act

Mr JENNINGS — I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons why clause 14(2) of the bill will alter or vary section 85 of that act.

Clause 16 of the bill states that it is the intention of section 14(2) of the bill to alter or vary section 85 of the Constitution Act 1975.

Clause 14(1) of the bill provides that if a pipeline is a cross-boundary pipeline, any action taken under the national gas legislation of a participating jurisdiction in whose jurisdictional area a part of the pipeline is

situated (by a relevant minister or court) is taken also to be taken under the national gas legislation of each participating jurisdiction in whose jurisdictional area a part of the pipeline is situated (by a relevant minister or court as the case requires).

Clause 14(2) of the bill provides that no proceeding for judicial review or for a declaration, injunction, writ, order or remedy may be brought before the court to challenge or question any action, or purported action, of a relevant minister taken, or purportedly taken, in relation to a cross-boundary distribution pipeline unless this jurisdiction has been determined to be the participating jurisdiction with which the cross-boundary distribution pipeline is most closely connected.

The relevant minister in relation to a cross-boundary distribution pipeline is determined by the National Competition Council under the National Gas Law.

The reasons for the variation to the application of section 85 of the Constitution Act 1975 are as follows.

The purpose of clause 14(2) is to prevent jurisdiction-forum shopping in relation to decisions of a relevant minister relating to cross-boundary distribution pipelines. The effect of the provision is that proceedings may only be brought in the Supreme Court of the jurisdiction with which a cross-boundary distribution pipeline is most closely connected.

Clause 14 of the bill is a uniform provision that forms part of the nationally consistent scheme for regulation of pipeline services provided by means of transmission and distribution pipelines. It is the intention that it will be enacted in identical terms by all of the parliaments of the state and territory participating jurisdictions. The provision is necessary for the integrity of the nationally agreed scheme.

Incorporated speech continues:

Victoria continues to be a leader in the national energy market reform process. This bill, together with the amendments introduced in South Australia, will streamline and improve the quality of economic regulation of the national energy market to lower the cost and complexity of regulation facing investors, enhance regulatory certainty and lower barriers to competition.

I commend the bill to the house.

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

Debate adjourned until Thursday, 5 June.

STATE TAXATION ACTS AMENDMENT BILL

Introduction and first reading

Received from Assembly.

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

Statement of compatibility

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

In accordance with section 28 of the Charter of Human Rights and Responsibilities (the charter), I make this statement of compatibility with respect to the State Taxation Acts Amendment Bill 2008.

In my opinion, the State Taxation Acts Amendment Bill 2008, as introduced to the Legislative Council, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The purpose of the State Taxation Acts Amendment Bill 2008 is to amend the Duties Act 2000, the First Home Owner Grant Act 2000, the Land Tax Act 2005 and the Payroll Tax Act 2007.

In particular the bill makes a number of changes to the administration of the off-the-plan stamp duty concession, introduces new stamp duty exemptions, clarifies the application of an existing stamp duty exemption where property passes to unit holders from unit trust schemes, increases the thresholds for general stamp duty, principal place of residence and the pensioner exemption/concession. The bill provides for an additional grant to first home buyers purchasing a newly constructed home in regional Victoria.

There is an increase in the thresholds for land tax, a reduction in the top rate and the introduction of an exemption from land tax to assist in the accommodation of disabled young people. The bill also provides for a reduction in the payroll tax rate and a number of minor payroll tax amendments.

Human rights issues

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

Right to privacy

The right to privacy is protected by section 13 of the charter. In accordance with this right a person must not have his or her privacy, family, home or correspondence unlawfully or arbitrarily interfered with.

An interference with privacy will be unlawful if it is not permitted by law, or it is not certain and appropriately circumscribed. An interference will be arbitrary if the restrictions on privacy are unreasonable in the circumstances

and not in accordance with the provisions, aims, and objectives of the charter.

Clauses 3, 4 and 6 of the bill require a person to produce documents upon written notice by the commissioner, which includes information about calculations of percentage of construction completed on a building or refurbished lot as at the date of the contract. These requirements raise the right to privacy to the extent that they compel a person to provide documents to the commissioner.

These clauses do not, however, limit the right to privacy under the charter. The documents which a person may be compelled to provide in relation to the off-the-plan amendments are necessary to enable the commissioner to verify the accuracy of the information provided to calculate the quantum of the concession. This is fundamental to the bill achieving its purpose of proper and effective functioning of the off-the-plan duty concession provisions. In a self-assessment system it is important the commissioner can verify claims for the concession through compelling a person to produce documents. In these circumstances the provision of records is not arbitrary and is clearly lawful.

Clause 18 provides benefits to landowners in the form of an exemption from land tax for certain land used as residential services for people with disabilities.

In order to receive the benefit available under the amendment being introduced, applicants would necessarily have to provide relevant evidentiary materials to satisfy the conditions of the benefit such as details of the relevant property including evidence of its use as such a residential service.

This clause does not, however, limit the right to privacy under the charter. The information required from persons to obtain a benefit is necessary to establish the eligibility of the applicants for that benefit and forms a fundamental part of the proper administration of this provision. The requirement for the information is relevant to give effect to the provision, which is to benefit eligible persons. Moreover, persons have a choice whether to apply for this benefit and produce the information or not. In these circumstances the provision of records is not arbitrary and is clearly lawful.

The Taxation Administration Act 1997, section 91, contains certain safeguards concerning the use of information obtained under or in relation to the execution of the bill. For example, section 91 prohibits past or present tax officers from disclosing this information except as expressly permitted.

To the extent that the confidential information is also personal information, the Information Privacy Act 2000 provides a further safeguard that will assist in ensuring that the right to privacy is not unlawfully or arbitrarily interfered with.

Notwithstanding that this clause raises the right to privacy it does not limit that right because it is neither unlawful nor arbitrary.

Right to property

Section 20 of the charter provides that a person must not be deprived of his or her property other than in accordance with law. A statutory deprivation of property will not breach section 20 of the charter if it is lawful and is for a non-arbitrary purpose and is proportionate to that purpose.

Clauses 3, 4 and 6 of the bill may engage this right because they permit the commissioner to require a person by written notice to produce a document and it allows for transferors to be jointly and severally liable with the transferees for any additional duty if information provided by the transferor is found to be incorrect.

Notwithstanding that the exercise of these powers may result in the deprivation of property they do not limit the right to property because in each instance the deprivation will not be unlawful or arbitrary. That is, the deprivation will be permitted by law and is appropriately circumscribed for the reasons set out above in relation to the right to privacy. The deprivation is not arbitrary because in a self-assessment regime it is essential to have sufficient powers to investigate and collect evidence to enable effective monitoring and compliance. These powers also help to ensure that the commissioner can adequately protect the property rights of the lawful beneficiaries of the off-the-plan duty concession.

Further the production of documents in these circumstances is reasonable to ensure the public benefit aim of the off-the-plan duty concession is achieved in circumstances where there may be serious non-compliance with the requirements of the bill. Accordingly, while the right to property may be engaged by these provisions it is not limited for the purposes of the charter.

These powers are not unlawful because they will be provided for by law, and will only be exercised for purposes connected with the administration and enforcement of the Duties Act 2000. In these circumstances, the operation of joint and several liability is not arbitrary and is clearly lawful.

Clause 18 may also engage the right to property to the extent that there are requirements on persons to produce documents in order to receive a nominated benefit under the Land Tax Act 2005. However, as is the case for the right to privacy, these requirements are not mandatory as persons have a choice to submit such documentation as part of an application for a benefit, or not. The information required from persons to obtain a benefit is necessary to establish the eligibility of applicants for those benefits and forms a fundamental part of the proper administration of these provisions. The requirement for the information is relevant to give effect to the provisions, which is to benefit eligible persons. Also, the relevant requirements will be permitted by law.

