

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

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

Thursday, 10 August 2006

(Extract from book 10)

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By authority of the Victorian Government Printer

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Joint committees

Drugs and Crime Prevention Committee — (*Council*): The Honourable S. M. Nguyen and Mr Scheffer.
(*Assembly*): Mr Cooper, Ms Marshall, Mr Maxfield, Dr Sykes and Mr Wells.

Economic Development Committee — (*Council*): The Honourables B. N. Atkinson and R. H. Bowden, and Mr Pullen. (*Assembly*): Mr Delahunty, Mr Jenkins, Ms Morand and Mr Robinson.

Education and Training Committee — (*Council*): The Honourables H. E. Buckingham and P. R. Hall.
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House Committee — (*Council*): The President (*ex officio*), the Honourables B. N. Atkinson and Andrew Brideson, Ms Hadden and the Honourables J. M. McQuilten and S. M. Nguyen. (*Assembly*): The Speaker (*ex officio*), Mr Cooper, Mr Leighton, Mr Lockwood, Mr Maughan, Mr Savage and Mr Smith.

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Public Accounts and Estimates Committee — (*Council*): The Honourables W. R. Baxter, Bill Forwood and G. K. Rich-Phillips, Ms Romanes and Mr Somyurek. (*Assembly*): Ms Campbell, Mr Clark, Ms Green and Mr Merlino.

Road Safety Committee — (*Council*): The Honourables B. W. Bishop, J. H. Eren and E. G. Stoney.
(*Assembly*): Mr Harkness, Mr Langdon, Mr Mulder and Mr Trezise.

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

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FIFTY-FIFTH PARLIAMENT — FIRST SESSION

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Eren, Hon. John Hamdi	Geelong	ALP	Somyurek, Mr Adem	Eumemmerring	ALP
Forwood, Hon. Bill	Templestowe	LP	Stoney, Hon. Eadley Graeme	Central Highlands	LP
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Hilton, Hon. John Geoffrey	Western Port	ALP	Viney, Mr Matthew Shaw	Chelsea	ALP
Hirsh, Hon. Carolyn Dorothy ¹	Silvan	ALP	Vogels, Hon. John Adrian	Western	LP

¹ Ind from 17 September 2004
ALP from 10 November 2005

² Ind from 7 April 2005

³ Ind Lib from 30 November 2005

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Thursday, 10 August 2006

The PRESIDENT (Hon. M. M. Gould) took the chair at 9.33 a.m. and read the prayer.

PETITIONS**Stud Road, Bayswater: duplication**

Hon. B. N. ATKINSON (Koonung) presented petition from certain citizens of Victoria praying for the immediate duplication of Stud Road, Bayswater, between Boronia Road and Mountain Highway (4 signatures).

Laid on table.

Human rights: legislation

Hon. DAVID KOCH (Western) presented petition from certain citizens of Victoria requesting that the Charter of Human Rights and Responsibilities Bill be defeated by the Legislative Council (14 signatures).

Laid on table.

PLANNING: MINISTERIAL INTERVENTION**Statement**

Hon. J. M. MADDEN (Minister for Sport and Recreation), by leave, presented statement on ministerial intervention in planning matters, May 2005 to April 2006.

Laid on table.

ECONOMIC DEVELOPMENT COMMITTEE**Standardbred breeding industry**

Mr PULLEN (Higinbotham) presented report, including appendices.

Laid on table.

Ordered to be printed.

Mr PULLEN (Higinbotham) — I move:

That the Council take note of the report.

I am presenting this report to Parliament because the chairman of the subcommittee, the member for Mitcham in the other place, Mr Tony Robinson, is ill at the moment, and the deputy chairman, the wonderful the Honourable Ron Bowden, unfortunately cannot be here today, so it is left to me to present the report. I do so with a great deal of pleasure. A subcommittee looked at the standardbred industry following from the committee's other report on the thoroughbred industry. The other member of the subcommittee was the member for Lowan in the other place, Mr Hugh Delahunty.

It is important to thank the staff of the Economic Development Committee. It has been an interesting time at the committee because the executive officer was Dr Russell Solomon, who was a fantastic executive officer but, unfortunately for the Parliament, he got another job; he held that position until 10 March 2006. We were very fortunate to pick up as a research officer Jonathon Gurry from 5 December 2005. He also did a wonderful job. At times Jonathon was absent and the committee was well assisted by the Assistant Clerk — Committees, Andrew Young.

As usual Frances Essaber did a tremendous job as editor of the report. I must also mention the office staff, particularly Andrea Agosta, who has worked on that committee for many years. She now has the privilege of being a project officer on secondment to the Legislative Council. She has been replaced by Mary Pink, who is also doing a fantastic job.

The report follows on from the committee's previous report and is its second report into the viability of Victoria's thoroughbred and standardbred breeding industry. As mentioned in the committee's first report, this subsequent report is focused on the standardbred industry. I advise those members who do not know what the standardbred industry is that it covers the trotters or the harness racing industry.

The Victorian standardbred industry is relatively robust as a result of the introduction of lucrative incentive schemes. The committee acknowledges the invaluable assistance provided by Harness Racing Victoria and, in particular, the assistance of Rod Pollock, executive director of the Australian Harness Racing Council.

The committee has also included in the report a commentary on the current taxation and regulatory regime and recommended ways in which things could be amended to better facilitate both the standardbred and thoroughbred breeding industries. We had to drag them along to try to give us some assistance so far as that was concerned.

Over the past few months the committee has noted the New Zealand government's enactment of accelerated depreciation allowances on stallions and broodmares. While foreshadowed in the earlier report the committee presented, the changes open up a disparity with Australia, which in the committee's view needs to be addressed urgently.

The report contains a number of recommendations which the committee believes should improve the conditions of the harness racing industry in Victoria. I have only a very short time to speak on this, so I will just touch on one of these recommendations — that is:

That the Victorian government supports efforts by Victorian breeders to secure a simpler business/hobby taxation test. While the committee acknowledges that the current test will continue to be applied by the Australian Taxation Office, it believes the interests of the thoroughbred and standardbred breeding industries would be well served by encouraging the federal government to closely consider the New Zealand model.

This is a wonderful report; it is the second report that we have produced on the industry. The standardbred industry in Victoria is very healthy. I must admit that when I was in the Western District we visited a standardbred farm, and it was really wonderful.

Ms Hadden interjected.

Mr PULLEN — Regardless of what Ms Hadden might be mumbling away about down there, I can honestly say the industry is going well.

Hon. B. N. ATKINSON (Koonung) (*By leave*) — I am a member of the Economic Development Committee but was not a member of the subcommittee pursuing this particular report. The Honourable Ron Bowden in this place represented the Liberal Party on that subcommittee. I have some concerns about the report, I have to say, insomuch as I do not think it is terribly conclusive.

When members turn the page to the recommendations in this report they will find they follow almost the classic academic research report in saying, 'We need more reports. We need more research. We need more work'. At best the areas in which there is some recommendation of any activity are where the Victorian government might prevail on federal government agencies to do something — in other words, areas that do not involve the state government. There is nothing in this report that suggests the Victorian government will do very much at all as a result of the work that has been done by this subcommittee.

One of the interesting things to note is the contrast of the work of this committee with the decision of the government and the pressure put on the racing industry to allow Betfair to have access to product in Victoria without any contribution to the racing industry and the development of breeding opportunities and so forth in the industry in Victoria. That said, and the fact that I am disappointed this is not a particularly conclusive report and that the reference tended to indulge the hobby of one of the Labor members — indeed the chair of the committee, Tony Robinson — I have to say the staff did a splendid job, and I congratulate them and the industry for their input into the report.

Motion agreed to.

PAPERS

Laid on table by Clerk:

EastLink Project Act 2004 — Statements of Variation, pursuant to section 21(3) of the Act (two papers).

Essential Services Commission — Final Report on the Grain Handling Access Regime, June 2006.

Murray-Darling Basin Act 1993 — Revised Schedule C — Basin Salinity Management Strategy — Revised Schedule E — Transferring Water Entitlements and Allocations pursuant to section 28(b) of the Act (two papers).

Parliamentary Committees Act 2003 — Government response to recommendations in the Public Accounts and Estimates Committee's Report on a Legislative Framework for Independent Officers of Parliament.

Surveyor-General — Report on the Administration of the *Survey Co-ordination Act 1958* for 2005–06.

BUSINESS OF THE HOUSE

Adjournment

Ms BROAD (Minister for Local Government) — On behalf of the Leader of the Government, I move:

That the Council, at its rising, adjourn until Tuesday, 22 August 2006.

Motion agreed to.

MEMBERS STATEMENTS

Members: accountability

Hon. RICHARD DALLA-RIVA (East Yarra) — I raise my concern about the statements made in this chamber on Tuesday, 8 August, by the Independent member for Silvan Province, the Honourable Andrew

Olexander. In that debate I recall he referred to a discussion that he alleged occurred between himself and the shadow Minister for Gaming, the member for Bass in the other place, Mr Ken Smith. Certainly I had some concerns about that discussion.

The following day, Wednesday, 9 August, the shadow Minister for Gaming gave a personal explanation in the other place. In that explanation he indicated that there had been no discussion whatsoever between the Independent member for Silvan Province and himself. What this draws into question is the accountability of members in this chamber and indeed members of Parliament generally and their responsibilities in ensuring that the information they provide in this chamber is accurate and true. The fact of the matter is that we have had previous examples of certain members in this chamber and in this Parliament raising allegations about discussions having been held.

The reality is that this is a place which we hold in the highest regard. When members come into this chamber and start making accusations about discussions that were never held, they should be held to account.

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

Outer Eastern Local Learning and Employment Network: awards

Hon. H. E. BUCKINGHAM (Koonung) — I was delighted to be present at the Victorian training awards presentation dinner last Monday week. It was an excellent event, and the awards were presented to some outstanding Victorian students, training providers and projects. In particular I was very pleased that a training and employment service, which operates in the new Eastern Metropolitan Province and which I have some knowledge of and have visited, was successful and was the winner of the training initiative of the year.

First Stop is the flagship service of the Outer Eastern Local Learning and Employment Network (LLEN). It is a free service which helps young people who may otherwise fall through the cracks of the conventional school, training and employment system to make decisions about further education, training and employment pathways. The Outer Eastern LLEN services the municipalities of Knox, Maroondah and Yarra Ranges, and with First Stop it is located at the Croydon campus of the Swinburne TAFE, which is an ideal co-location of services. Outreach services are also provided in Knox and Yarra Ranges on an alternate weekly basis at the municipal youth information centres.

Young people accessing the service have individual counselling available to them as well as a wide range of printed and online information, a jobs board, industry displays, information sessions and help with aspects of successful job hunting, such as résumé writing. I am delighted to congratulate Fiona Purcell, executive manager of the Outer Eastern Local Learning and Employment Network, and Trevor Bayley, the coordinator of First Stop, and their team on the fantastic service they offer — —

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

Australian Greens: preferences

Hon. E. G. STONEY (Central Highlands) — At long last the Greens have come out. This is the first time they have really flexed their muscles in Victoria, and Victorians need to be very concerned. The Greens want to close off public land, and you only have to look at their biodiversity policy of 2006 to see that. The Greens want to stop all commercial and most recreational use of public land for grazing, logging, beekeeping and firewood collection. Four-wheel drives, fishing and horseriding will be next. All this could occur if the Greens hold the balance of power in the upper house.

As demonstrated already during the past seven years, the Bracks government will do anything for Greens preferences. On 25 November there will be a new voting system for the upper house. Voters will be faced with the choice of placing only one tick above the line or wading through the maze below the line. In my opinion most voters will opt to place one vote for a party ticket above the line. They will do this to avoid the confusion and to get going home.

I know some people believe voters can be encouraged to make the effort and vote below the line for individuals, but the history of this Senate-style of voting shows that only a small fraction of people will bother to go below the line and vote for individual candidates.

The majority will vote for a party above the line and not even be aware that their preferences could flow on to the Greens, certainly Labor preferences will flow on. Therefore, before they vote, Victorians who want to put the Greens last in the upper house will have to carefully study the preference deals of the parties above the line or they will have one or two Greens members of Parliament in here that may hold the balance of power in the upper house and access to public land will be seriously curtailed.

Multicultural affairs: grants

Hon. KAYE DARVENIZA (Melbourne West) — I was very pleased to be in Myrtleford on Thursday, 27 July, to present grants to multicultural groups in Myrtleford. The grants were to assist these multicultural groups with their day-to-day running. The funding is part of the grants scheme for multicultural clubs throughout Victoria which is delivered through the Victoria Multicultural Commission (VMC). About 1000 clubs right across Victoria have received grants to support their activities, and these grants will directly benefit more than 200 000 Victorians who are members of ethnic clubs. Many of these ethnic clubs are operated and run through the work of volunteers and do an excellent job not only in promoting cultural diversity throughout the community but also in representing and providing services for the members of their organisations and clubs. Each year the VMC provides grants to over 1200 organisations.

I want to congratulate those clubs in the Myrtleford area which were successful in receiving grants for their excellent work in the past and the excellent work I know they will continue to do in the future.

Health: Nurse on Call initiative

Hon. W. A. LOVELL (North Eastern) — Last week we had the unfortunate experience of my father falling ill in the middle of the night. We needed to take him to our local emergency department at Goulburn Valley Health. The treatment he received there from the doctors and nurses on duty was first rate and we were very grateful to the staff at the emergency department of Goulburn Valley Health.

I was therefore very disappointed to read in our local paper yesterday about the experience of one of our local journalists which was quite different. Christie Peucker fell ill, also in the middle of the night. Mindful of the stress that the emergency department is under she thought she would ring first before presenting there, but instead of getting the emergency department she was patched through to the Nurse on Call service. Her call was connected to a nurse who could hardly speak any English and who repeatedly asked her the same questions. Ms Peucker was told that the nurse could not determine the cause of her symptoms and, if she wanted to, she could present to the local hospital but not before she was asked if she would be happy to take part in a survey about the service. The experience left her no better off and she was still in need of medical treatment.

I was further disappointed to read the comments of the nurse unit manager at the emergency department, Brett

Walters. He is reported as saying the hospital had received a number of complaints about the Nurse-on-Call service since the diversion began, including one patient waiting up to 14 minutes to have a call answered. He went on to say that anecdotally:

... he believed the call centre had led to a rise in presentations to the department, which has experienced a 12 per cent increase in the past year.

This Bracks government's service is actually causing a — —

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

Tourism: Otways

Ms CARBINES (Geelong) — As Parliamentary Secretary for Environment I was delighted this week to announce funding of \$6.25 million to seal Turtons Track in the Otways. This track is an iconic route which winds through rainforest, between Beech Forest and Haines Junction. It is a key access route to local towns and the very popular Otway Fly. However, the track often has to be closed during winter for safety reasons and sealing it will allow year-round access to the Otway hinterland.

The Colac-Otway Shire Council, local communities and businesses have all campaigned over a number of years to see Turtons Track sealed. They know that this funding announcement will bring many local benefits, including increased tourism in the hinterland region. Local and tourism traffic will now be able to travel safely along Turtons Track throughout the year.

The project builds on many others undertaken by the Bracks government under our \$7 million New Futures for the Otways tourism initiative, including the \$190 000 upgrade to visitor access at Erskine Falls, which I recently visited, the \$1.9 million walking track at Triplet Falls and work under way at Beauchamp, Hopetoun and Stevensons falls. The new future for the Otways is certainly looking bright under the Bracks government.

Tourism: international flights

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — It is time for Australia to rethink its approach to international air services. No longer should it be said that the commercial interests of Qantas are synonymous with Australia's national interest. Access to direct and same-plane international air services is a key factor in Victoria's capacity to attract foreign direct investment. Of the 700 international flights which pass through

Melbourne Airport each week, approximately 80 per cent are operated by foreign carriers such as Singapore Airlines, Emirates, Thai Airways and Austrian Airlines, to name but a few.