Notwithstanding that this clause may engage the right to property it does not limit the right because the requirement for documentation as part of an application for a benefit is neither unlawful nor arbitrary.

Freedom of expression

Section 15(2) of the charter gives a person the right to freedom of expression, which includes the freedom to seek, receive and impart information and ideas of all kinds, whether within or outside of Victoria in a variety of forms. The right to freedom of expression encompasses a freedom not to be compelled to say certain things or provide certain information.

Clauses 3, 4, 6 and 18 of the bill may engage this right because they permit the commissioner to require a person by written notice to produce a document.

To the extent these clauses compel a person to provide information or answer questions they may represent a limit on that person's freedom of expression.

Recognition and equality before the law

Section 8(3) of the charter provides that every person is equal before the law and is entitled to equal protection of the law without discrimination. Discrimination, in relation to a person, means discrimination within the meaning of the Equal Opportunity Act 1995 on the basis of an attribute set out in section 6 of the act.

Clauses 8, 10, 15 and 18 of the bill may engage this right as they respectively provide an exemption from stamp duty for situations where a trust is established and/or property is transferred into such a special disability trust for disabled persons; a concession from stamp duty is provided in certain circumstances for certain pensioners; a grant is provided in certain circumstances for first home buyers in regional Victoria; and a land tax exemption is provided in certain circumstances where land is used for residential services for disabled persons.

To the extent that clauses 8, 10, 15 and 18 provide more favourable treatment to persons disabled, of pensioner status or who buy homes in regional Victoria, they may limit the right of recognition and equality before the law.

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

Freedom of expression

The right to freedom of expression under section 15 of the charter may be limited by the operation of clauses 3, 4, 6 and 18 of the bill.

(a) What is the nature of the right being limited?

The freedom of expression is a right of fundamental importance in our society and is an essential foundation of a democratic society. It encompasses the right not to be compelled to express information of all kinds, including in documents.

(b) What is the importance of the purpose of the limitation?

To the extent that clauses 3, 4, 6 and 18 compel a person to answer questions, provide information or produce documents, they may limit the right to freedom of expression.

The purpose of this limitation for clauses 3, 4 and 6 is to ensure that the commissioner is able to verify the accuracy of the information provided which is fundamental to the bill achieving its purpose of proper and effective functioning of the off-the-plan duty concession provisions. In a self-assessment system it is important the commissioner can verify claims for the concession through compelling a person to produce documents. The relevant requirements will be permitted by law, in these circumstances the provision of records is not arbitrary and is clearly lawful.

The purpose of this limitation for clause 18 is that the information required from persons to obtain a benefit is necessary to establish the eligibility of the applicants for that benefit and forms a fundamental part of the proper administration of this provision. The requirement for the information is relevant to give effect to the provision, which is to benefit eligible persons. Moreover, persons have a choice

whether to apply for this benefit and produce the information or not. The relevant requirements will be permitted by law, in these circumstances the provision of records is not arbitrary and is clearly lawful.

(c) What is the nature and extent of the limitation?

Under clauses 3, 4, 6 and 18 a person may be compelled to answer questions, provide information or produce documents. However, the circumstances in which a person can be asked to do so are limited to verifying the applicant's eligibility for the relevant concession.

(d) What is the relationship between the limitation and the purpose?

The limitation is directly related to the purpose which is to verify the accuracy of applicant's eligibility for the relevant concession.

(e) Are there any less restrictive means available to achieve its purpose?

No other means are considered reasonably available to achieve the purpose of the limitation imposed.

(f) Conclusion

The limitation is reasonable and necessary so that the commissioner can verify information necessary to effectively administer concessions available pursuant to the bill.

Recognition and equality before the law

The right to recognition and equality before the law under section 8 of the charter may be limited by the operation of clauses 8, 10, 15 and 18 of the bill.

(a) What is the nature of the right being limited?

The right to recognition and equality before the law is one of the cornerstones of human rights instruments and this is reflected in the preamble to the charter. However, the right is not absolute and can be subject to reasonable limitations in section 7 of the charter.

(b) What is the importance of the purpose of the limitation?

The purpose of the limitation is to ensure that certain disadvantaged persons are eligible for particular taxation concessions or grants. This limitation is important because it assists some of the most vulnerable members of society.

(c) What is the nature and extent of the limitation?

The nature of the limitation is the favourable treatment provided to certain disadvantaged persons because it provides them with access to stamp duty concessions, additional grants and exemptions from land tax. The nature and extent of the limitation is confined.

(d) What is the relationship between the limitation and its purpose?

There is a direct relationship between the more favourable treatment of persons with certain disadvantages and the purpose of protecting and assisting the rights of those who are more vulnerable because of those disadvantages.

- (e) Are any less restrictive means available to achieve the purpose?

No other means are considered reasonably available to achieve the purpose of the limitation imposed.

- (f) Conclusion

The limit on the right to recognition and equality before the law is reasonable and justified because it protects the rights of certain disadvantaged persons by allowing them to be eligible for particular taxation concessions or grants.

In all other circumstances whilst the bill raises human rights issues, it does not limit any other human right, therefore it is not necessary to consider section 7(2) of the charter.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities because, even though it does limit a human right this limitation is reasonable.

JOHN LENDERS, MP
Treasurer

Second reading

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

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

That the bill be now read a second time.

Incorporated speech as follows:

On 6 May 2008 the government handed down its 2008–09 budget. This budget continues the legacy of prudent fiscal management coupled with fair and sensible taxation reform established in prior budgets.

Changes enacted in this bill represent the first major revision to the thresholds for stamp duty on land transfer in 10 years. These thresholds in the Duties Act 2000 will be increased by approximately 10 per cent. This measure provides a degree of relief to residential, business and investor property purchasers.

The government will provide further benefits to first home buyers by extending the concessional rate of duty for principal places of residence to those currently eligible for the first home bonus. This will replace the current requirement where first home buyers must elect between the two and is firmly targeted at helping Victorians into the housing market.

The threshold increases importantly also apply to the stamp duty brackets currently in place for the principal place of residence land transfer concession and the eligible pensioner concession ensuring these special categories similarly benefit. These duties changes are estimated to be worth \$420 million in tax savings over the next four years and will take effect for contracts entered into on or after 6 May 2008.

Special disability trusts are a federal government initiative aimed at helping immediate family members and guardians

provide for the current and future care and accommodation of children with severe disabilities. The scheme allows families to make financial provision for their family member without impacting on his or her eligibility for social security payments. It also offers an alternative form of accommodation to persons with severe disabilities other than aged-care facilities or hostels. In the budget the government announced that it will provide duty exemptions in respect of such trusts to support the federal government's initiative and assist persons with severe disabilities in gaining access to suitable care and accommodation.

In the absence of an exemption, the establishment of a special disability trust and vesting of property therein (the dutiable value which is up to \$500 000) may incur stamp duty of more than \$25 000.

The corporate reconstruction exemption from stamp duty is being expanded to remove a potential disincentive for Australian-listed property trusts to invest overseas. In keeping with recent federal tax reform, this exemption will be extended to restructures of stapled entities in specified circumstances which will assist industry to be more competitive in offshore markets and provide greater returns for Australian investors.

In 2007 the government authorised the State Revenue Office to undertake a review of the off-the-plan stamp duty concession. This concession is only available in Victoria and is an important feature of the government's housing affordability policy. The amount of concession available is determined by reference to the extent of construction completed when the land is purchased, and is also available in respect of refurbishments of existing buildings. The review was timely given evidence of rorting via inflated concession claims, and it allowed refinement to simplify aspects of the administration of the concession.