I am informed that of the growth in international passenger traffic through Melbourne Airport in the past five years virtually all is attributable to foreign carriers rather than to Qantas. While Qantas has provided substantial international capacity through Sydney airport, Melbourne remains the poor cousin. Fortunately some of the world's best airlines are willing to step into the breach and provide Melbourne with the network it deserves. Increased frequencies and competitive fares are to the benefit of Australian businesses and consumers and assist Melbourne to be a competitive investment destination. These airlines must be allowed and encouraged to develop markets to and from Melbourne when others will not. No longer should parochial commercial interests be confused with Australia's national interest. Australian consumers and businesses must come first.

Federal government: interest rates

Mr SOMYUREK (Eumemmerring) — On behalf of all mortgagees in my electorate I rise to condemn the federal government for breaking its promise to the people of Australia to keep interest rates down. In 2004 the federal government went to the electorate on a platform of keeping interest rates low and in the highly-g geared south-eastern suburbs of Melbourne, which have some of the highest rates of mortgagees in the country, the voters were literally scared into submission. They were scared into voting for the Liberal Party, believing its members when they said that they would keep interest rates low. Voters still remember the key Liberal Party campaign message, which basically equated to: a Liberal government equals lower interest rates.

Two years and three interest rate rises later, the electorate feels betrayed and cheated — duded by a government whose members cynically and brutally exploited the anxieties of Australian families fearful at the prospect of losing their family homes, lest the Labor Party should get into power and interest rates rise! With an explosion in household debt, Australian families are very sensitive to increases in interest rates. According to official Reserve Bank of Australia data, Australian households are now paying a higher percentage of their income to service their mortgage and other debt than they ever have before.

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

Hazardous waste: disposal

Hon. D. K. DRUM (North Western) — For the 20th sitting day my notice of motion in relation to gasification is listed on the notice paper. Gasification describes the process by which we burn our waste and create energy. Gasification provides an opportunity to scuttle the Hattah-Nowingi toxic waste dump and to create a new and renewable source of energy. The opposition to gasification is centred around the hazardous air pollutants that are emitted in the process. What opponents do not understand and refuse to compare are the hazardous air pollutants from the way we currently produce our energy, such as the air pollutants emitted from brown coal, black coal and natural gas production of energy. The gasification process produces much less pollution — in fact, half the hazardous air pollutants that are produced through natural gas.

It is also worth noting that the Greenpeace *Rainbow Warrior* produces more than 1000 times the hazardous air pollutants produced by a 10-megawatt gasification plant — and that is without considering the hazardous air pollutants that will be produced by the hundreds and hundreds of trucks that will be going up and down the Calder Highway.

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

Employment: regional skills program

Hon. J. H. EREN (Geelong) — The efforts of Labor are coming to fruition, especially in Geelong. As many members know, the creation of jobs is very important in regional and country areas. With that in mind the Bracks Labor government has created the Community Regional Industry Skills program. We have allocated \$15.5 million to CRISP, which will help bring together local employers, labour market providers and education providers to address local skills shortages, creating sustainable jobs and industries in regional Victoria.

I would like to take this opportunity to name some of the businesses that have benefited from this program. A grant of \$800 000 assisted SalesForce in the establishment of a new \$4 million outsourced call centre facility in Geelong. Initially it was said it would create up to 230 full-time jobs; now that it is up and running it has employed 400 people.

A grant of \$100 000 assisted Cotton on Clothing to undertake a \$3.5 million expansion of its North Geelong warehouse facility that will create up to

40 new jobs. A grant of \$75 000 was made to Air Radiators, which has invested \$1.4 million in the expansion of its Lara-based manufacturing facility that will create 30 jobs. A \$60 000 grant assisted Modern Olives undertake a \$10 million expansion of its Lara-based manufacturing and processing facility that will create up to 20 jobs.

Through the Bracks government providing \$100 000 last year to the development of a biofuels road map and action plan, Axiom Energy Ltd and Terminals Pty Ltd will invest approximately \$50 million to build a biodiesel manufacturing and storage facility at the Toll Geelong port, which will create 40 jobs. Not to mention Jetstar — —

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

Energy: renewable sources

Hon. BILL FORWOOD (Templestowe) — Honourable members know that for a long time I have been concerned about standards in this place and with the government. Yesterday we dealt with some issues in relation to standards, but the matter I wish to deal with today goes to the heart of this government's policies. It is of course this crazy scheme called the Victorian renewable energy target that the government has decided to foist on the people of Victoria in a half-baked attempt to try to pretend that it will, firstly, have some effect, but secondly, to shore up Greens votes in the forthcoming election.

Last night late in the evening without notification to the shadow minister, the Honourable Philip Davis or to me — and I have some passing interest in this and attended the bill briefing — the government decided it would introduce house amendments. What I would suggest to honourable members is that not only was this a half-baked scheme when it was first invented but that the government could not even get it right. Not only could the government not get it right but it did not even have the courtesy to notify the opposition until the very last moment, when it introduced these house amendments in the Legislative Assembly. It did that without notification to the responsible shadow minister or to any of the other people who had been involved — —

Ms Hadden — I did not get notification.

Hon. BILL FORWOOD — Why would they bother with the Independents, Ms Hadden? If they will not tell the opposition, they probably did not even tell their own people!

I want to make this point: if this government wants to have any respectability — —

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

Gary Gilchrist

Mr PULLEN (Higinbotham) — I rise to pay tribute to Gary Gilchrist, local Beaumaris dentist and Sandringham Football Club president who passed away suddenly in early July. Gary was returning by air on 3 July from an overseas holiday when he suffered a massive stroke and the plane had to divert to Brisbane. Gary was admitted to hospital but died on 5 July.

Over 1000 people attended Gary's funeral service, which was conducted by Cam Butler, Melbourne Football Club chaplain, and Graeme Disney, Sandringham Yacht Club chaplain, at the Moorabbin town hall. Beautiful eulogies were delivered by Gary's sons, Tim and Michael, on Gary the family man; David Grant and Hans Jansen, on Gary the dentist; and Gerry Ryan and John Mennie, on Gary the friend and president of Sandringham Football Club.

His outstanding life story was told by his sisters, Susan Stevens and Janet Gilchrist-Hansen. Many of Gary's dental patients attended the service, along with footballers and supporters from many football clubs. Gary started his involvement in football as a junior coach at Beaumaris where he coached the club to win four premierships. He was president of the Sandringham Football Club for nine years and was a strong and respected leader. He led the club to three premierships including the last two in the Victorian Football League, the first time the Zebras have won back-to-back flags.

To Libby, Tim, Ryan, Simon, Michael and families I offer my deepest sympathy from all Sandringham members, supporters, residents and the wider community to whom Gary meant so much.

Aquatic centres: funding

Hon. B. N. ATKINSON (Koonung) — I wish to make some remarks about the Better Pools funding program and the fact that there is a significant mismatch between the government's priorities in this program and its views of the swimming facilities the public ought to have and the views of the community. Indeed in Sunshine, Oakleigh most recently and Glen Eira, where they are undertaking a study at the moment, communities are expressing a need to have a continuation of their existing facilities and an upgrade of existing outdoor facilities, which they see as being

inadequate for their needs in providing the opportunity for the recreational and physical activity of swimming from a health point of view.

But councils continue — I think encouraged by the Better Pools program funding and the advice they are given by this government — to pursue a Taj Mahal approach to swimming facilities, incorporating a wide range of other activities with those pools. They may well have a place in the community, but I dare say they will test competitive neutrality matters in terms of private sector facilities and are also clearly a mismatch with community expectations and needs.

The government has come to an arrangement with the people of Sunshine for the continuation of a facility, but — —

The ACTING PRESIDENT

(Hon. H. E. Buckingham) — Order! The honourable member's time has ceased.

Docklands: local governance

Ms ROMANES (Melbourne) — I welcome the Premier's announcement this week that local democracy will be returned to Docklands through a progressive transfer of functions and governance to the City of Melbourne by July 2007. I was a vocal critic of the Kennett government's excision of Docklands from the City of Melbourne in 1999 because the excision separated the area from the rest of the city and deprived Docklands of the oversight of an experienced and capable local government. It also left residents and businesses without representation and an effective voice at a local level. It was typical of Kennett's contempt for local government.

While the period under the Docklands Authority has demonstrated what can be achieved through effective place management, the sale and development of stand-alone precincts and the failure to lock in a plan for adequate community facilities and social infrastructure have detracted from the full potential of Docklands. Nevertheless it is still emerging as a very attractive part of Melbourne. Now that an agreement has been finalised between the state government and Melbourne City Council, Docklands will benefit from the expertise and knowledge in planning, design and social and physical infrastructure development that the City of Melbourne has demonstrated so well in other parts of this wonderful city.

Electricity: life support concession

Ms HADDEN (Ballarat) — The Victorian government has been providing a life support electricity

concession to my constituent Vicky Pilven for 16 years. The concession is paid by the Department of Human Services to the electricity retailer Origin Energy and is deducted from the customer's account.

Vicky is totally reliant upon life support ventilation and suction units to enable her to breathe and live. She has been receiving this necessary life support electricity concession since 1991 upon her release from hospital. However, as I informed this Parliament on 19 July by way of an adjournment question to the Minister for Community Services in another place, Sherryl Garbutt, this electricity concession was removed from the May account, and by letter dated 6 July from Origin Energy Vicky was threatened with having the electricity to her home and her life support ventilator machine disconnected within three business days.

Vicky sought my assistance, support and strong advocacy to have her life support electricity concession reinstated and to stop Origin Energy from disconnecting the power, both of which I achieved. Can you just imagine what could have happened had I not pursued this matter on Vicky's behalf? Origin Energy advised me late on Monday, 7 August, that the department had just reinstated the concession. However, all this has caused great anguish to Vicky and her family, all of which was totally unjustified.

The local Ballarat media — namely, ABC regional radio, the Ballarat *Courier* and WIN TV — have been fantastic in their combined support of Vicky Pilven in exposing the cruel and heartless treatment of her by the Department of Human Services. I therefore call on the Bracks Labor government minister Sherryl Garbutt to now formally apologise to my constituent for her department's reprehensible treatment of Vicky.

The ACTING PRESIDENT

(Hon. H. E. Buckingham) — Order! The honourable member's time has expired. The time for members statements has concluded. We will commence statements on reports and papers.

STATEMENTS ON REPORTS AND PAPERS

Hon. B. N. Atkinson — On a point of order, Acting President, I placed on notice my intention to make some comments this morning on a report. It is a report by the eastern metropolitan region of the Department of Education and Training. It has been brought to my notice by the clerks that that report has not been tabled in the Parliament. It has been produced as a departmental report by the region, but it has not come through the Parliament as a tabled report and therefore I

am unable to comment on it. Interestingly enough, my intention on this occasion was to praise rather than to condemn, so it is an opportunity lost.

I would like some consideration by the President on the status of some of these reports that might otherwise not be able to face the scrutiny of Parliament. Clearly this is a government report. It is produced by one of the regions of the Department of Education and Training, and I would have thought it could have been discussed in this part of the Parliament's proceedings.

I accept the ruling on this occasion, but I seek the President's review of the position, perhaps even in the context of the new standing orders that are being considered by a committee at this point.

The ACTING PRESIDENT

(Hon. H. E. Buckingham) — Order! I thank the honourable member, and I am happy to take what he has stated to the President for her consideration.

Terrorism (Community Protection) Act: report on operation 2005–06

Hon. RICHARD DALLA-RIVA (East Yarra) — I rise to comment on the Terrorism (Community Protection) Act 2003 and the report on powers under the act for the financial year 2005–06, pursuant to sections 13ZR and 21M of that act.

It might seem strange for me to raise a matter relating to a report which takes up two pages in total. I recall that the Terrorism (Community Protection) Bill, which I spoke on at the time it was introduced, was rushed through because of the community's concerns about terrorism. There is no doubt that we are all concerned about terrorism, so I was somewhat concerned on 8 September 2005 when the report for the financial year 2003–04 in respect of the same act contained what was essentially a nil/none return in respect of the number of applications made under that act.

I was troubled when I had a look at this report, and the reason I am raising the issue in the house today is that these are wide-ranging powers that enable the community to feel there are some protective measures in place. Sections 13ZR and 21M of the act, particularly section 13ZR, relate to applications for preventative detention reporting requirements. They are meant to demonstrate to the Parliament how many applications were made for the period 1 July 2005 to 30 June 2006. These orders are used to ensure that people in our community who are at risk of carrying out terrorist activities can be detained in a way that prevents them from carrying out those activities.

I was concerned back in 2005 when I raised this issue that there had been a nil/none return, and we see again in the report for the year 2005–06 there has been a nil/none return. My understanding is that for the period covered by that return there were: (a) no applications for preventative detention orders made by the Victoria Police to the Supreme Court, and no orders were made; (b) as no orders were made, no person was taken into custody or detained for any period; (c) as no orders were made under part 5.3 of the criminal code of the commonwealth, the requirement to report was not applicable; (d) there were no reports, no applications or no complaints; (e) no prohibited contact orders were made under the act; and (f) no preventative detention orders or prohibited contacts were found not to have been validly made.

What I am concerned about is the apparent inaction in applying a quite wide-ranging and powerful piece of legislation. We seem to have taken our eye off the ball on this issue, and I would have thought there may have been at least an application or some activity. I am not saying there is a wide-ranging problem; I am just concerned that this report again shows a nil/none return.

There was one exercise of special powers under section 21M. There was an application for the stop, search and seize powers, which was made by the chief commissioner and authorised by the Supreme Court. As many who attended would know, it related to the luncheon hosted by Her Majesty Queen Elizabeth II prior to the opening of the M2006 Commonwealth Games and applied for only 27 hours. The report outlines that there was only one exercise of the stop, search and seizure powers, which involved a female in the grounds. A frisk search and bag check were conducted by a female Victoria Police officer.

The ACTING PRESIDENT

(Hon. H. E. Buckingham) — Order! The member's time has expired.

Groundwater Management Plan for the Katunga Water Supply Protection Area

Hon. W. R. BAXTER (North Eastern) — I want to speak about the Katunga ground water management plan, which was tabled in this house this week. I congratulate members of the committee chaired by Mr Peter McCamish of Shepparton on the excellent work that has been done in preparing this very useful report. I want to draw attention to it because of the unfortunate history, but this shows how a satisfactory outcome can be achieved with community consultation.

The Katunga ground water protection area covers more than 2100 square kilometres in northern Victoria, and it deals mainly with water deeper than 25 metres. It is at a considerable depth and is also overlain by a shallow aquifer, which is separately managed under the Shepparton salinity management plan. Initially when it was realised that this aquifer was being overdrawn and used at an unsustainable rate, an attempt was made by the relevant water authority — Goulburn-Murray Water — to introduce some rather heavy-handed restrictions with lack of consultation. That caused a good deal of angst and led to court proceedings being issued. Fortunately matters were settled at the court door and it did not lead to litigation with all the expense that that would have involved.

Out of that community uprising came the establishment of a consultative committee under Mr McCamish's chairmanship involving representatives from the water authority and local land-holders, the municipality, the Moira Shire Council, and others who worked very diligently through this issue. They have now come up with what I understand from the comments of constituents is virtually a universally accepted management plan for the future. That is a real lesson for us all: in matters such as this, where there are economic interests at stake and allegations are sometimes made that people are getting more than their fair share, it simply will not work to have a government authority attempt to introduce some means of control and regulation. You have to take the community with you. If you attempt to take the community with you, by and large you will find you can get virtually universal agreement. That has been the outcome in this case. It has occurred somewhat quicker than I might have expected, although it is more than two years since the committee started to meet.

Just as an indication of the significance of the diversions from this deep aquifer and how they are so much affected by drought, if one looks back over the last 10 years one finds that the average consumption is about 28 000 to 30 000 megalitres, except in the year 2002–03, which honourable members will recall was the driest year of this current decade of below average rainfall we are regrettably experiencing. The consumption leapt to 40 470 megalitres. The research clearly showed that consumption at that rate was unsustainable and would lead to all sorts of problems in the future. I am confident that with this management plan in place the ground water will be harvested in a sustainable manner.