This bill enacts a package of measures in the Duties Act 2000, much of which industry is aware of and which should be welcomed. The measures apply to the transfer of dutiable property if the contract of sale of the land is entered into on or after 1 October 2008. This is to ensure there is a suitable period for all stakeholders to adjust their practices and to ensure all parties entering into new contracts are fully cognisant of these requirements. These measures, together with further administrative simplification, will shorten the calculation process, lower the occurrence of error and provide a disincentive for rorting.

Section 36B of the Duties Act 2000 provides an exemption for a transfer of dutiable property from a unit trust scheme to unit-holders who were unit-holders when property was first vested in or transferred to the trust. The underlying rationale for this exemption is that in such cases stamp duty must have been borne at that first vesting or transfer effectively by those unit-holders and there is no change in the beneficial ownership of the property by the transfer.

The bill seeks to restore the objective of providing only the same level of stamp duty relief as is available in parallel sections 36 (that deals with fixed trusts) and section 36A (that deals with discretionary trusts).

The budget contains a new additional payment of \$3000 for first home buyers purchasing a newly constructed home in regional Victoria. Regional Victoria is defined in a schedule

to the bill as being 48 municipalities outside of metropolitan Melbourne plus the alpine resort areas.

This additional payment will be provided to eligible recipients in addition to the first home bonus. Home buyers entering into contracts on or after budget day will be eligible for this additional amount. The Brumby government recognises the importance of growth in our regions. This measure is targeted at improving housing affordability and toward encouraging further population and jobs growth in regional Victoria.

In the budget the government committed to further land tax reform. The Land Tax Act 2005 will be amended to increase all thresholds by approximately 10 per cent and reduce the top tax rate from 2.5 per cent to 2.25 per cent. This means there will be a tax-free threshold of \$250 000 up from \$225 000.

These changes will apply for the 2009 land tax year onwards.

The threshold changes also flow through to the trusts land tax rate scales though maintaining a lower tax-free threshold, the surcharge of 0.375 per cent, and the tapering off of the surcharge before hitting the new upper threshold of \$3 million.

These changes to the land tax scales are worth approximately \$490 million over the next four years and will benefit all land tax payers. Virtually all Victorian businesses with land-holdings valued between \$0.4 million and \$5.7 million will pay less land tax than they currently would in New South Wales or Queensland and will pay the second lowest rates in Australia.

In recent years the government has dramatically reduced land tax rates and abolished middle brackets. These measures to increase thresholds complement earlier reforms and emphasise that this government is committed to providing a fairer tax system for all Victorian land-holders.

The Land Tax Act 2005 is also being amended to introduce an exemption from land tax for land which is used as long-term shared supported accommodation for young people with disabilities. This is an extension of the current exemption for residential care facilities and supported residential services. The possibility of unfavourable land tax treatment may have acted as a barrier in the past to the establishment of shared supported accommodation for younger people with disabilities that require a high level of care.

The payroll tax rate was already scheduled to fall from 5.05 per cent to 5 per cent in 2008–09. The 2008–09 budget further reduces the payroll tax rate to 4.95 per cent, effective 1 July 2008. This additional reduction benefits over 28 000 businesses by a further \$170 million over the next four years.

The bill further amends the Payroll Tax Act 2007 in a number of relatively minor ways. This act was rewritten last year to harmonise with New South Wales except for rates and thresholds. A number of minor issues have been identified which require legislative amendment in both Victoria and New South Wales. There is already a bill before the New South Wales Parliament addressing these issues. It is important that having established the degree of consistency that we have, that this is maintained.

The changes include:

- (a) ensuring that organisations which are charitable at common law enjoy the charitable organisation exemption. This is the policy objective and how the State Revenue Office currently administers the act; however, a strict reading suggests the exemption could be interpreted in a more restrictive fashion, and practitioners have requested clarification;
- (b) confirming that the exclusion provision does apply, as intended, to trustee companies;
- (c) enacting a new component in the grouping provision to overcome a technical anomaly whereby the same person may hold a majority interest in several businesses via interposed entities. This anomaly was brought about by the increase in the controlling interest test from '50 per cent or more' to 'greater than 50 per cent'.

There are further minor amendments to the leap year calculation formulae, to update the weekly amount for registration and to modify a clause title.

The budget measures are fair and affordable. The further taxation reform amendments in the bill are justifiable. This government is committed to a balance of sensible, cooperative tax administration. The government will protect the revenue base whilst striving to provide a competitive yet equitable tax regime for Victorians.

I commend the bill to the house.

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

Debate adjourned until Thursday, 5 June.

DRUGS, POISONS AND CONTROLLED SUBSTANCES (VOLATILE SUBSTANCES) (REPEAL) BILL

Introduction and first reading

Received from Assembly.

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

Statement of compatibility

Mr JENNINGS (Minister for Environment and Climate Change) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities, I make this statement of compatibility with respect to the Drugs, Poisons and Controlled Substances (Volatile Substances) (Repeal) Bill 2008 (the bill).

In my opinion, the bill, as introduced to the Legislative Council, is compatible with the human rights protected by the

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

Overview of the bill

Division 2 of part IV of the Drugs, Poisons and Controlled Substances Act 1981 currently sets out a scheme whereby police are granted particular powers when dealing with young people under the age of 18 who are using inhalants. The aim of the scheme is to protect young people and others from the effects of inhaling volatile substances.

The scheme was inserted into the Drugs, Poisons and Controlled Substances Act 1981 on a trial basis in 2004, and its utility has been subject to review and analysis since then. The scheme is due to sunset on 1 July 2008.

On the basis of positive reports and feedback received, it has been decided to keep the scheme operating. Accordingly, the bill revokes the sunset clause relating to division 2 of part IV, thereby making the scheme and the powers granted to police relating to young people affected by volatile substances an ongoing part of the Drugs, Poisons and Controlled Substances Act 1981.

Human rights issues

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

Part 2 of division IV of the Drugs, Poisons and Controlled Substances Act 1981, to which the bill relates, engages a number of rights which are specifically protected and promoted by the charter.

Section 8: right to recognition and equality before the law

Section 8(2) of the charter establishes the right of every person to enjoy his or her human rights without discrimination. In this context 'discrimination' refers to both direct and indirect discrimination within the meaning of the Equal Opportunity Act 1995 on the basis of an attribute set out in section 6 of that act. The attributes listed in section 6 of the Equal Opportunity Act 1995 include age, impairment and religious belief.

Section 8(3) of the charter recognises that every person is entitled to the equal protection of the law without discrimination. As a result, legislation should not have a discriminatory effect on people.

In general, the scheme established in division 2 of part IV of the Drugs, Poisons and Controlled Substances Act 1981 engages the right to equal protection before the law. This is because the provisions in division 2 of part IV apply to persons under the age of 18. This is prima facie discrimination on the basis of age and results in unequal treatment of those under the age of 18 because young people under the age of 18 can suffer the potential detriment of being subjected to the particular search, apprehension and detention powers contained in part 2 of division IV without the police requiring a warrant and without first committing an offence. Those over 18 are not subject to these particular and potentially invasive powers.

Reasonableness of the limitation

Nature of the right

The rights engaged relate to the prevention of discrimination and equal access to protection against discrimination.