I am particularly pleased to note in the report that henceforth an annual report will be made available by Goulburn-Murray Water and given to the Minister for

Water in the other place — and I hope the minister will table it in this Parliament — and provided to the Goulburn Broken Catchment Management Authority and be publicly available. It is in this way that the community at large can get a better understanding of the importance of this ground water resource. It cannot be seen by the naked eye of course; sometimes it has been taken for granted. We are only learning about it as we go along with new technology that is developed every year to enable this sort of resource to be better managed. This is a good outcome, and I congratulate the committee.

Transport Accident Commission: report 2005

Hon. J. G. HILTON (Western Port) — I would like to make a few brief comments on the Transport Accident Commission's 2005 annual report. The vision of the TAC is to provide Victorians with the most equitable personal injury compensation scheme in the world and set international standards in its delivery. The TAC's mission is to reduce road trauma and its impact on the lives of accident victims in a caring, efficient and financially responsible manner.

I am sure we are all aware of the tragic impact a road fatality can have on the immediate family and the community. However, what is probably less well known is the large number of absolutely horrendous non-fatal injuries, which can have permanent effects on people and their families. In my area of Western Port Province organisations provide support to these people, and it is a very sobering experience to meet with individuals whose lives have been so changed, sometimes through no fault of their own.

The TAC is a very high-profile organisation in our community. It also has the responsibility to fund medical treatment and support services needed by people who are injured in traffic accidents. In an ideal world we would not need the TAC, because in an ideal world there would be no road fatalities, but that is not the case. It is important that we have an efficient organisation whose role it is to assist families and individuals in these circumstances and have some influence on reducing the road toll through mass media and public education campaigns.

The road toll for 2004–05 was 338, which historically is a low figure; however, 338 is 338 too many. I know it is easy to use statistics to show improvements or justify a particular strategy, but it is interesting that a measure of the TAC's effectiveness in its education programs is the hospitalised claim rate, and that key measure for serious injuries fell to a record low of 8.4 per 10 000 vehicles in the last financial year. The TAC

campaign is part of the government's broader Arrive Alive road safety strategy. It is also part of the TAC's responsibility to fund roadworks in areas with a high accident rate, which we call accident black spots. Last year \$130 million was provided to reduce the incidence of road run-off crashes and a further \$110 million has been committed to improve dangerous intersections.

As I have said previously, road crashes affect not just the individual but also the family and the community. At this stage I would like to highlight an initiative in my own electorate of Western Port Province. The Arthurs Seat Challenge is a sponsored walk from Rosebud pier to the top of Arthurs Seat. The genesis of this event was a quite horrendous accident in late 1998 that resulted in the deaths of three local schoolboys who were students at my son's school. The proceeds of this annual event, which is getting bigger every year, go towards the provision and funding of road safety education programs aimed directly at young people. A road crash involving a young person is doubly tragic because it involves the death of or serious injury to a young person who will unfortunately never be able to realise their potential.

As I have said, raw figures cannot represent the full significance of what organisations do in our community, but in 2004–05 the TAC funded a total of \$643 million in support services. There were 19 292 new claims, which was a 2 per cent decrease on the previous year.

In conclusion I compliment the staff, board and everyone else involved in the TAC, which has such a high profile role in our community. I believe it is an organisation of which Victorians can feel justifiably proud.

National Gallery of Victoria: report 2004–05

Hon. ANDREA COOTE (Monash) — I would like to speak today on the annual report of the Council of Trustees of the National Gallery of Victoria (NGV) for 2004–05. I have said in this place on many occasions how much admiration I have for the director of the National Gallery of Victoria, Gerard Vaughan, and for the trustees of the national gallery. I have also reflected on many occasions on the importance of the National Gallery of Victoria to the state and have praised it for its role as flagship for the arts in Victoria. We are all very concerned at the allegations that have arisen this week over the quality of a Van Gogh painting that is part of our collection, and I welcome the open and transparent approach the National Gallery of Victoria has taken on that issue.

I was incensed last year, as I am sure were most Victorians, when the National Gallery of Victoria was forced to close its doors for one day a week every week. At that time I praised Gerard Vaughan for the dignity with which he announced a very unpopular decision made by the Minister for the Arts in the other place, Ms Delahunty. I remind the chamber that the Bracks government can spend \$80 million on advertising and spin, yet it forced the National Gallery of Victoria to close its doors. The Bracks government has not supported the National Gallery of Victoria, but it put itself in the limelight at the opening of the refurbished building and in a mean-spirited way did not acknowledge that it was a Kennett government initiative or that the Kennett government had made a huge contribution to the gallery.

Minister Delahunty has been so preoccupied with the spin associated with the gallery, the opening of the building and the opening of the federally sponsored blockbuster events such as the Impressionists that she neglected to ensure that corporate governance was of the highest standards. As this Parliament draws to a close we can reflect on the spectacular fall in Minister Delahunty's standing in the arts in Victoria. Should the Bracks government be returned there is no way she will be the Minister for the Arts in the next government. Rumours are rife that Tim Pallas, or even Evan Thorley, will be the new favourites of the Premier to hold this position.

Under Minister Delahunty Arts Victoria is a demoralised and dispirited department that lacks proper governance and accountability. Staff morale is at its lowest ebb. Freedom of information requests are late. My own questions on notice take up to 12 months to be replied to, and journalists and the public find it impossible to get any meaningful communication from the organisation. Failures by the major arts organisations to observe due process are rife. Arts Victoria is lax and indifferent to the systematic malaise in governance across all of the major arts institutions in this state. Sadly for the National Gallery of Victoria, it is this recent imbroglio with one of its chief curators, Geoffrey Smith, that has highlighted the endemic lack of corporate governance throughout Arts Victoria. The National Gallery of Victoria is an important icon for Victoria, and I do not want to denigrate it, but I have been approached by many Victorians who want questions answered.

Victorians want to know who conducted the inquiry and investigation into the latest allegations about the curator; why the inquiry and investigation was not done by an independent authority; at what stage the National Gallery of Victoria became aware of the potential

conflict of interest involving the curator and what action was taken, and what role Minister Delahunty played in this. At page 77 the annual report states:

The NGV recognises the value of transparency and accountability in its administration and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Journalists have advised me that they have been denied access to the National Gallery of Victoria briefings on the issue of the curator. They want to know where the openness and transparency is in this situation, and the people of Victoria also want to know that. Minister Delahunty has only 107 days to go until the state election. Instead of pretending to be hands off and leaving matters to internal processes, her one last parting shot should be to investigate the lack of corporate governance across her whole arts portfolio. She should start with the National Gallery of Victoria.

Centre for Adult Education: report 2005

Hon. H. E. BUCKINGHAM (Koonung) — I rise to make a contribution on the annual report tabled in May of this year on the Centre for Adult Education, which in my time was known as the Council for Adult Education. The CAE is a significant contributor to adult education in Victoria. I note in the annual report that in 2005 the organisation had over 62 500 student enrolments and delivered over 1.6 million student contact hours — an astonishing number.

As an adult education institution the CAE exists to provide learning to the Victorian community through a wide range of programs and services. The CAE receives government funding through the adult, community and further education division. This funding supports the CAE to deliver accredited courses designed to help adults to complete their secondary education, to change their career or perhaps even to go on to tertiary education. The report notes that in 2005 the CAE's goals included offering innovative programs, high quality teaching and tertiary pathways to adult learners. Its goals also included offering its staff rewards and recognition and implementing performance development planning. The CAE has been implementing its goals for over 55 years and during that time has to its credit adapted to meet the continually changing needs of the adult learning population. Establishing tertiary pathways for adult learners continues to be one of the main objectives of the CAE.

Courses with established educational pathways include the Victorian certificate of education (VCE), the

diploma of liberal arts, general education for adults, training and assessment, community services, fitness, languages and access arts. The success of these established pathways is demonstrated in the high number of VCE, arts and diploma of liberal arts graduates who gained entry into courses at TAFE or university after completing courses at the Centre for Adult Education.

The CAE conducts regular student satisfaction and destination surveys to ensure that teaching standards are being met. During 2005, over 94 per cent of students surveyed reported a high general level of satisfaction with their program. The results of the VCE student satisfaction survey — in my humble opinion, VCE students can be very discerning about this — also confirmed a high student satisfaction, with teaching in the VCE program achieving a satisfaction rating of 94 per cent to 98 per cent across the four key areas, which were: the teacher's knowledge, the teacher's presentation, meeting individual needs and course feedback. These are very encouraging results.

In 2005 the CAE continued to develop partnerships with key organisations to meet the training and education needs of the Victorian community. Given the impending state election it is timely to note the partnership between the CAE and the Victorian Electoral Commission. The CAE works with the Australian Electoral Commission and the VEC to increase student awareness of electoral processes and individual democratic rights and responsibilities.

Another key area of activity for the CAE is its language centre. With over 30 languages to offer, the language centre is one of the largest providers in Victoria. In 2005 the language centre exceeded the student contact hour target by over 8000 hours. Delivery of offsite, customised courses in business languages, business etiquette and cross-cultural communication continued to increase. Clients include Ford, the Australian defence organisation, Origin Energy and AXA. This language training also included intensive delivery of 12 languages in five Australian cities, and in New York, to members of the Australian Federal Police and officers of the Department of Immigration and Multicultural and Indigenous Affairs prior to their deployment in other countries.

The CAE is home to the city library, which is open to the public. This has grown into an iconic learning destination in the Melbourne CBD. Over half a million individuals were recorded as users of the library last year alone. It hosted a range of free exhibitions, events and lectures in partnership with the CAE.

I would like to take this opportunity to recognise the work of the CAE and its contribution to the education of the Victorian community. In particular I would like to thank CAE chairperson, Mr Frank King, and director Mr John Wills for their hard work and dedication in ensuring the CAE grows in strength, and I salute all the teachers at the CAE.

Transport Accident Commission: report 2005

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I wish to make a statement on the 2004–05 annual report of the Transport Accident Commission. I would like to touch on two aspects of corporate governance in relation to that organisation. As honourable members will be aware, the Transport Accident Commission is a statutory authority constituted under the Transport Accident Act 1986, and it is governed by a chief executive and a board but is subject to direction from the responsible minister, the Minister for WorkCover and the TAC. In relation to this report there are two issues I would like to highlight. The first is the government's decision to relocate the head office of the Transport Accident Commission from Exhibition Street here in Melbourne to Geelong.

We heard yesterday from members of the government the refrain that this government does not make decisions based on politics. But I have to say that the decision to relocate the TAC head office is without doubt a decision that was made in a political context. It is a decision that was announced as the Premier was driving to Geelong last November for the sitting of the Legislative Assembly in Geelong, and it is a decision that was taken without full consultation with the TAC. We have seen that in the subsequent resignation of the chief executive, Stephen Grant, in opposition to the government's decision to move the head office of the TAC.

There is no doubt that the decision to locate the TAC in Geelong will benefit Geelong. It is a position that the opposition leader in the other place, Ted Baillieu, has said a future Liberal government will continue with and will support. But there is also no doubt from the report that was subsequently commissioned by the TAC from PricewaterhouseCoopers that the decision does not produce any net benefit for Victoria. While Geelong will benefit from the decision, it will be at a cost to the rest of Victoria. Since that PricewaterhouseCoopers report was produced the government has had to negotiate with the Community and Public Sector Union for relocation packages for many of the TAC staff, which will substantially add to the cost of the relocation. While there is no doubt that it will benefit Geelong, it will be at a substantial cost to the broader

Victorian community. The fact that this decision was forced upon the TAC by virtue of press release from the Premier's office raises concerns with respect to the corporate governance of what is supposed to be an independent statutory authority.

The other area I would like to touch on in a similar vein is the government's approach to dividends in relation to the TAC. Under the act governing the TAC the Treasurer is entitled to set an annual dividend for the TAC in consultation with the TAC board, but it is clear under the legislation that the final decision is the Treasurer's and not the board's. As a consequence, over the last six years we have seen almost \$1 billion taken out of the TAC by way of dividend payments; most recently, in the 2004–05 year, \$295 million was removed from the TAC by way of dividends. This is in addition to almost \$500 million being taken over the last six years by way of income tax equivalent payments.

This raises issues for the ongoing viability of the commission. The commission is required to make decisions based on actuarial assessments as to the best way to deploy its funds. Over the last six years we have seen the premium income to the TAC approximate the payouts that the TAC makes by way of gross claims. However, on top of that we then have the investment income of the organisation and the policy of the government in removing dividends. Looking at the stream of dividends that have been paid over the six years from 2000 to 2005, we see that basically whenever there is a strong investment return the Treasurer comes along with his hand out and takes a couple of hundred million dollars out of the organisation.

I have to say that this is not the way to achieve good governance of that organisation. The board and the chief executive need to be able to set their investment targets and goals, secure in the knowledge that they have control over the dividend payments that are made to the shareholder, rather than the shareholder dictating at budget time that it will take \$200 million or \$300 million simply to plug the state budget. This is not a sustainable position that the government is in and it is one that will be to the long-term detriment of the TAC.

Centre for Adult Education: report 2005

Hon. KAYE DARVENIZA (Melbourne West) — I rise to make some comments on the 2005 annual report of the Centre for Adult Education (CAE). I am sure that, like me, most members in this chamber will have had some contact with this adult education institution over their lives — if not themselves personally, then

through either family members or friends. It is a well-known educational institution in Melbourne and one that is held in very high regard.

This is an excellent report. It gives a lot of information that is very clear and easy to read and understand. It is written in very plain language. I congratulate the centre on its report. Not all reports that are tabled in Parliament are as easy to understand or as clear and concise in their presentation. I congratulate all those associated with the CAE, including the chairperson, Frank King, and director John Wills, and of course the many staff who are employed at the Centre for Adult Education and who do an excellent job.

The Centre for Adult Education offers a whole range of opportunities for education particularly aimed at adult learning. They can be fee-paying courses, including courses that people simply do for pleasure, to expand their mind in their area of interest, to learn some new skills or to hone some of their rusty skills. In a formal sense the CAE plays a very important role in offering a range of subjects, including Victorian certificate of education (VCE) subjects and subjects that are pathways to further education.

In 2005 all of the CAE resources were fully operational after an extensive renovation program that started back in 2002. There has been an increased focus on nationally accredited courses for mature-age students as well as establishing partnerships with other organisations. The CAE has put in place an expanded range of services for the Melbourne community and had an improved financial position leading into 2006.

I want to talk a little bit about some of the CAE's activities, particularly in its centres of excellence. Many of us have had some experience with these centres of excellence. The CAE arts course has seen an increase in student numbers, both in the fee-paying services as well as the nationally accredited programs. Thirty languages are offered at the language centre, and it is one of the largest providers in Victoria. I know the previous speaker on the CAE report, my parliamentary colleague the Honourable Helen Buckingham, talked at some length about this centre of excellence, its increased student numbers and the excellent job it does in providing language services to people who work in government or business and in preparing them for work in overseas countries in terms of both the language and culture.

The tertiary pathways in access education, employment and training, VCE and the international programs continue to expand and assist in enhancing the reputation of the CAE as a leader in adult education.

There is a 90 per cent successful completion rate for the Victorian certificate of applied learning and basic IT enabling skills programs. Twenty-seven per cent of VCE students achieve an A or A-plus grade, which is an extraordinary result.

The ACTING PRESIDENT
(Hon. H. E. Buckingham) — Order! The member's time has expired.

Sustainability and Environment: report 2004–05

Hon. D. McL. DAVIS (East Yarra) — I am pleased to make a contribution to statements on reports, and today I will talk about the Department of Sustainability and Environment report for 2004–05. I intend to raise two issues related to that report. The first concerns the management of waste by the Victorian community and the government's approach to the toxic dump near Mildura. Another point related to that concerns the responsibilities of the Minister for Environment in the other place and his department in relation to the protection of flora and fauna.

I am particularly concerned in this instance about the mallee fowl recovery program. Even in the Mallee the mallee fowl is an endangered species, as the community will understand. I note that in the context of the government's proposals for a toxic waste dump at Hattah-Nowingi, near Mildura, that there has been a significant focus on fauna, particularly the Mallee emu-wren and the mallee fowl. I make the point here that the mallee fowl recovery group program is important in the protection of that species.