Importance and purpose of the limitation

The effect of this bill is that division 2 of part IV will be made an ongoing part of the Drugs, Poisons and Controlled Substances Act 1981. That is, police will continue to be able to search for volatile substances and items used to inhale volatile substances and to apprehend and detain young people under the age of 18 who are affected by volatile substances. The powers of the police contained in division 2 of part IV will remain in the Drugs, Poisons and Controlled Substances Act 1981 because studies have shown that young people are more likely to be involved in inhaling volatile substances because of the cost, availability and accessibility. Whilst under the influence of volatile substances, young persons are more likely to have accidents and injure themselves in some way. According to Victoria Police data in the period between 2004 and 2006 there were a total of 97 searches of young people under 18 and 57 young people under 18 apprehended and detained due to concern of the possibility of serious harm to self or others.

Nature and extent of the limitation

There are important safeguards on the exercise of these powers granted to police under division 2 of part IV of the Drugs, Poisons and Controlled Substances Act 1981. The search powers granted to police enable them to search for volatile substances and items used to inhale volatile substances only when police have a reasonable belief that the person is inhaling or will inhale a volatile substance. Similarly, persons under 18 years of age are only apprehended and detained with the specific intention of preventing them from causing immediate serious bodily harm to themselves or others.

In addition, a person under 18 years of age may only be searched under certain circumstances (see section 60E) and can only be detained until the police can release them into the care of a suitable person (see section 60M(3)). There are also limitations on where a young person can be detained (see section 60M(6)).

The relationship between the limitation and its purpose

Limiting the right to equal treatment before the law by applying the provisions of division 2 of part IV only to those under the age of 18 is directly related to the purpose of the limitations. The purpose of the limitation is to protect young people under the age of 18 from serious harm caused by inhaling volatile substances.

Any less restrictive means reasonably available to achieve the purpose that the limitation seeks to achieve?

There is no less restrictive alternative available that would achieve the purpose the limitations set out to achieve.

Conclusion

Accordingly, the limitations imposed on sections 8(2) and (3) of the charter by the overall scheme of division 2 of part IV can be demonstrably justified and are reasonable.

Section 12: freedom of movement

Section 12 of the charter protects various rights in relation to freedom of movement. These rights include the right to move freely within Victoria; the right to choose where to live in Victoria; and the right to be free to enter and leave Victoria.

Section 60L and 60M of the Drugs, Poisons and Controlled Substances Act 1981, which are part of the scheme in division 2 of part IV, permit young individuals to be detained. While the detention of a person will limit their freedom of movement, lawful detention affects more specifically the right to liberty and security of persons (see General Comment 27: Freedom of Movement by the Human Rights Committee of the United Nations). As a result, where this statement considers the compatibility of these clauses with section 21 of the charter, it does not separately consider section 12.

Section 13: privacy and reputation

Section 13(a) of the charter recognises a person's right not to have his or her privacy, family, home or correspondence unlawfully or arbitrarily interfered with. The requirement that any interference with a person's privacy must not be 'unlawful' imports a requirement that the scope of any legislative provision that allows an interference with privacy must specify the precise circumstances in which interference may be permitted. The requirement that an interference with privacy must not be arbitrary requires that any limitation on a person's privacy must be reasonable in the circumstances and should be in accordance with the provisions, aims and objectives of the charter.

Sections 60E and 60F of the Drugs, Poisons and Controlled Substances Act 1981, which are part of the scheme in division 2 of part IV, engage the right to privacy because they enable a person to be searched in certain circumstances. Sections 60E and 60F provide a lawful basis for any search under division 2 of part IV of the Drugs, Poisons and Controlled Substances Act 1981. Furthermore, those sections require that the police can only exercise the power to search if the police have reasonable grounds for believing that the person to be searched intends to provide a volatile substance or item used to inhale volatile substances to a person under the age of 18 years. These conditions are consistent with the purpose of the division of protecting the health and welfare of young people and are therefore not arbitrary.

For these reasons, sections 60E and 60F are compatible with section 13 of the charter.

Section 17: protection of families and children

Section 17(1) of the charter provides that families are entitled to be protected by society and the state. Section 17(2) specifically provides that every child has the right, without discrimination, to such protection as is in their best interests and is needed by them by reason of them being a child. 'Child' is defined in the charter as a person under 18 years of age.

In general, the scheme established in division 2 of part IV of the Drugs, Poisons and Controlled Substances Act 1981, which is the subject of this bill, engages the right protected by section 17(2) of the charter because it gives police the power to search, apprehend and detain people under the age of 18 who are considered children for the purposes of the charter.

Overall, the scheme established in division 2 of part IV is consistent with the human rights contained in section 17(2) as the stated purpose of the division is the protection of the health and welfare of those under 18. The division is particularly designed to ensure that young people are protected. In exercising any powers under the division in relation to a young person under the age of 18 police must take into account their best interests.

The provisions in division 2 of part IV enhance the right under section 17(2) by recognising that it is in the best interests of a young person who is inhaling a volatile substance to be subject to a welfare response.

Section 20: property rights

Section 20 of the charter recognises a person's right not to be deprived of his or her property other than in accordance with law. The requirement that a permissible deprivation can only be carried out 'in accordance with law' imports a requirement that the law not be arbitrary.

Sections 60J and 60K of the Drugs, Poisons and Controlled Substances Act 1981 which are part of the scheme in division 2 of part IV, engage section 20 of the charter because they authorise the removal or seizure of volatile substances or items. These provisions are not arbitrary. The reasons for the removal are clearly set out in section 60J and section 60K. Removal of property can only occur if there is a risk that the substances or items may be used by a person under the age of 18 for the purpose of inhaling a volatile substance.

Accordingly, sections 60J and 60K are compatible with section 20 of the charter.

Section 21: right to liberty and security of person

Section 21 of the charter establishes an individual's right to liberty and sets out certain minimum rights of individuals who are detained to minimise the risk of arbitrary or unlawful detention. More specifically, section 21 of the charter recognises the following rights:

the right not to be subjected to arbitrary arrest or detention

the right not to be deprived of his or her liberty except on grounds, and in accordance with the procedures, established by law

the right to be informed at the time of detention of the reason for detention and to be promptly informed about any proceedings to be brought against him or her.

Sections 60L and 60M of the Drugs, Poisons and Controlled Substances Act 1981, which are affected by this Bill, engage section 21 of the charter because they enable police to apprehend and detain a young person under the age of 18 in certain circumstances. The conditions of detention are specifically set out in section 60L, which provides that a detained person must be informed why they have been detained and also that they are not under arrest. Safeguards also exist in section 60M where the provisions stipulate when a young person must be released and into whose care.

Accordingly, detention under these provisions is neither arbitrary nor unlawful and sections 60L and 60M are compatible with section 21 of the charter.

Section 23: children in the criminal process

Section 23 of the charter provides that a child detained without charge must be segregated from all detained adults.

Sections 60L and 60M of the Drugs, Poisons and Controlled Substances Act 1981, which are part of the scheme in division 2 of part IV, engage this right because they provide for the detention of children under the age of 18. However, the relevant provisions specifically state that a detained child must not be detained in a police jail, cell, or lockup, which means that they will be segregated from detained adults. It is the usual practice for people under the age of 18 to be detained by the police at the location where they were apprehended (for example a park or a private residence) until they can be released.

Therefore, sections 60L and 60M are compatible with the human rights protected by section 23 of the charter.

Conclusion

I consider that the provisions of the Drugs, Poisons and Controlled Substances Act 1981 which will remain in force by virtue of this bill are compatible with the charter because to the extent that some provisions may limit rights, those limitations are reasonable and demonstrably justified in a free and democratic society.

GAVIN JENNINGS, MLC
Minister for environment, climate change and innovation

Second reading

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

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

That the bill be now read a second time.

Incorporated speech as follows:

The Brumby government is committed to protecting the health and welfare of Victoria's children and young people, who are among the most vulnerable members of our community.