I note there are road signs warning of mallee fowl in that area. In the last few days a road sign has been removed in that area near Nowingi. Indeed I saw a sign up there when I was there last Thursday and was surprised to see somebody taking a great interest in photographing the mallee fowl sign. I presume it is the same sign as the one that I am informed has disappeared. I am concerned that this removal of the sign may presage some decisions or actions by the government or at least a lessening of its commitment to the protection of the mallee fowl. I seek a detailed explanation, if possible, from the minister as to what is going on. I am not sure whether the removal of this sign occurred because the Minister for Environment has failed to ensure the program is working in the way it should or because of an error made within the area of responsibility of the Minister for Transport in the other place. Either way it is significant, and we need to get to the bottom of what is occurring.

I also want to talk today about the issue of massive pollution in Melbourne's metropolitan waterways and creeks. We know, for example, that the levels of pollution in the Yarra River have been massive over recent times. I draw the house's attention to Melbourne Water's recently released *Essential Facts*, which contains a series of readings from the smaller rivers and creeks around metropolitan Melbourne. It is interesting that some of these readings are far above the accepted level of 200 organisms per 100 millilitres of E. coli.

Some of the readings are truly extraordinary. At Andersons Creek the 50th percentile reading — that means that more than 50 per cent of the readings are under that reading and 50 per cent are over it — was 620 organisms, three times the allowable level, and the maximum reading was 10 000. At Darebin Creek there was a 50th percentile reading of 1030 and a maximum reading of 6300. At Diamond Creek there was a 50th percentile reading of 360 and a maximum reading of 22 000. At Gardiners Creek there was a 50th percentile reading of 1000 — that is five times the acceptable level of pollution. I remind the chamber that E. coli is a measure of faecal pollution, so there are obviously significant levels of faecal pollution getting into Gardiners Creek and other metropolitan waterways. And Gardiners Creek had a maximum reading of 10 000, again a ridiculously high level. Koonung Creek had a 50th percentile reading of 7800 and a maximum reading of 30 000. Merri Creek had a 50th percentile reading of 295 and a maximum reading 11 000.

The government will sometimes argue that the maximum readings are unreliable in some way. The truth of the matter is that they do sometimes follow weather events, high rain and so forth, but nonetheless what they point to is a high level of faecal contamination, and a reading is accurate at the time. A person or an animal coming into contact with that water would be exposed to significant faecal pollution. There is no excuse in saying that the readings are in some way only one-off readings. It is true, all readings are one-off readings, but nonetheless they point to the state of the waterway at that time.

Stony Creek in the western suburbs has a 50th percentile reading of 3800 and a maximum reading of 170 000. That is an extraordinary reading.

The ACTING PRESIDENT

(Hon. H. E. Buckingham) — Order! The member's time has expired.

STANDING ORDERS COMMITTEE

Review of standing orders

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I move:

That the resolution of the Council of 15 June 2006 requiring the Standing Orders Committee to undertake a review of the standing orders and present its final report to the Council no later than 10 August 2006 be now amended to require the committee to present the final report no later than 24 August 2006.

Motion agreed to.

MINISTERIAL STATEMENT

Recognition, Reform and Partnership — Governments Working Together for Stronger Communities and Better Services

Ms BROAD (Minister for Local Government) — I wish to make a ministerial statement. Regardless of which level of government we work at, our goal should be the same — to make a real difference to the health, education, safety, environment and enjoyment of the people who elect us and pay our wages.

It is what the community expects of us and it is our duty to deliver in the most effective way possible.

The Bracks government came to office with two broad aims:

- to place communities at the centre of our thinking;
- and

- to change the way all levels of government worked together with communities to deliver better services and outcomes.

These aims have shaped the national reform agenda led by Victoria and they have shaped our reform of, and relationship, with local government.

Ten years on from the restoration of democracy to local government in Victoria, it is timely that I present to the Legislative Council a statement on the progress the Bracks government has made building and strengthening local government and our partnership with it to deliver better services to local communities.

I also want to take the opportunity to outline the next phase of reforms designed to encourage greater collaboration and problem solving rather than arguments and buck passing, to reduce red tape and

complexity and ultimately to deliver better services and stronger, healthier communities.

The active involvement of local government is essential to building a fair and prosperous Victoria.

We said we would make local government stronger, more democratic and more transparent, so that it could be an active partner.

I am proud to say we have delivered.

The role of local government as a distinct and essential level of government is now written in Victoria's constitution.

We have enabled local government to be more accountable and responsive to local communities.

We abolished compulsory competitive tendering and replaced it with best value, we reformed rate capping and we put the responsibility for appointing the chief executive officer back where it belonged — in the hands of the council.

Just as importantly, the Bracks government recognised the need to make public services more responsive to local needs and to better align the efforts of state and local government in a way that helped Victorians help themselves and each other.

We recognised that state government had to work as 'partners' with local government to be more effective and deliver better outcomes.

We not only recognised these challenges, we embraced them, and to make it happen we have invested our time, effort and resources in:

- reforming institutional arrangements;
- building capacity and knowledge;
- working in partnership with local government to deliver better local outcomes; and
- promoting and improving the profile of local government.

As a result of these reforms every local government in Victoria will go to an election on the same day in November 2008 in what I hope and believe will be a celebration of local democracy.

The Victorian community does not particularly care who delivers services. They want good services delivered efficiently and effectively.

They are not interested in the arguments about institutional arrangements between the various levels of government.

While this may be so, it is however crucial to get those institutional arrangements right, because by doing so you can free up the time and resources previously lost in duplication, complexity, red tape and arguments and direct it towards better service planning and delivery.

This year marks an important watershed in the reform of these institutional arrangements.

In April this year Victoria signed an intergovernmental agreement that clarifies how the three tiers of government can better work together and which among a range of commitments, ensures local government is consulted when asked to provide extra services by either state or commonwealth governments.

This agreement is a major initiative and heralds in a new era of national, state and local cooperation to get better outcomes on the ground for local communities.

In our reforms to the institutional arrangements between state and local government we recognised the importance and value of integrated planning and the need to reduce complexity and red tape.

Last year the government asked Professor Bill Russell to lead a review with two key aims:

- to streamline strategic planning undertaken by local government at the request of state departments; and
- to promote more joined-up planning between state and local government to deliver community outcomes.

The review found that councils are asked to develop a number of discrete plans with different consultation requirements and different cycles without regard to councils' own planning framework and without necessarily taking into account the differences in capacity and local priorities of councils across Victoria.

This creates unnecessary duplication of planning processes; can result in community consultation fatigue and undermines rather than supports the capacity of local councils to adopt a triple bottom line approach to planning and service delivery.

As a result of this review, and to improve the integration of local and state objectives and achieve more responsive services at the local level the Bracks government will give councils, where appropriate, the flexibility to incorporate state strategic planning

requirements into their strategic planning framework rather than in a separate plan.

As a first step over the next 12 months we will review the current requirements for discrete plans and will establish a mechanism to limit any future unintegrated planning requirements for local governments.

This will allow state objectives to be aligned with local priorities in a more holistic way.

It will create efficiencies in councils' planning processes and reduce red tape and duplication of administrative processes.

It will enable councils to synthesise a number of discrete plans into a defined framework; to be more inclusive in their decision making and use community planning as a means to meet the challenges of changing local expectations.

This reform in itself won't be a major conversation starter in the homes of Victorians over the next few weeks.

But the reform is a significant one, and it will deliver over time on the many issues that are currently conversation starters in Victorian households — the need for better, more integrated and responsive services.

Making institutional reform work requires robust and well-informed dialogue underpinned by an understanding and appreciation of each other's role.

Regional management forums have been established in each of Victoria's eight administrative regions.

Importantly, each forum includes a state department secretary assigned as regional champion, and members comprise chief executive officers of local government, regional managers of state government agencies, representatives of Victoria Police, and in some cases, of key statutory bodies.

The forums bring state and local government together to identify their region's most pressing issues, and to provide new and collaborative solutions.

Other regular meetings also provide opportunities to discuss important issues. These include the regional cities group of Ballarat, Bendigo, Geelong, Latrobe, Shepparton, Wangaratta, Warrnambool, Wodonga, Horsham and Mildura, which meets with the Premier, the Minister for State and Regional Development and myself, as well as meetings with peak local government bodies and councils. The government is also

establishing a small towns Victoria group to give voice to the smaller rural councils.

Local government is a complex, diverse and large business.

Queenscliffe, at 8.6 square kilometres, a population of 3191 and a revenue base of \$5.6 million, is the smallest. Mildura is geographically the largest at 22 000 square kilometres, Casey has the largest population at 217 000 and Melbourne the largest revenue base at \$305 million.

Together, local councils are responsible for a significant asset base of some \$40 billion¹ which includes roads, drains, bridges, parks and public buildings such as libraries.

Their largest capital expenditure is on roads.

The partnership we have been building and strengthening with local government would not be possible without having rebuilt the sector's democratic base.

In this term, the Bracks government introduced the most extensive reforms to make local government elections fairer and more representative.

Proportional representation was introduced, replacing the 'winner take all' system; electoral reviews by elected councils have been replaced by independent reviews by the electoral commission conducted in consultation with local communities; and to support greater public transparency, candidates in local government elections must now disclose campaign donations valued at \$200 or more.

From November 2008, all councils will have a common four-year cycle which will raise the profile of local government and encourage greater voter participation.

The Bracks government has also supported local government to become more transparent and accountable.

We amended the Local Government Act to establish clear accountability principles to better inform the local community and encourage community consultation.

We are working with the peak bodies to promote a culture of responsibility, accountability and sound governance and to provide a systemic approach to councillor training and development.

¹ Victoria Grants Commission

We are also supporting local councils to develop better data collection and management systems to identify community needs, develop good practice guides for local area planning and plan for social infrastructure in growth areas.

The essential role of local government has also been recognised in the state budget.

For the first time budget paper 3 includes an overview of local government grants and transfers — an overview which shows an increase in funding of more than 10 per cent.

While the Bracks government has backed its partnership with local government with greater resources, the commonwealth has not.

Victoria will continue to push the commonwealth to increase financial assistance grants and give local government its fair share of Australia's economic growth.

Victoria is one of the most livable places in the world.

As Victoria grows we face new challenges to maintain the livability of our cities, towns and regions and ensure Victoria remains a vibrant, creative place.

Livability is affected by what happens at a local level — the level and quality of health, education and community services, the local environment, transport, investment and employment opportunities, community, sport and cultural facilities and the community's sense of 'connectedness'.

Local government is a key player in all of these things, either directly or indirectly, and as a result our support for and investment in local government and communities has taken many forms.

A key part of our strategy to build stronger, healthier, more livable communities has been to build the capacity and knowledge of local government

The report *Actions for Community Strengthening with Local Government* prepared by Professor Mark Considine from Melbourne University showed that strong and resilient communities deliver fairer and more prosperous outcomes for their members.

The report has led to a dynamic strategy to strengthen communities, one that encourages local governments to continue to play a significant role, creates an environment for greater state and local government partnerships, and increases opportunities for the community to be involved and engaged.

In doing so we committed ourselves to changing the way we do business, to rethink the traditional forms of administration and resource allocation to see whether they meet the new standard of local place-based prosperity and empowerment.

A key example of our commitment to this new approach is the Community Building Initiative through A Fairer Victoria which is about local people working with their local governments and a range of groups and organisations to shape and improve their small towns.

There are currently 19 Community Building Initiative locations working in partnership with 102 small towns across Victoria.

Over the past six months, the Bracks government has released a number of key policy statements making significant investments in and setting out key actions to improve Victoria's future.

These statements on provincial Victoria, education and training, transport, sustainability and our metropolitan growth areas focus on improving services to local communities.

They acknowledge the important and varying partnership role of local government in delivering these initiatives.

The following examples are just a snapshot of what we are doing.

Melbourne 2030 is an action plan to ensure the benefits of growth are shared fairly across the state and in a sustainable way. Informed involvement from local government is critical to successfully implementing Melbourne 2030 and achieving its potential.

Through *Moving Forward — Making Provincial Victoria the Best Place to Live, Work and Invest* we are helping regional councils manage growth, plan for the future and deliver projects that address their community's social, infrastructure and environmental needs.

As part of this we have boosted our investment in the Small Towns Development Fund by \$25 million over four years to help local towns work with local councils, business and community groups to develop projects and provide advice.

With local councils, we continue to invest in community sport and recreation facilities such as swimming pools and multipurpose community facilities across the state.

Since 1999, this program has seen the upgrading and building of some 1500 facilities with over \$118 million of state contribution.

We have again boosted funding for libraries to provide for better library services, new facilities and improved collections, and A Fairer Victoria has delivered additional recurrent funding for Victoria's neighbourhood houses to assist them in providing their vital services.

In partnership with local government, we are addressing infrastructure and service issues for families with young children, particularly in our growth corridors, through Growing Communities, Thriving Children.

We are working with councils, community health centres and other non-government agencies to provide a comprehensive response to issues experienced by people with a disability. The Department of Human Services is involved in a number of whole-of-government projects with local governments and local agencies to deliver better services.

And we are providing significant support for volunteering so that local communities can develop effective ways to support, extend and sustain volunteering into the future.

Our Flexible Transport Solutions program will support up to 30 councils predominantly in regional, rural and outer urban areas to deliver innovative projects that improve access to transport for disadvantaged and isolated communities.

The Bracks government is also working closely with local government in environmental management and land-use planning.

Examples range from providing grants to councils such as Yarriambiack shire, that have sought help to identify, prioritise and manage weeds in their local area in partnership with the Department of Sustainability and Environment to providing more than \$30 million to help local government and local communities to put Melbourne 2030 into action.

While the initiatives are numerous and their size and scope may vary, each one demonstrates the value of state and local government working as partners to deliver better services and stronger, healthier communities.

The Victorian community expects all tiers of government to work together to provide services that make a real difference to their quality of life — in

employment, health, education, safety and the environment.

The Bracks government recognised that local government provides services vital to the health and wellbeing of local communities, from libraries to child care and immunisation to ensuring that local planning adds to rather than detracts from local amenity.

And we recognised the need to work better with it and set about reforming institutional arrangements, building capacity and knowledge and working in partnership to strengthen communities and deliver better services.

Victoria has taken the lead at the national level to change the way governments work together to deliver these better services.

And we are building collaborative relationships between state and local governments to respond more effectively to local needs.

The Bracks government will continue to show the way forward, reduce red tape and complexity and improve the way we operate and work with local government so that we can deliver better, more seamless services.

A great deal has been done, but there is more to do. We will continue the journey and move forward together.

Hon. J. A. VOGELS (Western) — I move:

That the Council take note of the ministerial statement.

When I received this statement I thought, 'I know the Bracks government has taken up some of the excellent policies of the Liberal Party, and I will have to start all over again'. But as soon as I saw the heading 'Recognition, reform and partnership' I instantly knew those words meant there was no money; it meant spin and rhetoric.

Hon. E. G. Stoney — And you were right!

Hon. J. A. VOGELS — And I was so right, as I found out when I read through the document. There is no money. The minister started talking about putting a stop to blaming each other and other tiers of government and then spent half the statement blaming the federal government for everything that has gone wrong with local government. It is interesting to note that she had forgotten what she had already said.

We all know there are 79 councils in Victoria, small and large. That is not new. I have actually visited each and every one of them at least once and sometimes twice. I do not know if the minister has. She says the things that mainly concern those councils are roads.

Whenever we talk about local roads and bridges we hear the Bracks government saying it will not be funding roads and bridges in Victoria — that is the federal responsibility. She talks about drains, bridges, libraries and then about the largest capital expenditure being on roads, which the Bracks government refuses to fund.

We talk about the Victorian Electoral Commission looking at how municipalities elect their councillors. About half the councils have been reviewed. She talks about consultation with local communities. I can assure members that local communities were definitely not listened to. I do not know how many councils have approached me and the minister personally because they were very unhappy with the way the Victorian Electoral Commission set out how they should elect new councillors. The minister took absolutely no notice of them at all. I have presented many petitions in the house from municipalities saying they do not accept or want this new form of voting in their electorates or municipalities, but the minister of course completely ignored them.