Victoria is a national leader in initiatives that minimise harm caused by the inhaling of volatile substances, or 'chroming', as it is known.

To help protect children and young people under 18 from the harms of 'chroming' the Victorian government introduced the Drugs, Poisons and Controlled Substances (Volatile Substances) Act in 2003. The powers granted to police under that and subsequent amendments are due to sunset on 30 June 2008.

Following the introduction of that legislation, a range of other strategies have also been employed, including the introduction of the responsible sale of solvents — retailers kit, funding of a Koori inhalant abuse kit for the Victorian Koori community, and the development of management guidelines

for staff working with young people in alcohol and drug services and out-of-home-care services.

The Department of Education and Training has developed and distributed an information package for schools entitled *Volatile Solvents — A Resource for Schools*. This is accompanied by a comprehensive training kit.

The Victorian government has also provided leadership on the National Inhalant Abuse Taskforce, and the funding and establishment of youth-specific drug and alcohol services. These include:

- a Koori youth residential rehabilitation service;
- five specialist alcohol and drug treatment worker positions to support young people with drug problems, including inhalant abuse, in residential care; and
- youth outreach, withdrawal and rehabilitation services.

Last year, the government went further, taking action to ban the sale of spray paint to young people aged under 18.

The primary purpose of the bill now before the house is to make the provisions of the Drugs, Poisons and Controlled Substances (Volatile Substances) Act 2003 permanent. By repealing the Drugs, Poisons and Controlled Substances (Volatile Substances) Act 2003, the volatile substances provisions in division 2 of part IV of the Drugs, Poisons and Controlled Substances Act 1981 will remain permanently in force.

Under the volatile substances provisions in division 2 of part IV of the act, police are granted limited civil powers under which they can apprehend and detain young people whom they reasonably suspect of abusing volatile substances or at risk of doing so. Under the legislation, police are empowered to search persons and seize volatile substances and items used to inhale, and to link the young person with an appropriate adult, such as a parent or a health service worker.

The legislation's sole purpose is to protect the health and welfare of children and young people. In exercising these powers, police officers take into account the best interests of the young person who is subject to those powers.

The act does not make it an offence to possess or inhale a volatile substance and it is not the intention of the legislation to bring young people into the criminal justice system.

Inhaling volatile substances is dangerous and harmful behaviour. Health and welfare agencies are an important part of the response to young people abusing inhalants. These agencies have a key role in supporting the police response to volatile substance abuse by young people. There are a range of options for police to access when exercising their powers under the legislation. These include the capacity to connect young people to their families or a residential care service, to a hospital emergency department if required, or to an appropriate drug and alcohol service for immediate recovery and care.

Since the legislation does not criminalise volatile substance abuse, any detention of the person does not occur in a jail or police cell.

The legislation also explicitly provides that police must not interview a person being detained in relation to known or alleged offences.

As soon as practicable after a young person is apprehended, police officers must release them into the care of a person whom the officer reasonably believes is capable of taking care of the person and who consents to taking care of the person. This would include a parent or guardian.

In evaluating the success of the 2003 legislation, the government used the protocols advisory committee, who reviewed the data collected since 2004 from Metropolitan Ambulance Service (MAS); public hospital accident and emergency departments; Victoria Police; and alcohol and drug treatment services.

The reviewed data shows that the majority of chroming incidents occur in the age group of people up to the age of 18. In 2004–05 the MAS attended 123 incidents of inhalant abuse in the under-18 age group. This equates to 51 per cent of all attendances by MAS staff being to young people aged under 18.

Public hospital accident and emergency departments show a similar trend, reporting that where inhalant abuse was the primary concern, 62 per cent of presentations in 2004–05 and 53 per cent in 2005–06 occurred in the under-18 age group.

The protocols advisory committee found that police are using their powers as prescribed, in the best interests of young people, and that police interventions under the act are a positive means of keeping young people safe.

This bill therefore allows Victoria Police to continue to remove potentially dangerous substances and materials from the hands of young people who abuse them and to connect young people with appropriate services.

The government believes we need to continue this legislation in order to protect young people from the risks associated with inhalant use.

This bill is a positive initiative in protecting the health and wellbeing of young people in the state of Victoria. It focuses on substance abuse prevention and on providing supportive interventions to redirect vulnerable young people away from such harmful activities.

I commend the bill to the house.

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

Debate adjourned until Thursday, 5 June.

ADJOURNMENT

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

That the house do now adjourn.

Patient transport assistance scheme: reimbursement

Ms LOVELL (Northern Victoria) — My adjournment matter tonight is for the Minister for Health, and it concerns the low level of reimbursement for travel and accommodation costs for those accessing the Victorian patient transport assistance scheme, as well as the delays in the processing of claims.

My request is that the minister increase the Victorian patient transport assistance scheme reimbursement rate of 17 cents per kilometre and the accommodation reimbursement rate from \$35 plus GST to a level that is more reflective of current travel and accommodation costs, as well as taking action to ensure that claims are processed in a timely manner. This issue has been brought to my attention via a constituent who has had to travel from the Goulburn Valley to Kyneton and Melbourne numerous times over the past year with his son to access the services of medical specialists not available in his local area, for which he was reimbursed only 17 cents per kilometre. For five trips the constituent received a reimbursement of just \$250.61, which he estimates to be less than one-third of his actual costs.

With petrol prices hurting all Victorians, particularly those in rural and regional areas, 17 cents per kilometre is not enough to lessen the blow of fuel costs, let alone cover wear and tear on vehicles. Similarly the reimbursement rate of \$35 plus GST for accommodation is just not enough. There is virtually no accommodation to be found for \$35 per night, and when you are caring for a loved one who is ill or hospitalised the last thing you need to be worried about is finding the cheapest possible accommodation.

Not only are the reimbursement rates not high enough but the time taken to process claims can be far too long. The constituent mentioned earlier had to wait three months to have his claim processed. That is three months of waiting for money that is needed for other uses such as medical bills.

I note that this is not the first time the issue of improving Victorian patient transport assistance scheme reimbursement rates and processing times has been raised in Parliament. A number of my colleagues have also raised it. It is about time that this issue was addressed to ensure rural and regional Victorians are not further disadvantaged when it comes to accessing a level of health care which those in metropolitan areas accept as standard. I call on the Minister for Health to increase the Victorian patient transport assistance scheme reimbursement rates for travel and

accommodation to a level that is more reflective of current travel and accommodation costs, as well as ensuring that claims are processed in a timely manner.

Alcohol: late-night licences

Ms HARTLAND (Western Metropolitan) — My adjournment matter tonight is for the Minister for Consumer Affairs, and it relates to the 2.00 a.m. lockouts at licensed premises. Over the last few months we have seen public concern expressed regarding the levels of violence associated with alcohol consumption, particularly in areas where there are clusters of late-night venues.

The Liquor Licensing Commission has responded to this concern with the proposal to impose a 2.00 a.m. lockout in the central business district and for inner city venues in the Port Phillip, Stonnington and Yarra local government areas. However, for no good reason that I can see, Crown Casino is to be given an exemption on the lockout provisions, despite the fact that it has a large number of late-night drinking venues and there have been repeated incidents of alcohol-related violence there.

At first glance, the trial lockout might seem to be a good idea, and it is supported by organisations such as the Australian Drug Foundation, but it is being implemented without consultation with all affected parties or plans to establish a stakeholder reference group to monitor and evaluate the trial. This has resulted in all parliamentarians receiving emails from people who are raising issues about the possible unintended consequences of a lockout, including its effect on small licensed venues, the increased numbers of people on the streets after 2.00 a.m., the lack of safe transport options for patrons after 2.00 a.m. and the movement of patrons to areas outside the lockout zone.