I would like to quote from budget paper 3, table D.1 at appendix D which is headed 'Grants and transfers to local government'. Total grants to local government this year were approximately \$548 million. These are not my words; this is what it says in budget paper 3 on service delivery:

... grants and transfers to local government are expected to increase by 10.7 per cent from \$494.9 million in 2005–06 to \$547.9 million in 2006–07.

I have prepared a chart of the budget and I am hoping it can be incorporated into *Hansard*.

Hon. T. C. Theophanous — On a point of order, President, I have examined the graph that the honourable member proposes to table and I am concerned that he cites the source at the bottom of the graph as the Victorian government budget papers. However, this is actually the honourable member's interpretation of those budget papers. It should really say 'Prepared by John Vogels'. We would be prepared to grant leave for this to be incorporated only if it said 'By John Vogels based on his interpretation of Victorian government budget papers'.

Hon. J. A. VOGELS — I am happy to do that. My budget figures will stack up 100 per cent if anybody wants to have a look at them.

The PRESIDENT — Order! We will need to get copies of that document and arrange to have them distributed. It should be noted on the record that the

member has agreed to the government's request to include a note that it is Mr Vogel's interpretation of the budget papers.

Leave granted; see chart page 2923.

Hon. J. A. VOGELS — This is typical. These budget figures will stack up — they are 100 per cent accurate. They are taken out of the budget papers and federal budget papers and are what the federal government transfers to the Victorian government, which become grants and transfer payments to local government. This government would like the municipalities and ratepayers to believe that grants and transfer payments come wholly and solely from the state government. I refer again from appendix D at page 420 of budget paper 3:

The Department for Victorian Communities provides the majority of funds to assist local government. Most of these funds are commonwealth financial assistance (around 60 per cent) and road grants (around 20 per cent) that are on-passed to local government.

This government likes to take credit for the whole grants and transfer payments but we know it should not.

The minister was at a local government mayors and chief executive officers meeting in March this year. In a statement to that meeting she said — and this is typical spin:

Along with the ministers for local government from other states I've also been pushing the commonwealth to review the funding level to local governments, as I know you have.

Over the years, as you will know, the financial assistance grants from the commonwealth have decreased substantially as a percentage of commonwealth tax revenue.

Let me remind members, that was untied. The minister went on to say:

Commonwealth revenue has increased by 62 per cent since the Howard government came to office

That was 10 years ago. Let me remind the house that state government revenue has increased from \$19 billion to \$32 billion in seven years, which is an increase of 75 per cent. The statement continues:

Financial assistance grants to local government have only increased by 33 per cent over that 10-year period.

State government grants have decreased by half over a four-year period. My graph shows that in 2002–03 state grants to local government were \$206 million and that in the financial year just finished they had decreased to \$113 million — nearly half.

The minister went on to say that while the commonwealth has been able to benefit from strong economic growth its funding to local government has diminished, which is not true. I am not here to defend the commonwealth; somebody else can do that. I just want to set the record straight: it is the state that has been decreasing grants and transfer payments to local government. When it decreases those grants — which, if you add up the figures you see amounted to nearly \$249 million — it then hands some of that money back to local councils, but it is all tied into certain silos or buckets of funding, whereas under the financial assistance grants et cetera councils can spend it on what they desire to spend it on.

I have here the Municipal Association of Victoria's wish list, I suppose you would call it, relating to the Bracks government budget. It states:

The MAV is disappointed with the lack of direct support to councils in the budget.

It goes on to say:

It is disappointing that only very limited funding was made available to local government directly in the budget.

I will name some of its requests. It asked for \$2.1 million for Lighthouse community planning; there was no response. For public libraries there was a \$25 million commitment to improve the state library's online service delivery, but this funding will not be received by local government. For maternal and child health services, it was told the funding is not available to all councils; for infrastructure renewal, which is very important, there was no response.

It made a request about national competition policy payments. What a furphy that is. The minister has been running this around for about three years now. Ten years ago the Keating government signed an agreement with all the states on national competition policy payments. That funding ran out after 10 years, and we all know that if you have a contract for 10 years at the end of the 10 years people make different decisions. Victoria, to its credit, passed on a percentage of the national competition policy payment to local government. I think it was 9 per cent, around \$18 million. That has come to an end. But has this government replaced it? Of course not. It has not replaced it. It is still harping on about it. I see media releases going out from the MAV and the minister. This will especially affect small rural councils because it is a big issue there.

What has the commonwealth done in reply? In the last budget it gave one-off \$62.5 million Roads to Recovery

funding to local councils. Who are the great beneficiaries from that? Small rural councils. For example, the council where I live, the Corangamite Shire Council, told me that the one-off Roads to Recovery package was worth eight years of national competition policy payments — eight years in one hit. So do not tell me that the commonwealth has not lived up to its bargain of funding councils. The state of course did not get the national competition policy payment. The government received an extra \$8.4 billion of GST funding, untied. Did it give even one cent of it to local government? Of course it did not, not one cent.

Also on the MAV's wish list was a request about domestic wastewater — there was no response. On support for statewide urban planning, no response, and the list goes on. That is very disappointing.

I would like to spend the rest of my time talking about what the Liberal Party would do if it won government, and I am happy to compare that with what the Labor Party is doing. Community involvement will be a central feature of the Liberal Party's approach when working in partnership with local government. Local government's close links with the community potentially provide the ideal shopfront and gateway for integrating a whole-of-government service delivery. Such a system would consolidate the role of local government and provide it with a sustainable, relevant role into the future. Councils — those I visit, anyway — and their communities are saying, 'Give us the money to buy the services our community needs and aspires to, not the services the state government believes we must have'.

The Liberal Party will support a bottom-up approach with local government and unbundle at least 50 per cent of the capital funding provided to local government to allow communities to accomplish this. As I said, the Labor government has every dollar tied up in silos. Unless you fit perfectly into the structure, no money is made available. The Labor Party has taken more and more control over local government finances. It decreases grants to local government each and every year, except in an election year, when it says, 'We have increased your funding this year'. The graph shows that \$249 million was clawed back, some of which has been handed back provided you fit into Labor's priorities. The Liberal Party knows that councils have adopted 10-year plans for their communities, and a Liberal government would work with councils in partnership to achieve these outcomes.

Local government also needs to be more proactive in pursuing benefits via collaboration between councils,

asset rationalisation and regional activities. If elected a Liberal government would conduct annual cabinet meetings with the Municipal Association of Victoria, local government's peak body; appoint a ministerial committee of municipal officers, LGPro, to advise and consult with the Minister for Local Government; and conduct annual mayoral summits that include appropriate cabinet ministers.

A Liberal government would inject an extra \$31 million into recurrent funding for Victoria's free public libraries in its first term. Presently the Bracks government increases recurrent library funding by the increase in the consumer price index (CPI), which means about 20 cents per capita per annum. There are approximately 5 million people in Victoria, so 20 cents per capita means the government puts in about an extra \$1 million a year. On the figures I looked at, funding is now at about \$5.65 per capita. If elected the Liberal Party would increase recurrent funding to \$9 per capita in its first term, or \$46 million per annum, compared to \$31.5 million, which is what it would be under Labor in 2010 based on CPI increases. That is \$15 million more per annum for our free public libraries.

We all know that our public libraries are used by an enormous percentage of the population, and they are going backwards. It is not just me saying that. I would like to quote from two articles I have brought with me this morning. One, headed 'Library cuts row', states:

Moyne shire has slammed the state government for failing to support regional and rural library services.

At its Tuesday meeting the council approved its annual contributions to the Corangamite Regional Library Corporation and discussed options to fill the void left by the coming end of the mobile library service.

We all know how important mobile library services are in country Victoria. They are being closed down.

Even in the city ratepayers will have to dig deeper in their pockets to keep the Whitehorse and Manningham libraries open. An article in the local press states:

The councils will collectively chip in \$175 000 more ... this year ...

...

Corporation chairwoman Sharon Ellis said the councils' 3.5 per cent increase would just maintain the current level of library services ...

She said state government ... did not provide the necessary level of support to these services.

...

Basically the state government is just walking away from the library system ...

I agree with that.

The Liberal Party also has another plan. In her speech to local government the minister said that the most important and expensive things councils look after are roads. The Liberal Party has recognised this problem, and if elected will make funds available through the Roads to Recovery program. We have said that if we won government we would match the federal government's Roads to Recovery package, which would after 2007–08 put an extra \$62.5 million per annum into the local road and bridge network in Victoria — all up, \$156 million over three years.

This has been welcomed enormously by councils right across Victoria. For example, a couple of days ago I met with the Baw Baw Shire Council. It would receive an extra \$3 million; Benalla would receive an extra \$1.5 million; Campaspe, \$4 million; Corangamite, \$3.5 million; East Gippsland, \$5.7 million extra — and the list goes on. South Gippsland will receive \$3.6 million; East Wellington, \$5.3 million; and Yarra Ranges, \$3.6 million. Even councils in the city will average \$1 million per council for their local road and bridge networks. It is an excellent policy that has been roundly applauded by local government right across the state. That is the difference between the policies of the Liberal Party and the Labor Party in the lead-up to the election.

What we hear from the Labor Party is more spin and rhetoric but we get less funding. Rates across Victoria have increased by approximately 100 per cent since the election of the Bracks government because of a lack of funding by it and its cost shifting onto councils. It has put all sorts of responsibilities onto councils, which it should not have done. It is taking more and more powers away from local government — planning powers et cetera — and foisting more and more responsibilities onto it.

I am very pleased to respond to the ministerial statement on behalf of the Liberal Party. I am very happy for the Municipal Association of Victoria and local councils across the state to compare what the Liberal Party is offering with what is offered by the Bracks government. Let me also say at this stage that more local government policies will be released in the lead-up to the election, but in the two areas I have mentioned, libraries and local roads, we will put an extra \$200 million into local government in our first term in government. Unbundling capital grants so that local communities could decide what money was spent

on rather than those at 1 Spring Street would also be an excellent outcome. I rest my case.

Hon. P. R. HALL (Gippsland) — I say from the outset, with no personal disrespect, that if I were the Minister for Local Government and had just delivered what was purported to be a ministerial statement — this flimsy document — I would be embarrassed to say what the minister said in the chamber this morning. I am flabbergasted that the government has the gall to put before the Parliament of Victoria the lightweight document that was tabled by the minister and call it a ministerial statement. I have been in this chamber for the best part of 18 years, and I have seen a few ministerial statements delivered in that time. I have come to recognise a ministerial statement as a statement of some significance; perhaps a statement in which some major announcements are made or in which some clear policy directions are set out. But this morning we did not hear any of the things that could characterise this as a ministerial statement. What we have heard is a lot of waffle, hot air and fluffy words. We have heard nothing of substance.

The ministerial statement was delivered with no fanfare, no acclaim and no support from backbench members. The minister started her ministerial statement with only one government backbencher here to support her, and at best there were six government backbenchers here during the course of the presentation. I note that the minister is not even staying around to participate in the rest of the ministerial statement debate. What gall, what cheek and what effrontery she shows to the house and to democracy in this place by walking out 15 minutes after she has made a ministerial statement!

President, I interrupt my contribution to draw your attention to the state of the house.

Quorum formed.

Hon. P. R. HALL — I am glad that the Labor backbenchers who were not in the chamber to hear their own minister speak are in the chamber to hear me speak on this matter. It was an absolutely pathetic statement. A ministerial statement made in the Parliament of Victoria should be a statement of some significance. Members of the Labor Party have treated this Parliament with absolute disrespect — with no regard for the protocols, forums or history of this place — by not supporting their minister. The minister herself has treated Parliament with contempt by not making herself available to listen to the responses to her ministerial statement. What a farce this mob on my left make of the protocols of this place! It is a joke, as is the content

of the ministerial statement. It contains a lot of fluffy words with no substance whatsoever. I am appalled that the minister had the gall to say those words and then walk out during the course of debate.

Mr Viney interjected.

Hon. P. R. HALL — I have 75 per cent per cent of my party here, Mr Viney; when the minister started to speak she had only 1 of the Labor Party's 23 members here to listen to her. That is how much Labor members care about their minister and what are supposedly their policy directions in the ministerial statement.

I will go through the pages of this flimsy document and comment on them. During the course of my analysis I will refer to another document I have in front of me called the *Victorian Nationals Plan for Local Government*. It is a public document and it can be found on our web site. It sets out our policy on and our plan for local government. We did not hear one plan or policy from the Labor Party in the ministerial statement. Like Mr Vogels, who at least gave an indication of what the Liberal Party policy is, I will give some indication of what The Nationals policy is. It is a pity that we did not hear any such statement from the Labor Party.

Let me start with page 2 of the document where the minister begins her recitation of this so-called ministerial statement. About halfway down the first page she talks about how the Bracks government has made local government in Victoria stronger. I can tell you that economically it is certainly not stronger. We only have to look at the rate rises local governments across the state have had to impose on their good ratepayers. More than significant is the fact that in the last three years there have been rate increases of up to 50 per cent. Economically local government has not got any stronger under the Bracks government, and I will come to the reason for that in a bit more detail later. It is the cost shifting that is going on; it is the lack of any economic autonomy given to local government by the Bracks government's refusal to provide adequate funding for the services local government rightly deserves.

The minister goes on to talk about replacing competitive tendering with best value. 'Best value' is terminology that nobody understands and nobody uses. The Nationals were going to abandon that practice because it has not achieved a thing. It is rhetoric — fluffy words that have no practical meaning or application in local government.

The minister claims that the government has reformed rate capping. There is no reformation of rate capping when people are seeing significant rises of 7 per cent, 8 per cent and 9 per cent in their rates every year, which is well above the consumer price index. What does the minister mean when she says the government is reforming rate capping? I do not think the government has anything to be proud of in respect of the direction in which local government rates are heading in the state of Victoria.

At the bottom of page 2 of the statement the minister talks about working as partners with local government to be more effective and to deliver better outcomes. I do not know of one council in my electorate that considers itself to be a partner with the state government, particularly when you look at examples like the rural planning reforms which have been mandatorily imposed. They do not believe they have had the say of a partner in any of this; it has been imposed upon them by the state government.

Page 3 of the ministerial statement talks about reforming institutional arrangements, building capacity and knowledge, working in partnership with local government to deliver better local outcomes and promoting and improving the profile of local government. I challenge the Labor Party to tell us how it has actually improved the profile of local government in Victoria. Again it is a bald statement that says nothing. Yes, the Constitution Act now mentions local government, but the government has not given local government equal status, as it claimed it would do before the election. That is what the Municipal Association of Victoria (MAV) wants to see done. Local government has been mentioned as a tier of government. How that improves the profile of local government has got me tossed.

On the same page the statement goes on to say that the Victorian community does not particularly care who delivers services. It wants good services delivered efficiently and effectively. I agree with that sentiment; so it does. But how can that be done when local government is continually the subject of cost shifting by the state government? I admit there is also some cost shifting by local government and by the federal government, but predominantly that cost shifting has come from the Victorian state government.

To give the house an idea of the cost shifting, I refer to a report of the inquiry into local government and cost shifting by the House of Representatives Standing Committee on Economics, Finance and Public Administration, known as the Hawker report. The Municipal Association of Victoria's submission to that

inquiry estimated that cost shifting in Victoria to be \$40 million per year in just three specific programs — home and community care services, municipal libraries and maternal and child health. Who is responsible for municipal libraries? Who is responsible for maternal and child health and home and community care services? Again, it is largely the state government, so \$40 million per year in those three program areas alone is the result of cost shifting from the state government on to local governments. How can local governments participate in and deliver the services expected of them when we see the state government cost shifting \$40 million per year to local government?

Interesting terminology has been used by the minister at the bottom of page 3 of this statement, which says:

Last year the government asked Professor Bill Russell to lead a review with two key aims ...

This is followed by two dot points, and the second dot point says:

To promote more joined-up planning between state and local government to deliver community outcomes.

What is joined-up planning? Perhaps one of the Labor Party members participating in this debate will explain to me what it all means.

On page 4 there are again some comments that have absolutely no meaning whatsoever. It says that the Bracks government — and I might add that this is the only policy initiative outlined in this ministerial statement:

... will give councils, where appropriate, the flexibility to incorporate state strategic planning requirements into their strategic planning framework rather than in a separate plan.

Someone needs to tell me exactly what that means, because this document does not tell me a thing. It is just rhetoric again. It is just more of the flowery words this government trots out all the time. It does not mean a thing. The government makes these unsubstantiated statements without any explanation, without any meaning and without any point. If one of the government members would like to explain to the house what those words mean, I would be most grateful, because the minister certainly has not done so. As I said, it is the only new action planned, and the minister's own description of that particular course of action is a classic. This is what she said:

This reform in itself will not be a major conversation starter in the homes of Victorians over the next few weeks.

It will not be a major conversation starter because nobody knows what it means, or what it is going to do.

The minister herself is admitting that the only initiative she outlines in this ministerial statement will not even start conversations around the kitchen table in our homes. That is why I was angry at the start of my contribution to the debate today. I have relaxed a bit, and I just have to laugh because this ministerial statement is pathetic. I was angry because these things are thrown at us with no explanation. As Mr Gordon Rich-Phillips says, the minister still has not come back. Her absence is still noted. She stayed 15 minutes, and as soon as I started yelling at her she was gone. If the minister cannot stand the heat, she should get out of the kitchen! She is on her way.

Mr Somyurek — She is the toughest you will find.

Hon. P. R. HALL — ‘The toughest you will find’? She has melted. I had finished two sentences of my speech, I raised my voice, and she put her tail between her legs and went home. Mr Somyurek says she is the toughest of the lot — I cannot believe it! I look forward to Mr Somyurek’s contribution. Perhaps he will explain to me the one initiative the government has in this document.

I want to talk about the planning issue, because I am looking beyond the economic restrictions that are placed on local government and the economic matters it has to deal with. The second most pressing issue for local government is planning. The relationship between state government and local government with respect to planning is absolutely appalling. New rural planning schemes have been imposed upon local government, and metropolitan and outer metropolitan councils have had Melbourne 2030 imposed upon them. Each of those developments has brought on severe planning issues that need to be dealt with adequately, but that is not being done. The state government is not working well with local government on those issues. Why is that the case?

We have tried to analyse the situation and have asked why state and local governments cannot work together on the planning matters. One reason is that during the 55th Parliament the Bracks government has already had three planning ministers: the Honourables Mary Delahunty, John Thwaites and Rob Hulls, all of the other place.

Ms Hadden — Part time!

Hon. P. R. HALL — As Ms Hadden says, each of them have been part time. Each of those ministers, except perhaps for Minister Delahunty, have had very significant other portfolios. How can the Honourable Rob Hulls do such an important job as planning

properly while he has the responsibilities of Attorney-General and industrial relations? The same applies to Minister Thwaites, who is the Minister for Water and the Minister for Environment. How could he have possibly applied himself appropriately to his responsibilities as planning minister?

There has been a lot of disruption to the planning portfolio. Because The Nationals believe that the planning and the local government portfolios are so intrinsically linked, I am going to give the house a scoop today and tell the house about another Nationals policy which has not been published on our web site. Good land use planning is critically important to rural and regional Victoria, and under The Nationals the Minister for Planning would also be the Minister for Local Government. The two portfolios and responsibilities are intrinsically linked and we believe the minister responsible for each of those portfolios requires a thorough understanding of the other. I do not think members would absolutely disagree with that.

Mr Mitchell has come in to listen to this important debate — at last!

Hon. R. G. Mitchell — I have been here for 20 minutes asleep listening to your drivel.

Hon. P. R. HALL — Yes, asleep — and out of your place. We look forward to Mr Mitchell’s participation in the debate too.

Planning is critical to local government and one of the reasons it has been absolutely stuffed up by this government is that its planning ministers have been part time and have not had the knowledge required.

Mr Somyurek — So where’s the scoop?

Hon. P. R. HALL — The scoop is this policy decision, which I am just announcing now. It is a most sensible policy decision that Mr Somyurek would be well advised to adopt, because planning and local government go hand in hand. We in The Nationals are strongly of the view that there needs to be a synergy between the ministers responsible for the local government and planning portfolios if the important planning responsibilities are to be carried out effectively throughout Victoria. There is a lot of comment throughout the ministerial statement on the problems of planning. We agree there are severe problems with planning. A mighty good start would be to combine the functions of the Minister for Local Government with those of the Minister for Planning.

As I have only 3 minutes left I want to talk about a comment made by the minister at page 6 of this flimsy nine-page document:

Victoria will continue to push the commonwealth to increase financial assistance grants and give local government its fair share of Australia's economic growth.

I reckon that is hypocrisy at its best.

I have already spoken about cost shifting, but there is a recommendation in this document that the state government should try to facilitate the additional grants to local government that it deserves — and the state government did say that local government deserved the grants. All the government is saying is, 'We are going to encourage the federal government to give local government more direct money, but we are not going to give it a cent'.

In our local government policy we in The Nationals say we believe local government should be the direct recipient of a given amount of the GST revenues that comes to the state. In the first instance we have said that 1 per cent of GST revenues — these are additional funds — should be given directly to local government. That would amount to an immediate increase of about \$80 million to local government across the state. We also believe that over time — we are looking at a reasonably short period of time; 3, 4 or perhaps as much as but not more than 5 years — that 1 per cent should grow to 3 per cent. With 3 per cent you would be looking at the order of almost \$300 million extra going to local government. If members look at the table prepared by Mr Vogels they will see that the collective amount of grants in 2006–07 is \$548 million. If an extra \$300 million is added to that from The Nationals proposal you are looking at an almost 50 per cent increase in grant money going directly to local government. We say that is fair. Local government deserves that.

If the minister is saying here that local government is pressed for cash then it needs some better financial assistance, and I say to the state government that it should put some actions behind its rhetoric here and do something about it by directing to local government that 1 per cent of GST revenues, building over time to 3 per cent. The people of Victoria would then perhaps be spared the huge rate increases they are having to meet at the moment.

There are lots of other issues I could comment on that are raised in the document. It is appalling that the Minister for Local Government has come into this chamber and thrown at the house a document that does her and the government no credit whatsoever. It is an

absolute embarrassment. When councillors throughout the state read this ministerial statement, which no doubt will be sent to them, they will be equally appalled at the arrogant disregard the Bracks government is showing for local government.

Ms ROMANES (Melbourne) — I am pleased to have the opportunity to contribute to the debate on the take-note motion in respect of the ministerial statement made by the Minister for Local Government, which is contained in the document entitled *Recognition, Reform and Partnership — Governments Working Together for Stronger Communities and Better Services*.

I congratulate the Minister for Local Government on her statement, which captures the essence of the Bracks government's approach to local government. It is timely that 10 years on since the restoration of local democracy in Victoria the minister report on the progress in reforms and relationships between the state government and local government in Victoria. The Bracks Labor government has recognised local government as an important separate tier of government — an important plank of its policy in this sector. It is clear that local government is an absolutely essential partner with the state and federal governments in building fair and prosperous communities in Victoria and also in building strong communities that care for each other in a range of ways.

I take exception to Mr Hall's dismissal of the statement that it is rhetoric and fluffy words, because relationships are fundamentally important. To get the relationship right between the different levels of government is critically important in implementing programs and moving forward on behalf of the people of this state and of Australia. It is worth remembering that it was the Kennett government that botched its relationship with local government and local communities, which contributed to its downfall in 1999. It is worth remembering that it was three grassroots movements that developed in response to the Kennett economic rationalism policies and cuts to services and programs and privatisation, and general contempt for community consultation, that contributed to this downfall. I am referring in this instance to the Purple Sage Project, a Victorian Women's Trust initiative, which saw thousands of women across Victoria meeting to talk about the sorts of communities they wanted to see in our state. The People Together Project took up important public issues, such as the major inquiry into public education, which was under attack by the Kennett government, and the Victorian Local Governance Association, which was formed during the Kennett years and has now become a peak local government organisation.

The VLGA ran an effective campaign to restore local democracy because many people were affronted that local democracy had been taken away during the amalgamation process. The key plank of VLGA's campaign was not in opposition to amalgamation but in opposition to the way the Kennett government had failed to involve local government and communities in that process and how local government had been treated in a dismissive and contemptuous way by the former Kennett government.

The VLGA also was formed in response to the imposition of programs such as compulsory competitive tendering (CCT), that bizarre competitive regime imposed on Victorian councils by the former Kennett government, which introduced an ineffective approach in terms of purchaser/provider splits where one section of a council could not talk to another so could not learn lessons from activities in the field. It was a negative and destructive period, especially for smaller councils throughout Victoria.

Mr Hall mentioned The Nationals policy of combining a Minister for Local Government and a Minister for Planning. That is exactly what we had under the former Kennett government when the minister, Robert Maclellan, held those two positions. There were numerous instances where it was perceived that to have one minister holding those two portfolios was a conflict of interest. We would not want to see a return to that situation.

When the Bracks government was elected in 1999 it introduced the best-value program as a different approach to compulsory competitive tendering for the allocation of resources at a local government level for the delivery of services and projects. I recall the long discussion in this chamber at the time that the legislation for that initiative was introduced. There was a scornful opposition that at that stage was still deluded and thought the Victorian public had made a 'mistake' by electing the Bracks government. There was a lot of scepticism about that approach. Under the best-value approach efficiency and accountability were still important factors to be taken into account in the allocation of resources, but a range of other factors could also be taken into account, not just the bottom line, the dollars that drove the compulsory competitive tendering process.

I am aware that best value has been an important initiative at the local government level, one which has introduced benchmarking of standards and outcomes and has been taken up enthusiastically by local government across the state. Rather than it being something to be scorned, as the opposition scorned it in

the debate in this chamber at that time it was introduced, it has proved to be an outstanding example of how cooperation, collaboration and a partnership approach can work.

The minister's statement outlines a range of reforms that have been achieved by the Bracks Labor government in the local government sector across Victoria, and these include: in planning, the devolution of responsibilities to local government; an enhanced electoral system to strengthen local democracy; greater accountability, with good governance being valued and nurtured in various ways; the strong commitment through A Fairer Victoria to community building and the allocation of resources in a whole range of ways to support that, such as the 19 community building initiatives which flow through to 102 small towns across the state; extra support for neighbourhood houses; funding for small towns through the Small Towns Development Fund; flexible transport solutions that are being rolled out in collaboration with local government and community organisations across municipalities throughout Victoria; collaboration over environmental strategies and management; extra support for sport and recreation facilities; and a whole range of other initiatives.

I want to draw particular attention to the reforms and initiatives outlined at the bottom of page 4 of the ministerial statement.

The ministerial statement outlines the regional management forums that have been established in each of Victoria's eight administrative regions. It also outlines that each forum includes a state department secretary assigned as a regional champion. Members comprise chief executive officers of local government, regional managers of state government agencies, representatives of the Victoria Police, and in some cases key statutory bodies. It talks about how these forums bring state and local government together to identify their region's most pressing issues and to provide new and collaborative solutions to them. As well it outlines other regular meetings on a regional basis, such as the regional cities group of Ballarat, Bendigo, Geelong, Latrobe, Shepparton, Wangaratta, Warrnambool, Wodonga, Horsham and Mildura which meets regularly with the Premier, the Minister for State and Regional Development and the Minister for Local Government, as well as with peak local government bodies and councils. Further to that it is the government's intention to establish a small towns Victoria group to give voice to smaller rural councils.

Mr Hall might want to dismiss these things as fluffy, but in my view those sorts of initiatives to bring key

organisations and people together at the state and local government levels are incredibly important.

Ms Hadden — What's the delivery on the ground?

Ms ROMANES — I do not think we can underestimate the impact of such a collaborative approach, which aims to identify the key issues and problems that local councils are facing out there in the regions and — Ms Hadden should note — to deliver on and take the appropriate action to address those problems and issues.

Just before concluding I wish to make some remarks on Mr Hall's comments about rising rates in councils. It takes me right back to the year 2000 when I went to a Centre for Public Policy forum at Melbourne University in the early years of the Bracks government and heard Mr Hall's leader, Mr Peter Ryan, actually confess to having made a mistake in reducing rates during the Kennett period. As the house may recall, it was compulsory for councils to reduce their rates by at least 17 per cent, and some even 'generously' reduced them by 30 per cent. Mr Ryan was reflecting on the fact that this was a difficulty for many rural councils in particular who no longer had the resources to tackle some of the significant infrastructure challenges they faced. I think we are still suffering; councils are still catching up from those times when they were forced to reduce rates to unsustainable levels.

I would like to conclude by again congratulating the minister on the statement and on all the achievements at the local government level over the years, and for putting in place those relationships which have enabled the many different reforms and changes to happen for the better in local government in Victoria.

Ms HADDEN (Ballarat) — I am pleased to have the opportunity to comment on the ministerial statement given earlier by the Minister for Local Government, Ms Broad. I must say I feel somewhat sorry for the minister, who is not in the house now. When she finished delivering her ministerial statement she left the house. I think the reason probably comes down to the fact that she is somewhat embarrassed, because I expected more from this minister. She is probably one of the better performing ministers in the Bracks Labor government and it is a shame she has been forced to read out this fluffy feel-good statement, which does not have any of the real substance I would expect to find in a ministerial statement from the Minister for Local Government.

The heading of the statement is 'Recognition, reform and partnership — governments working together for

stronger communities and better services'. There is nothing wrong with that — I agree with that. But working together for stronger communities and better services requires the handing over of money through the state budget to enable local government to perform. I know that in my electorate of Ballarat Province the local government areas are bleeding. They simply do not have the rate revenue base to deliver the services that are required and expected — properly so — by the residents and ratepayers.

At the moment all the properties have been revalued and they have all gone up substantially — and the rate notices are hitting each household. The rate increases are much more than the councils stated they would be a few months ago. The Ballarat City Council's rate rise is 7.5 per cent; the Macedon Ranges Shire Council's is just on 10 per cent; the Hepburn Shire Council's is 8.4 per cent; and Golden Plains Shire Council's is a similar amount. These are massive rate rises when you are getting properties revalued and substantially increased. The rates across the Hepburn shire, for example, have increased 100 per cent in the last three years. That is manageable to some extent by property owners who have a high income and who can absorb that massive rate rise, but for those many, many residents across Hepburn shire who are on fixed incomes and pensions, that type of rate rise is impossible for them to meet. It means they have to cut back on the food they put on the table and reduce their other normal living expenses. That is not good enough.

In the May budget the local government portfolio received what I consider a very small amount compared with the other portfolios. It is a portfolio that should be given much higher priority by the Treasurer, John Brumby. On page 4 the ministerial statement says:

This reform in itself —

I do not know what reform she is talking about because I have not worked it out yet from my reading of this statement whilst I have been in the chamber for the last hour —

will not be a major conversation starter in the homes of Victorians over the next few weeks.

I agree with her on that; it certainly has not been a major conversation starter in this chamber. That is evidenced by the lack of interest by the Labor government members. We have a handful of them in the chamber at the moment. A quorum had to be called for by Mr Hall earlier because there were about two or three government backbenchers present. That is appalling and shows an absolute, total disrespect for the Minister for Local Government. She should have every

one of the Labor government backbench members in this chamber, eagerly listening to her ministerial statement and eagerly wanting to speak to it. But look at them! It is either — —

Hon. B. N. Atkinson — She's got to earn it — you can't dragoon them.

Ms HADDEN — Labor members are disinterested. I know one is asleep; he has been asleep for some time — since he waltzed into the chamber. Another one fell asleep earlier and was woken by the quorum bells. But the issue is that not only should the Labor government backbenchers be here to listen to the ministerial statement and the responses but they should be eager to make a response themselves to support their own minister. I really feel sorry for Minister Broad, because I think they have been absolutely disrespectful to her and owe her an apology.

Accountability and transparency are spoken about in this ministerial statement and of course they are spoken about in one of the pillars of the Local Government Act. But many of the local governments across the state fail dismally in those areas. I am firmly of the belief that councillors need to be trained. In fact, I would like them to have a certificate for being a councillor, because I do not think many of them understand their huge responsibilities under the Local Government Act. There is very little there to assist them in understanding the legal and other ramifications of carrying out their onerous duties as councillors within the boundaries of that act.