The action we ask of the minister is to clearly outline the aims and goals of the trial lockout and to establish a broad stakeholder reference group including representatives of large and small venues, local councils, taxi operators, drug and alcohol prevention and treatment agencies, police, patrons and community representatives to monitor and evaluate the trial in a public and open manner.

Schools: Catholic sector

Mr DRUM (Northern Victoria) — I raise a matter for the attention of the Minister for Education in the other place. A recent newsletter from Catholic College Bendigo states:

In recent weeks I am sure you have seen the coverage relating to the salary negotiations for teachers in Victoria. The state government has set in motion pay increases that will make Victorian teachers the highest paid in Australia within the next three years. The state government has also proudly claimed that education is the no. 1 priority for this government. Whilst I applaud these commitments I believe it is very important that our community is aware of the specific issues of funding for our college.

The Catholic Education Commission of Victoria is committed to paying teachers in Catholic education the same as teachers in the state system.

In the state budget handed down last week —

which would now be about three weeks ago now —

there was an increase in funding of \$1.3 billion. None of this increase was given to Catholic education.

From where do our funds come to enable us to educate a child each year?

At Catholic College Bendigo we receive:

59 per cent of our funds from the federal government

16 per cent of our funds from the Victorian state government

A similar college in New South Wales would receive:

59 per cent of its funds from the federal government —

exactly the same, but —

25 per cent of the funds from the New South Wales state government.

Despite both state governments being Labor governments, NSW gives 25 per cent and Victoria gives 16 per cent.

If Catholic College Bendigo was in NSW we would receive an extra \$1.48 million annually.

That would ensure those children would get a much better education than they are currently getting. It would also enable teachers who are currently being stretched within the Catholic system to have some sort of parity with their colleagues in the state system.

I call on the education minister in the other house to have a look around and see how many of her colleagues within the Labor Party enjoyed the benefits of a Catholic education themselves — —

The PRESIDENT — Order! I advise Mr Drum that he does not get to debate the matter; he simply gets to raise a matter. He is now debating the issue.

Mr DRUM — Do I have to give the minister an action?

The PRESIDENT — Order! Mr Drum is now debating the matter.

Mr DRUM — The action I seek is for the Minister for Education to acknowledge Catholic education as an important aspect of education in this state, to uphold her promise that education is the no. 1 priority in this state for this government, and to give future generations of Catholic students the same chances that colleagues within her cabinet were given when they went through the Catholic education system themselves — or she can be a hypocrite and not do so.

The PRESIDENT — Order! If Mr Drum wants to test my patience, that is fine. There is nothing to prevent me from throwing him out now. That will be reflected when we come back. It is totally inappropriate for him to make those comments while sitting down. I suggest he just leaves it at that.

Melbourne Water: charges

Mr VOGELS (Western Victoria) — I raise a matter for the attention of the Minister for Water in the other place. It concerns the extension of Melbourne Water's water boundaries. Melbourne Water's waterways and drainage boundary has been extended by more than 5000 square kilometres to cover the majority of the Port Phillip and Western Port catchments as part of the Victorian government's Our Water Our Future action plan. This change aims to improve the health of rivers and creeks in areas where there was previously no waterway drainage and flooding management. For the first time Melbourne Water is providing services to parts of the following council areas: Moorabool, Macedon Ranges, Mitchell and Greater Geelong; and Melbourne Water has extended its services into the following council areas: Melton, Bass Coast, South Gippsland, Mornington Peninsula, Wyndham and Hume. We hope these new arrangements will result in better flood protection, regional drainage, improved river health and water quality.

The proposed new charges for the new waterways will cost between \$36 and \$75 per year, depending on where the properties are located within the urban growth boundary (UGB). Within the new extended areas, property owners in residential areas inside the UGB will pay a \$57 flat fee; non-residential, a \$75 flat fee; and rural, outside the UGB, a \$36 flat fee. Apparently the new charges will come in from 1 July. Melbourne Water is now sending notices to 170 000 property owners informing them of those charges, which in my reckoning will raise approximately \$10 million per annum.

We all remember the Labor opposition's outrage when the previous government introduced catchment management levies. True to its form, when Labor was elected in 1999 it abolished them. To me, this sounds very much like the original catchment management authority levies. It is exactly the same. With the previous levies, it was insisted that any levies collected within a catchment management area had to be spent locally.

The action I seek from the minister is to ensure that the funds raised are spent in the local government areas where they are raised and in the catchment management areas where they are collected, and that this \$10 million per annum is not siphoned off to Melbourne Water and then spent somewhere outside the area from which the funds were collected.

Schools: capital works

Mr THORNLEY (Southern Metropolitan) — I raise a matter for the attention of the Minister for Education in the other place. It concerns the funding criteria that we use for the Building Futures framework for funding capital works at schools. I ask the minister to review those funding criteria to ensure that they are fully reflective of the types of changes that are occurring — correctly and excitingly, in my view — as a result of the Melbourne 2030 policy. I am thinking particularly about large brownfield development opportunities. These are obviously important for effectively utilising existing developed areas.

It is obviously an excellent idea for a large brownfield site — a former industrial site or some other type of site — to be used for accommodation. It is the purpose of that policy and prevents that scale of development then moving into suburban streets and elsewhere where it would be far less welcome. What it means is that you can have large groups of accommodation coming on stream in a block, and that may mean large numbers of families coming on stream in a block, which in turn may mean a large number of new enrolments coming into a school in a block. Our traditional approach for planning for capacity increases tends to be in areas where there is steady, even rapid, incremental growth, as there is in the outer suburbs. But these types of brownfield developments may occur in a lumpier form, so we need those determining the funding criteria to be proactively aware of that so we can do the building in advance of the flood coming through rather than once it happens.

Mr Finn interjected.

Mr THORNLEY — I am trying to look after all of them, Mr Finn, including those in my electorate. I am thinking of a visit I made recently to Auburn South Primary School in my electorate of South Metropolitan Region. With the large Tooronga Village development coming on stream in a couple of years, there is the likelihood of a large block of enrolments coming into that school at that time.

My request to the minister is that we review our criteria for these things to ensure that those criteria can be applied to effectively manage these types of large-block, brownfield developments so that we can build ahead of the curve and make sure that we can accommodate that rush of new enrolments when it occurs.

Family violence: counselling services

Mrs KRONBERG (Eastern Metropolitan) — I raise a matter for the attention of the Minister for Community Services in the other place. As a result of my investigations, research and dialogue with relevant stakeholders in the area of family violence, I now have a deep and up-to-date appreciation of the plight and suffering of women and children who are the victims of abusive relationships. One family violence victim, a single mother now with a five-year-old daughter, left an abusive relationship and still has a great need for family violence counselling. Originally the counselling was available through Anglicare, but unfortunately this agency lost the contract, with the new contract being awarded to Ranges Community Health Service. As a result of these changes this woman was unable to continue to access counselling. Unfortunately this woman now has no access to local counselling and has to travel 20 kilometres to participate in not one-to-one counselling but group counselling. The single mother, who is struggling on welfare, has no capacity to outlay \$30 for the one-to-one counselling that she so desperately needs. Her letter to me states:

I still need counselling, but also I'm trying to help the community, especially for the women who cannot speak up. The wait for counselling around here is a 6-to-8-week wait. Some women cannot wait that long. In that 6-to-8 weeks they could be dead.

My request of the minister is that a review of the present funding regimes for family violence counselling take place immediately, and that these new funding regimes be developed to ensure that women in this state have improved access to one-to-one counselling services in order to remove the present cruel neglect of victims of family violence who are experiencing such violence every day in this state.

Dandenong: Little India precinct

Mr SOMYUREK (South Eastern Metropolitan) — I raise a matter for the attention of the Minister for Planning concerning the preservation of Little India in the western end of the Dandenong central business district. As part of its 1999 state election campaign the ALP committed to the rejuvenation of central Dandenong. At that stage Dandenong was in a bad way, with the negative impacts of globalisation hitting very hard in a region that is essentially the manufacturing hub of the nation.

The social problems caused by unemployment were coupled with the region's higher than average intake of refugees or humanitarian visa holders, leaving the city truly in a bad way, with drugs, prostitution and crime all over Dandenong. Gone were the halcyon days when Dandenong was the gateway to the Latrobe Valley and had a golden retail mile, when Dandenong was genuinely Melbourne's second city, when people came to Dandenong rather than avoiding it and actually came to work in Dandenong.

By investing more than \$500 million, the Bracks and Brumby governments have turned things around in Dandenong — —

Mr Finn — You're not debating this, are you?

Mr SOMYUREK — No, listen, Dandenong is now becoming a good place to live, work and raise a family!

I also note that the 2008–09 budget allocates a further \$19 million for a new building which is to house state government agencies in central Dandenong. This funding comes on top of other rejuvenation or revitalisation of central Dandenong initiatives, such as delivery of the urban master plan in November last year, the upgrade of the George Street bridge and the revitalisation works on Lonsdale Street, the city walk and the station precinct.

The introduction of the government's Southern and Eastern Integrated Transport Authority project will facilitate further private investment. Given that, naturally, along with all these developments there will be the demolition of some buildings and the relocation of other businesses to other parts of Dandenong, I request that the minister take action to ensure that one of Dandenong CBD's biggest assets — that is, Little India — is preserved intact.

Planning: Toorak Village development

Mrs COOTE (Southern Metropolitan) — My adjournment matter tonight is for the Minister for

Planning and is in regard to the issue of the proposed nightclub development in the Toorak Lion complex, the former Trak Centre, in Toorak Road, Toorak, in the Prahran electorate.

The recent moratorium on issuing further late-night licences announced by the Brumby government was very welcome. I had been calling on the Minister for Planning for some time to draw a line in the sand and issue no more licences or indeed permits for these nightclubs because we have a plethora of them in my electorate and the concern is the alcohol-fuelled violence that comes as a consequence of this.

The moratorium is an opportunity to have a look at how the existing nightclubs are operating. I was pleased to see the government include a moratorium on the issuing of any further licences, and indeed I very much welcomed the introduction of the 2.00 a.m. lockout until we can see how this actually manifests itself. I think it is a very important move forward, despite this email campaign that all members are experiencing at the moment. I think it is important for the community to have the opportunity to investigate this in depth and for the government to make decisions based on fact.

I really am concerned about Stonnington, and Toorak Village particularly with the threat of this nightclub, and I am concerned that this nightclub development should not go ahead. The action I am seeking is for the minister as a matter of urgency to assure the people of Stonnington that the proposed nightclub in the Toorak Village will be included in the moratorium on the issuing of licences.

Rail: Frankston line

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I wish to raise a matter for the attention of the Minister for Public Transport in the other place, and it relates to rail services on the Frankston line, which runs north–south through my electorate. Over January, February and March this year, 12 160 services were scheduled on the Frankston line. Of those, 178 trains were cancelled and a further 1594 were late — and the performance definition of a ‘late’ train is one that is more than 5 minutes 59 seconds late. It is only once the train is 6 minutes late that it is actually counted as late.

On the Frankston line there are an average of 134 trains per day, and over the first three-month period of this year on average we have had 2 of those trains cancelled and a further 18 trains arriving late, according to the government’s definition — that is, being more than 6 minutes late. This is simply unacceptable for people

travelling on the Frankston line, which is the second worst performing line in the metropolitan network. Ironically the worst performing one is the Pakenham line, which also serves the south-eastern metropolitan region.

If the government is committed to increasing patronage on public transport and getting people out of their cars and off the roads, it needs to provide a public transport system that is reliable and convenient. When such a high percentage — more than 10 per cent — of services are late and on average more than two trains a day are cancelled, it is impossible for commuters to rely on the public transport system.

The government has set benchmarks for performance on this line. What I seek is that the Minister for Public Transport ensure that those performance standards that have been set for the operators are achieved, because clearly patrons on the Frankston line are not going to avail themselves of public transport until they are assured of a reliable service.

Rail: Berwick station

Mr O’DONOHUE (Eastern Victoria) — My request for action this evening is for the Minister for Public Transport in the other place. I was delighted to read the minister’s press release of 13 May, which promised an additional 209 car parking spaces at the Berwick railway station as part of a program announced by the minister, but then I was dismayed to read further in the press release that the delivery of the 209 additional car park spaces will not be until 2012, after the next election.

Mrs Kronberg — What?

Mr O’DONOHUE — Indeed; not until after the next election. President, as you may well be aware, the catchment for the Berwick railway station is growing dramatically in the township of Berwick itself and the surrounding suburbs in Narre Warren, and of course without the railway line extensions to Cranbourne East there is a whole catchment that relies on the Berwick railway station to commute. As it is at the moment, if you are not at Berwick railway station by 7.00 a.m. or a similar such time, it is virtually impossible to get a car park and then get into work.

Unfortunately this announcement also failed to address the access issues at Berwick railway station. Clyde Road is a terrible bottleneck. The level crossing at the intersection of Clyde Road and the railway line causes enormous traffic congestion, and the traffic lights at Enterprise Avenue will do virtually nothing to address

the underlying core issues. There is an opportunity here to develop a really good integrated program that addresses the traffic bottleneck at Clyde Road, that creates proper ingress to and egress from the railway station, and that provides pedestrian links to Monash University, to the TAFE college, to the industrial factories at Enterprise Avenue and also through to Berwick Village on the other side.

The action I seek, therefore, from the minister is to first of all expedite the construction of the additional 209 car parking spaces; to not wait until 2012 but to do that now, because they are desperately needed now; and to make the construction of those additional car parking spaces part of an overall strategic plan to address the traffic congestion in Clyde Road and link the public transport service of Berwick railway station to Monash University, to the TAFE college on Kangan Drive, to Enterprise Avenue and to Berwick Village.

Aboriginal affairs: cultural heritage surveys

Mr P. DAVIS (Eastern Victoria) — I raise a matter for the attention of the Minister for Aboriginal Affairs. It is a problem of considerable magnitude that arises from the practice of conducting Aboriginal cultural heritage surveys in association with planning applications for new residential developments. The impact of the conduct of heritage surveys under the new Aboriginal Heritage Act which came into force in May 2007 is only now beginning to be felt in the East Gippsland area of my electorate.

Already, however, Sale has no land bank for new residential development, and the land bank at Bairnsdale is dwindling. The reason is that planning applications are being held up indefinitely because of the complex, time-consuming practice that is being used to conduct the cultural heritage surveys on development sites.

I am advised that hundreds of millions of dollars of residential developments are being held up across East Gippsland and in the Latrobe Valley. Previously Aboriginal community monitors worked with land developers to identify cultural sites as a subdivision was being developed. However, now the process has to be conducted in advance of a planning application by archaeological surveyors approved by Aboriginal Affairs Victoria in association with formally registered Aboriginal communities. However, the government has not yet approached the registration of any local Aboriginal communities. Secondly, with the sanction of Aboriginal Affairs Victoria, the archaeological surveyors are continuing to use Aboriginal community members as site monitors at a cost of up to \$800 a day

per monitor plus travel expenses. This practice runs counter to the government's commitment to ensure that more housing land is made available and to reduce the cost of land and housing.