If the minister is serious about accountability and transparency, as she said in her ministerial statement, then there needs to be a lot more done about ensuring that those two very serious things happen. Councillors need to be trained so that they know their responsibilities and deal with them. I know that some months ago the Municipal Association of Victoria and the Victorian Local Government Association put forward a request that councillors be trained, and I concur with that request, which I think is reasonable and timely.

There are many issues across local government areas. As I said, the rate rises are hurting, we have some big planning issues, and in relation to planners there is literally no skill base — they are as scarce as hen's teeth. This issue was taken to the former planning minister in the other place, Mary Delahunty, and there were suggestions about having a panel of planners who could be called on by local government, but this has not been put into place by the Bracks Labor government. Neighbourhood houses are underfunded. The councils

sought \$84 million to \$85 million from the state budget. What did they get? Only \$23 million. It was nowhere near enough to service and maintain the very important neighbourhood houses, which play a significant role, especially in rural and regional communities.

Library funding was cut in the May budget. Rural municipalities in my electorate of Ballarat Province — namely, the Moorabool and Hepburn shires — lost their mobile library services, which has had a huge impact on the disabled and others who do not have public transport. There is no public transport in many of those areas, and mobile libraries have been their only access to the social, educational and learning opportunities provided by libraries.

The management of reserved Crown land is absolutely vital, but it is not properly funded. Councils flounder on this issue, especially the Hepburn Shire Council. It has literally no idea of how to manage reserved Crown land. In fact the members of the committee of management, which under the Crown Lands (Reserves) Act is the Hepburn Shire Council, has not even met as a committee since it was elected last November to undertake its legal requirement to manage the Hepburn Mineral Springs Reserve.

These are the issues that the ministerial statement has not addressed. There are other issues involving cost shifting, and it is absolutely vital that this cease. This graph, which was very kindly prepared by the Honourable John Vogels — I thank him for it — spells out very clearly just how little the state government gives to local government. In the 2006–07 financial year on my calculations the state government will provide a little less than 40 per cent of the total payments made to local government. The state government will provide \$155 million, compared to the federal government's \$393 million. The state government is shirking its responsibilities in properly financing local government. We have to understand that people living in the local government area pay both taxes to the state government and rates to their local government. They are entitled to expect decent and proper services for their dollar.

Other issues concern roads and bridges. Rural and regional Victoria's roads and bridges are in dire trouble, and there is no money in the local government budget. For example, the Hepburn shire's budget is about \$20 million, and it has something like 56 bridges which need major repairs.

On page 4 of the ministerial statement the minister refers to regular meetings between regional city groups, such as the one from Ballarat, and the Premier, the

Minister for State and Regional Development in the other place, John Brumby, and the Minister for Local Government herself. Unfortunately they are very exclusive meetings; the general community is not able to feed into those meetings so they can be meaningful. I do not see the purpose in the Ballarat regional city group, for example, swanning down here at the expense of ratepayers and taxpayers to meet with the Premier. It is a load of nonsense, because I am yet to see any real difference, real input or real change to Ballarat as a result of those meetings.

The minister's suggestion on page 5 of the statement about establishing the small towns Victoria group may be a good thing, if it is truly representative of small towns. I have received many calls from across the community in my electorate of Ballarat Province asking for local consultative committees to be elected from within the community to listen to the community, take on the issues and get action by the elected council. That is what is needed, especially in Ballarat, Hepburn, Moorabool and Golden Plains, just to give some examples.

I have dealt with the financial aspect and how the state government's contribution to local government is a little less than 40 per cent of the total payments made to local government. With the GST revenue coming back from the federal government to Victoria — it is of the order of \$8.5 million, an increase of 6 per cent from last year — the state Treasury is swimming with money, and it ought to be a heck of a lot more generous towards local government.

There are many issues in the ministerial statement. It is an embarrassing statement. It is a lightweight document. It has a lot of fluffy words and no substance, or if there is some substance — —

Hon. P. R. Hall interjected.

Ms HADDEN — There is no support from the backbench. We now have only three Labor backbenchers and one minister here. I thank the Minister for Aged Care, Mr Jennings, for sitting here and listening to me. He is fully aware from his early life of what it is like to live in country Victoria.

Hon. P. R. Hall interjected.

Ms HADDEN — We have another hour to go, but there are no government speakers left. There are none in the chamber; they are not interested in earning their dollar as the community expects. The community expects that while it pays our salaries we actually sit in this chamber and contribute to the debates on bills and motions in this chamber and not swan around the

Parliament and do whatever else some members do outside on the back balcony.

Local government should have equal status with the state government, but not at the risk of losing its autonomy and its necessary funding. Planning issues are a nightmare across the state. The Hepburn, Ballarat and Macedon Ranges shires are just some examples. The forcing of this nonsensical Melbourne 2030 garbage onto country communities is going to be fought. My communities are going to fight that head on. In relation to planning ministers, we have had three in the term of the Bracks government, and they have all been part-time ministers. I have always maintained and continue to maintain that the Attorney-General in the other place, who is also the Minister for Planning, has a very clear conflict of interest. Mr Hulls should understand that. I know he does not have a law degree from Monash University like I do, but he has plenty of advisers who could tell him that there is a big conflict of interest between those two roles. He should not be the planning minister; he should hand it over. I suggest he should hand it over to Minister Broad, because I think she could actually handle that portfolio extremely well, certainly better than the current part-time minister who has three portfolios on his desk.

I also call on the Premier to cease immediately his spending of \$80 million-odd on his self-advertising across the state. He is embarrassing himself on television when he tells us what a good bloke he is when communities are bleeding and are not able to put food on the table. If he is really serious about improving country Victoria, I ask him to immediately redirect that \$80 million-odd straight into local government so country Victoria can be a great place to live, work and raise a family, because, quite frankly, at the moment it is not. People are doing it hard. They are relying more and more on welfare and are coming to their local member of Parliament. They are coming to me, as their Independent member of Parliament, to ask for monetary handouts because they are not able to survive.

Hon. B. N. ATKINSON (Koonung) — It is just as well that the Minister for Local Government made this statement in the Legislative Council today, because had she tried to deliver this same statement in front of a local government audience at the Municipal Association of Victoria or the Victorian Local Government Association, she would have been laughed, or indeed howled, out of the room. The reality is that the rhetoric public relations spin of this document simply do not reflect the experience of the relationship local government has had with this government over the past seven years.

Local governments are constantly saying to all members of the opposition, and I have no doubt to members of the government as well, that the relationship between the state government and local governments has deteriorated and the funding position between the two levels of government has deteriorated substantially.

It is fascinating to note the funding levels. This document simply contains spin. It tries to underpin some notion that in fact local government is better off financially thanks to the money allocated by state government in the current year's budget. It is fascinating to have a look at that, because the last time the same amount of money was going to local government was in 2002 — four years ago. What is interesting about that date, this year's budget and the allocations that were made in both of those years? The fact that they are both election years. In the years before 2002 and in the years subsequent to 2002 and before this latest budget, the state contribution to local government fell markedly.

The nodding clowns on the government backbench can agree with what the minister says by saying, 'That is wonderful, that is terrific, the minister is doing a great job, this Labor government is fabulous', but the reality is that local governments cannot have the wool pulled over their eyes; they are not that stupid. They have the same sorts of charts, if not better. They know the real circumstances of the funding and the commitment of this government to local government and the communities it represents. It is a sham. The financial position of local government has deteriorated under this government. If it was not for increased contributions from the federal government — a federal government much maligned here by members of the state government — even in this current year, then local government would have fallen markedly behind in terms of the amount of money that it had available to deliver the range of services that it does to its communities.

It sticks in my craw when a minister claims, as the minister has in this particular statement, that there is some achievement in terms of elections and democracy delivered to the local government sector under this government. I have never known so many rorts in local government elections as I have seen under this government. Nor have I seen a minister who is so unprepared to pursue those rorts in the interests of democracy and fairness for those communities, and good governance in those communities.

I need look no further than my own municipality of Whitehorse, one of the areas that I represent in

Koonung Province. I look at ministerial adviser, George Droutsas, and his conduct in running multiple candidates, not just in Whitehorse, but in other elections including elections for the Melbourne City Council. I noticed he was in here today because he is now a Labor Party campaign organiser for the state election campaign. This man ran multiple candidates to corrupt the election process to ensure that under a postal voting system voters were duped and had no idea who they were voting for. It delivered a great result for the Labor Party in the city of Whitehorse but it delivered a dreadful result for the community. Yet we still have that council acting as apologists for the government, given that seven of the nine are members of the Labor Party. One keeps chopping and changing a fair bit; he has been in every party except the Liberal Party — that is a fellow called Peter Allan. The house might be interested to know he is currently a member of the Greens. But seven of the nine councillors at Whitehorse are Labor councillors; they are great apologists for the government.

Last week the government announced \$500 000 for a netball centre in Vermont South. That is something to celebrate, except Mr Droutsas had promised the community that the state government's contribution would be \$2.5 million, so in fact the boast that was made of the \$500 000 commitment means that that community — the netball community and the broader community in Whitehorse — has actually been short-changed. I guess the government figured it could get just as good a press release and photo opportunity with \$500 000 and that it could pocket the other \$2 million and save it. Besides, there was no point in pursuing Mr Droutsas's promise to the electorate because Mr Droutsas is now damaged goods. He is no longer a viable candidate for the Labor Party in the eastern suburbs so it could afford to abandon that promise and abandon that local community.

When we look at some of the relationships between the state government and local government we need look no further than planning. This government says that it encourages local government to be autonomous and to pursue the responsibilities that it is charged with under its legislation, but that is only when it is convenient to this government, because when it is inconvenient, this government pursues policies that inhibit the ability of local governments to become involved in the governance of their areas.

As an example we need look no further than the 2030 policy which delivered a proposal for a 17-storey residential building in Mitcham. You could say that was a one-off, except that there are similar proposals in Caulfield and Camberwell. This could happen right

throughout the metropolitan area because the planning system that has been delivered by this government and imposed upon local government — not in any collaborative way, as this document tries to suggest in its rhetoric — means that communities are now faced with developments that are totally inappropriate for the character of their areas and the needs of their local communities.

This government has tied up local government in red tape. It has conducted some great publicity exercises saying that it is going to cut red tape in local government, but when I talk to small businesses in my constituency, as it relates to the small business shadow ministry, there is absolutely no improvement in terms of planning approvals coming from local government. The reality is that planning has ground to a halt in many local government authorities, in part because of the complexity of changes brought by this government and this government's insistence that it should be involved in so much more of the decision making. Recently the urban growth boundary legislation was passed through this house. It will add another layer and will take away much of the autonomy of councils in some of the fast-growing growth corridors.

We have seen the cost shifting. Indeed, a number of the councils in my area have written to me about their concerns about not just the general trend in cost shifting to local government but also the fact that that has been exacerbated by Victoria Grants Commission changes which have reallocated funds available to local government to favour some of the developing municipalities at the expense of some of the more mature municipalities. I have argued that case with them because I believe that there is some merit in that proposal and that sort of prioritisation of funding. I do not consider that any area of government ought to be expecting a continuation of funds ad infinitum and that taxpayers will continue to fund projects that ought not be a substantial priority of the community as a whole. The reality is that that cost shifting combined with the grants commission changes has caused significant concerns and has contributed to increased rates in a number of municipalities, certainly those in the band that I represent, in Monash, Knox, and Whitehorse, and in neighbouring municipalities such as Maroondah and Manningham.

This government talks about its collaboration and activity with local government and yet it ignores the sewerage backlog. It talks a lot about its environmental credentials, and yet as I understand it we have more than 25 000 homes in the metropolitan area that still are not sewered. Many of those are in the area that I represent in the east and north-east of Melbourne, and

many that are in the catchment of the Yarra River are contributing to water quality in the Yarra River, its tributaries and streams and ultimately the bays. Those matters ought to have been addressed collaboratively between local government and state government and yet there does not seem to be any great desire to do that.

Again, the state government talks about how highly it rates public transport and about its public transport programs. Yet I find that both the cities of Knox and Whitehorse have had to fund feasibility studies on major transport projects that ought to have been investigated by the state government. One of those was on the potential railway line to Rowville, to which the state government has absolutely no commitment. The other was on the possible undergrounding of the Belgrave–Lilydale railway line that would eliminate level crossings along that line and improve both traffic congestion and, more importantly, public transport for the eastern suburbs. As I said, both those feasibility studies on important, landmark projects that would have delivered real benefits in public transport had to be funded by local government authorities because the state government was not interested in doing so. I note that now a number of councils in the eastern suburbs have joined together in a transport group to try to get some greater government attention to public transport needs in the eastern suburbs. There has been no collaboration. They have had to form a lobby group to try to press for some improvement.

I also note that the resources allocated by the state government to services and facilities such as school crossing supervisors and libraries are going backwards. The budget papers show that the total budget for those services and facilities has increased marginally, but the reality is that it is being spread thinner and thinner because new services are being funded by the growth in the budget allocation and it simply has not kept pace with the needs of those communities for services and facilities such as school crossing supervisors and libraries. Therefore they have become part of that cost-shifting picture that those in local government lament.

Can I also suggest that for sports facilities much of the government's policy seems to be amiss and again seems to be more targeted at trying to get great press releases and happy snaps of ministers rather than to measure up to the needs of the community. Indeed, in my 90-second statement this morning I discussed community expectations about swimming pool facilities in their local areas. There is no doubt that there is a mismatch between some of those community expectations and what the government's policies are trying to deliver.

On the road network, certainly the government is falling behind in its support of local government in maintaining the existing road network in good repair. I am aware of the needs of particularly many of the country and regional municipalities in regard to roads and bridges, because they have been overlooked and short-changed by this state government. The people in country areas, whom this government likes to pretend it represents and supports, are in fact losing out in some of their basic infrastructure, such as roads and bridges right throughout Victoria. Certainly in the metropolitan area issues of concern including not just congestion but also road safety have been overlooked and missed by the government in funding priorities. The mismatch again between state government priorities and those determined by local governments after consultation with their communities and having a broad understanding of their local areas and transport patterns seems to be a matter of major concern.

This statement is pure rhetoric and spin. It achieves absolutely nothing. There is not a single new initiative in this statement, which members would think there would be if the minister takes the time of the house to introduce it. It simply does not in any way justify some of the statements and idle boasts that have been made by this government about its partnership with local government. This partnership is very strained and this government will pay a high price for ignoring the needs of local government and the communities it serves.

Motion agreed to.

WORLD SWIMMING CHAMPIONSHIPS (AMENDMENT) BILL

Second reading

Debate resumed from 9 August; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. B. N. Atkinson — Deputy President, I draw your attention to the state of the house. That way we will get both the minister and the whip back.

Quorum formed.

Ordered that second-reading speech be incorporated for Hon. J. M. MADDEN (Minister for Sport and Recreation) on motion of Mr Gavin Jennings.

Mr GAVIN JENNINGS (Minister for Aged Care) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

The tremendous success of the Melbourne 2006 Commonwealth Games has intensified the anticipation surrounding the staging of the FINA world championships in Melbourne in 2007.

This bill makes amendments to the World Swimming Championships Act 2004 to make further provision for the staging of the championships. It facilitates works for the event, provides for the management and regulation of venues and establishes measures to protect crowd safety and enjoyment.

The FINA world championships are the largest aquatic sports event in the world. The 12th FINA world championships in Melbourne will continue the momentum built up from our spectacular staging of the Commonwealth Games.

Aquatic sports have provided Australians with many of our most memorable achievements. Melbourne has already hosted a fair share of these. Any journey down memory lane will pick up the achievements of Dawn Fraser, Murray Rose and Lorraine Crapp.

Victoria can rightly be proud of the Commonwealth Games, which united athletes, spectators, volunteers and the people of Victoria in an unforgettable sporting and cultural celebration. One of the highlights was the electric atmosphere at the Melbourne Sports and Aquatic Centre where sell-out crowds saw Australian aquatic sports stars win a total of 71 medals in swimming, diving and synchronised swimming.

The 2007 FINA world championships will provide an opportunity for Melbourne to deliver another of the world's great sporting events.