The recent Auditor-General's report *Victoria's Planning Framework for Land Use and Development* found severe shortcomings with the state's present planning procedures. As it stands, the problem poses a deterrent for developers. It is restricting the availability of land and therefore is a major factor in housing affordability. I therefore ask the minister to streamline the cultural heritage process and to provide an assurance that the problem it poses for councils and developers will be resolved.

Clearways: small business

Mr D. DAVIS (Southern Metropolitan) — My matter today is for the attention of the Minister for Small Business in the other place, and it concerns the state government's recent decisions on its clearway policy, which, as the house and the community now know, was an arbitrary set of decisions made by the Premier and his Minister for Roads and Ports in the other place, Mr Pallas — an arrogant decision that had little consultation and may well have broken the code of practice that applied for VicRoads consultation.

The 10-kilometre radius that has been referred to by the government will see the clearways apply for massively extended times. I am cognisant of the issues of the congestion that is building up in the metropolitan area. In a sense this is a recognition of the failure of the government's policy to deal with congestion over a longer period, and all of us are concerned to see better ways of dealing with that.

The PRESIDENT — Order! I advise Mr Davis that he is debating the matter.

Mr D. DAVIS — My point concerns my electorate specifically and the issues surrounding a number of strip-shopping precincts that are either in the gun now or are to be shortly. These include Acland Street in St Kilda, Bay Street in Port Melbourne, Chapel Street in Prahran, Clarendon Street in South Melbourne, Commercial Road in Prahran —

Mrs Coote interjected.

Mr D. DAVIS — Indeed. I notice some of those streets are well known to Mrs Coote. They also include Commercial Road in Prahran; Fitzroy Street in St Kilda; Glenferrie Road in Hawthorn and Malvern; High Street in Kew, Malvern and Prahran; St Kilda Road in St Kilda; Toorak Road in South Yarra and

Toorak; Kooyong Road; Barkly Street in St Kilda; Glenhuntly Road in Caulfield; Hawthorn Road in Caulfield; and Carlisle Street, Balaclava Road and Glenhuntly Road in Elsternwick. They are only a number of the streets involved.

My point is that these clearways will have a massive impact on small business as well as affecting the ambience of shopping centres and the neighbourhood character of some of these shopping centres. I ask the Minister for Small Business to take the action of examining this policy and ensuring that the impact of this policy on small business in these shopping centre strips is not such that businesses will be forced to close, that jobs will be lost and that strip shopping centres will be damaged by the government's policy.

Rail: St Albans level crossing

Mr FINN (Western Metropolitan) — I wish to raise a matter for the attention of the Minister for Public Transport in the other place, and it concerns the level crossing in Main Road, St Albans. The minister would be very much aware that it was announced recently, within the last couple of weeks, that this railway level crossing is the third most dangerous level crossing in the state. Certainly from my point of view it is the most dangerous level crossing in the western suburbs of Melbourne.

This is an ongoing saga. The fight to have this issue resolved has been going on for many years. We have seen a number of deaths at this level crossing. It is a daily lottery for those who use the level crossing, and of course the prize for the lottery is that those who win get to keep their lives! I have actually been caught on this level crossing myself. The configuration of roads around the crossing means that at a particular road, if one follows the direction set by the traffic lights, you can easily find yourself stuck on the railway crossing hoping that the 10.42 a.m. train to Watergardens is not approaching. That, I can assure members, is not the most delightful feeling in the world, but it is one that many motorists in that area have unfortunately come to know only too well.

Local residents and businesses have been campaigning on this issue and have been pointing out the dangers for a very long time. I have to tell the house that they are extraordinarily exasperated and are really having some difficulty in understanding why their calls for help have gone unheeded. I know that my friends from the eastern suburbs have problems with a number of railway crossings including that infamous one in Springvale Road, but my view is that the lives of people in the west

of Melbourne are just as important as the lives of people in the east of Melbourne.

I raised this matter over one year ago and since then nothing has changed, and that disappoints me enormously. If nothing changes, it is inevitable that there will be more deaths and more injuries. I speak on behalf of the thousands of people who use the level crossing in Main Road, St Albans, when I ask the minister to institute action. We have seen a few plans over the years, but we really want some action to build the appropriate overpass or underpass to end this daily dice with death.

Responses

Mr JENNINGS (Minister for Environment and Climate Change) — Can I just commence by saying that I have written responses to adjournment debate matters raised by David Davis on 13 March 2008 and by Philip Davis on 8 May 2008.

In relation to the matters that have been raised on the adjournment this evening, I will resist the temptation to dispense with any of the matters and I will refer all of the matters that were raised to the appropriate ministers.

Wendy Lovell raised a matter for the Minister for Health in the other place relating to the reimbursement rate for passengers within the ambulance systems.

Colleen Hartland raised a matter for the Minister for Consumer Affairs in the other place dealing with community safety and neighbourhood safety matters relating to the licensing arrangements for late-night venues.

Damian Drum raised a matter for the attention of the Minister for Education in the other place seeking her support for the Catholic education system particularly in Bendigo.

John Vogels raised a matter for the attention of the Minister for Water in the other place. The interesting thing about the specific nature of Mr Vogels's request is that he asked for any money that is raised in relation to the waterways charges to be spent in either the local government area or the catchment. They may not necessarily be the same thing. Perhaps if we can satisfy it within the catchment we might actually get our way home.

Mr Thornley also raised a matter for the attention of the Minister for Education in the other place seeking her support to review the criteria to allocate priorities under the Building Futures education program.

Jan Kronberg raised a matter for the Minister for Community Services in the other place seeking her support for family support services for people within her responsibility.

Adem Somyurek raised a matter for the attention of the Minister for Planning, seeking his support to preserve intact the Little India precinct within Dandenong.

Andrea Coote also raised a matter for the Minister for Planning, but she may well have, beyond the Minister for Planning's roles and responsibilities, sought some assurances from the Minister for Consumer Affairs in the other place relating to the ongoing assurances that the application for a late-night licence in Toorak Village falls within the moratorium that has been placed on the planning regime. I thank her for recognising the government's commitment in relation to licensing arrangements.

Gordon Rich-Phillips raised a matter for the attention of the Minister for Public Transport in the other place. His matter probably came the closest to the one that I could have dispensed with, because he asked her to discharge her responsibilities in relation to the contractual arrangements with Connex. If she enforces those contractual arrangements and if Connex complies, then she will in fact have satisfied what he has sought from her. But I will pass that matter on for her consideration and response.

Mr O'Donohue also raised a matter for the Minister for Public Transport in the other house asking her to expedite the development of the parking facilities at the Berwick station.

Philip Davis raised a matter for the Minister for Aboriginal Affairs in the other place seeking his review of the way in which the Aboriginal Heritage Act applies in terms of systems change. I can assure Mr Davis that the system has been designed to mitigate against the difficulties that he has actually alleged and alluded to, but I am very happy for the minister to respond in relation to that matter because that was why the act was enacted.

David Davis raised a matter for the Minister for Small Business in the other place, and I am not absolutely clear what actions could be taken to actually satisfy his expectation. I am sure the Minister for Small Business will be mindful of whatever action could be taken.

Mr Finn also raised a matter for the attention of the Minister for Public Transport in the other place seeking her support to achieve a grade separation at the Main Road intersection in St Albans.

The PRESIDENT — Order! The house now stands adjourned.

House adjourned 5.18 p.m. until Tuesday, 10 June.

ADJOURNMENT

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COUNCIL