The passage of the World Swimming Championships Act 2004 was an important step in the delivery of the championships. That act established the 2007 World Swimming Championships Corporation, provided all powers necessary for the establishment of venues and events associated with the championships, and provided for the management of commercial aspects of the championships such as logos, images and broadcasting.

Dates and venues for the championships have been announced and planning for the event is well advanced, in partnership with FINA and Swimming Australia Ltd.

The championships will take place from 17 March to 1 April 2007. Five aquatic disciplines — swimming, diving, water polo, synchronised swimming and open-water swimming — will be contested at three magnificent venues, all within 10 kilometres of Melbourne's CBD: Rod Laver Arena, the Melbourne Sports and Aquatic Centre and St Kilda Beach.

A temporary pool will be installed at Rod Laver Arena for swimming and synchronised swimming, allowing up to 12 500 people to enjoy these events. With these planning elements in place, the government is ready to implement the second phase of legislation required for the event.

The amendments set forth in this bill draw substantially on the legislative framework that helped to make the Commonwealth Games such a success. The controls established from the Commonwealth Games were integral to the timely completion of works for that event and the safe and seamless management of venues and crowds. This bill establishes similar controls to assist the delivery of the FINA world championships.

I now wish to identify some key areas of the bill.

Modifications to local and other powers

The World Swimming Championships Act 2004 modified the effect of a number of pieces of legislation to facilitate timely preparations for the championships and the conduct of events. Clause 8 of the bill makes some further modifications. It moderates the effect of specified state laws relating to noise and light emanating from venues or access areas, and limits the powers of local councils during access and event periods to make or apply certain local laws affecting venues or access areas. These further modifications will ensure that the various works and activities planned for the championships can proceed on schedule.

Works and venue management

Clause 9 of the bill establishes a range of measures to facilitate construction works and the management of championships venues and events.

The clause enables the minister responsible for the act to temporarily close roads in consultation with other relevant ministers. It also enables parts of championships venues or access areas to be marked off as restricted access areas. Access to these areas will be restricted to authorised personnel and it will be an offence to enter a restricted area without authorisation or to intentionally interfere with works. These measures are necessary not only to prevent delays to essential works but to protect people's safety in the vicinity of works and event areas.

Clause 9 also sets out the management arrangements that will apply to championships venues and designated access areas once the championships commence.

The bill invests the Secretary of the Department for Victorian Communities with responsibility for the management and control of venues and access areas during the event period, and enables the secretary to delegate these responsibilities to the 2007 World Swimming Championships Corporation. It is intended that the secretary will delegate to the corporation all necessary powers to manage and control key event venues and access areas.

The powers of existing venue managers and businesses currently operating at the venues will not be able to be exercised during the event period except by agreement with the secretary or the corporation. The government's intention is to limit disruption to normal business operations at venues as much as possible. Business activities will be able to continue as long as there is agreement and no adverse impact on the championships.

I am pleased to report that already the corporation has made substantial progress in planning and consultation with venue managements to minimise disruption to business operations, including establishing arrangements for venue managements to play key roles in the delivery of the event.

The government also recognises that normal business and recreation activities will need to be resumed as quickly as possible after the championships have concluded. The bill requires venues and designated access areas to be restored to reasonable condition as soon as possible after a venue has been decommissioned or the event period has ended.

Management of events and crowds

The successful management of the huge crowds that attended the Commonwealth Games attests to the importance of having a strong crowd management framework to underpin the work of police, security personnel and venue staff during the event. Indeed, Victoria has been at the forefront of the development of legislative and other measures to protect crowd safety at major sporting events.

Clause 11 of the bill contains a number of crowd safety provisions that have been adapted from the Major Events (Crowd Management) Act 2003. It was decided to duplicate these provisions in the bill rather than declare the championships as an event under that act in order to maintain a single, overarching framework for the management of the championships.

It will be an offence during the event period to bring alcohol into a venue that has not been purchased at a venue, to throw flares or other objects, to jump or dive into swimming pools, or to intentionally hinder an event or a participant. These and other offences will draw maximum penalties in the range of 2 to 60 penalty units, depending on the seriousness of the offence.

The bill creates a set of offences to control unauthorised commercial activity in venues or access areas, such as unauthorised advertising or hawking. It will also be an offence to possess prohibited items such as dangerous weapons. Authorised officers and police will be able to seek the surrender of such items and, if a person refuses to comply, direct the person to leave or confiscate the item.

Clause 13 of the bill enables the secretary to appoint authorised officers and outlines the various enforcement powers of authorised officers and police. These include the power to inspect and search through the contents of patrons' bags and pockets and the power to direct people to leave a venue in response to disruptive or dangerous behaviour. Police will also be able to remove people from a venue if they refuse to comply with a direction to leave.

Repeat offenders who have previously been directed to leave a championships venue and who are likely to cause further disruption will not be tolerated. Police will be able to apply to the Magistrates Court for an order prohibiting repeat offenders from entering championships venues during the event period.

To assist quick and effective enforcement, police — and for some offences, authorised officers — will also be able to issue infringement notices on the spot.

The amendments to the World Swimming Championships Act 2004 presented in this bill mark another milestone in preparations for the 2007 FINA World Championships, which are now less than 12 months away. The 2007 World Swimming Championships Corporation, led by chairperson Tony Beddison, AO, and chief executive officer Michael Scott, is making excellent progress in its plans for the event, together with FINA and Swimming Australia. This bill

consolidates a strong and transparent delivery framework for an event that promises to be one of the most exciting Victoria has staged.

I commend the bill to the house.

**Debate adjourned on motion of
Hon. B. N. ATKINSON (Koonung).**

Debate adjourned until next day.

NATIONAL PARKS AND CROWN LAND (RESERVES) ACTS (AMENDMENT) BILL

Second reading

**Debate resumed from 9 August; motion of
Ms BROAD (Minister for Local Government).**

Hon. P. R. HALL (Gippsland) — I am pleased to have the opportunity this morning to present The Nationals' views on the National Parks and Crown Land (Reserves) Acts (Amendment) Bill. Before I do so I want to thank the house for facilitating arrangements so that I have the opportunity to speak this morning by holding over the final passage of the bill from last evening.

The predominant changes brought about by this bill are amendments to two acts, the National Parks Act 1975 and the Crown Land (Reserves) Act 1978. I will make some comments about each of those in turn. First of all regarding the National Parks Act 1975, there are two main areas of change in respect of amendments to this act. The first is to add some areas of land to national, state and heritage parks. The second component relates to amendments regarding fishing in marine national parks and sanctuaries.

The first category is divided into two major sections, the first of which is the additions to certain parks which add in total approximately 400 hectares to four existing national parks, one state park and one national heritage park. The first addition I want to mention is the addition of 188 hectares to the Great Otway National Park. There is going to be an addition of an area called Ironbark Basin. I understand the Surf Coast Shire has generously donated the land that will become the addition to that park. I understand there will also be some walking tracks and, to use the words used in the second-reading speech, 'three small allotments' owned by Wannon Water will also go into the new Great Otway National Park.

The other parks to have additions are the Grampians National Park, the total of which addition is also 188 hectares; French Island National Park has an

addition of 28 hectares; and Mornington Peninsula National Park has an addition of 0.17 hectare. Each of these is relatively small except for the addition to the Grampians park, which is a significant area. I understand the additions occur mostly as a result of land acquisitions or donations. A small area of land — 0.6 hectare — is added to the Broken-Boosey State Park, and the Castlemaine Diggings National Park has an addition of 4.5 hectares. I understand that both of those small additions are as a result of boundary realignments, small land acquisitions, road easements and items of that nature.

It is also important to note that there are a number of excisions from various parks. Road and boundary alignments and map corrections have brought about some excisions. Like all excisions from national parks, they need to be approved of by the National Parks Advisory Council and advice from that council was tabled in this chamber approximately one month ago. I note that the National Parks Advisory Council had no objections to those excisions.

I want to make a comment on The Nationals' general view in respect of national parks. First of all it is important to record the fact that Victoria has in excess of 3.6 million hectares of national parks — that is, more than one-sixth of the whole state of Victoria. In general terms we say on balance that is about right. We say that you cannot just keep on creating more and more national parks without considering the impact they have on the use of that public land. As we all know, national parks have the highest status of limited use, to put it that way, in terms of both commercial and recreational activities. National park areas are far more restrictive in respect of the commercial and recreational uses that can be undertaken in them than other forms of public land in Victoria. There needs to be an appropriate balance between what is classified as national park and what is maintained as general public land under some other form of classification so that we get the balance right of protecting ecological classes but at the same time meeting the needs that arise from the use of public land. We say that about one-sixth of the state, or 3.6 million hectares, is sufficient to achieve the environmental values we want — that is, the protection of ecological classes and matters of that nature.

We also say that we are not in favour of the general expansion of the estate of national parks for another reason — that is, that we do not look after what we already have well. Without going to all the arguments of that, I think members on all sides of this chamber would be of the view that we need to do more to care for and protect those areas that are classified as national parks. I do not think any of us could rightfully claim we

do sufficient now. I say that about both the previous and the current governments. We need to do more to manage and look after our national parks. The resources simply have not been dedicated by successive governments to that end. When we classify additional areas as parks we need to decide whether we are going to support them with additional resources. In years gone past we have not given due consideration to the application of resources to properly manage park areas. It is a matter of balance. We in The Nationals say that one-sixth, or more than 3.6 million hectares, is about right. We clearly say that if we are looking to add areas to the national park estate, then we should be looking to release equivalent areas back to more general use to compensate so that the resources can be spread over the same area.

Our environment policy is on The Nationals web site for all to look at. It clearly says that we are not in favour of net additions to the national park estate in this state. We clearly say that if there are going to be new parks or additions, they need to be offset by an equivalent amount of land being re-reserved.

Two weeks ago I illustrated that principle by making a submission to the Victorian Environment Assessment Council in its consideration of adding the Goolengook area to the Errinundra National Park. I went to Orbost and met with VEAC on that matter, giving it a formal submission from the party and arguing that point. I also made the comment that I was pleased to see that included in the criteria given by the government to VEAC was that it needed to make sure there would be no net loss of timber production opportunity because of its recommendations.

That is a significant challenge to VEAC. The VEAC councillors at that meeting in Orbost acknowledged that it would be a significant challenge for them to find additional timber resources if they were to recommend that the Goolengook area be added to the Errinundra National Park. In the submission I said very clearly that, first of all, I did not believe it should be added, but if people with better scientific knowledge than I have claimed there were compelling reasons for it to be added to the national park estate, then so be it, but at the same time an equivalent area would have to be found that would yield the same amount of timber resource for timber production in the same or approximately the same geographic area so East Gippsland would not be disadvantaged, and then we would be happy to abide by that recommendation.

That was generally our view on national parks and additions to national parks. But I must say that in this instance, as always, we are prepared to show a bit of

commonsense in respect of the additions. What we are seeing here is an extra 400 hectares out of a total of 3.6 million hectares. That is not such a great addition, and in some of those there is no significant land-use change anyway. Much of the 400 hectares will simply be an area that was conserved for the purposes of water catchments or water storage. That will now be reclassified and become national park. There is not a significant area of land-use change with these additions, and that is why in this instance we are prepared to support the addition of 400 hectares or thereabouts to various national parks in the state of Victoria.

I want to turn to the other changes to the National Parks Act. They concern offence provisions for marine national parks and marine sanctuaries. The system of marine national parks and marine sanctuaries was created in November 2002, almost four years ago now. To my knowledge there has been very little, if any at all, research on the impact the creation of those reserves has had on marine ecology. One of the main criticisms we made during the course of the debate on the creation of marine national parks was that the decisions needed to be based on sound scientific evidence. At that time we asked for the science on which the ban on commercial and recreational fishing for these areas had been recommended. We said, 'Show us the scientific analysis demonstrating how the creation of such parks will have a positive impact on fish numbers and crustaceans in those areas'. There was some scientific evidence, but it was scientific evidence largely borrowed from the overseas experience, less from the Australian experience and precious little from the Victorian experience.

Now that marine national parks and sanctuaries have been in place for some years, we again ask the same question. What research effort is being undertaken to determine the impact marine parks and sanctuaries have had on fish numbers and other marine life in those areas? Is it positive? Is it negative? We need to do that research and make it publicly available. If there has been some, precious little has been said about it. It certainly has not come across my desk.

It is timely to go back four years and look at the impact the ban on commercial and recreational fishing has had on some of the small coastal communities around the marine national park areas and examine whether there has been a positive impact in terms of increased tourist numbers or whether there has been a negative impact because fewer recreational fishers are now fishing immediately offshore in some of the coastal settlements. Again I do not see that information. When we are creating new national parks — in this case marine national parks — supposedly social and

economic impact studies are done. In this instance I do not think the necessary follow-up has been carried out.

That being said, however, the amendments to the National Parks Act in regard to offences relating to fishing in marine national parks and marine sanctuaries are really just a clarification and refinement. For example, under the amendments contained in this bill some offences can now be dealt with by penalty notices rather than by taking people to court. For minor offences I think that is appropriate.

The bill creates the offence of being in water with abalone or rock lobster without having been observed taking it. If you went to the letter of the current law, to charge someone with an offence you would have to see them picking up a cray or taking abalone. If they are wading or swimming in the water with it in their possession, there could be a technical argument about their not taking it in the marine national park. The fishing provision amendments are commonsense and clarify what the intent of the law was at the time.

Another amendment extends the liability for an offence to a person who is in charge of a boat. For example, a number of people may be diving from a boat in a marine national park area. People are allowed to dive, and they are encouraged to do so, but if they pick up an abalone or two on their way, the motives and real reason for their diving have to be questioned. It is reasonable to assume that if a number of people were doing that the boat owner and operator would reasonably have knowledge of what they were doing. Extending the liability to the operator of the boat is fair.

Another amendment extends the time for proceedings to commence from 18 months to three years in respect of an offence relating to fishing. I realise that sometimes it takes a while to put together the evidence if there has been organised poaching of some of the priority species. The time has been extended so that evidence can be collected and collated over a period of three years instead of 18 months. Although it sounds like a long time, I appreciate that there are sometimes difficulties in tracking through the very sophisticated poaching arrangements that have been put in place by unscrupulous people, so I think that is a fair change.

I want to turn to some amendments to the Crown Land (Reserves) Act of 1978. What we are seeing under this act is the creation of three new regional parks — they are the Bendigo, Kurth Kiln and Macedon regional parks. The Bendigo Regional Park is a significant new park. It was recommended under the VEAC inquiry into box-ironbark. When the Greater Bendigo National Park was created this regional park did not come under

the same act, so its creation was deferred until this point of time. The Bendigo Regional Park is a significant park covering some 8900 hectares of land surrounding Bendigo. The second-reading speech indicates that it will complement the Greater Bendigo National Park and the proposed park around Crusoe Reservoir. I have consulted with my colleague Mr Drum, who represents that area, and he has assured me that this proposal is supported in the region he represents.

Being close to Bendigo, the Bendigo Regional Park is used for a whole range of recreational purposes. In the second-reading speech the minister says it is popular for use of the bushland trail, walking, bike riding, horseriding, jogging, nature observation, orienteering, prospecting and walking dogs. There are a couple of issues about the Bendigo Regional Park. One concerns grazing licences and whether any grazing licences are extinguished because of the change of land classification. I am told that a couple are going to be phased out by 1 October 2006, and the remaining ones will be phased out by 30 September 2007. I am advised that these grazing licences are largely due to incorrect boundary alignments. They are small licences and are certainly not, as I have been told, general grazing licences that have been held by people for some time. It is generally because a fence has been put in the wrong place that there is a need to extinguish a grazing licence over a portion of land that now forms part of the Bendigo Regional Park. I am assured that there are no significant issues with that.

I want to make a comment about apiary sites — two within that region — because the central area of Victoria is a great producer of honey and many apiarists operate there. Although the creation of the Bendigo Regional Park in itself will not restrict the number of bee sites throughout that area, the fact reference areas will be created will mean that some traditional bee sites will be displaced. The beekeepers tell me that it is getting increasingly difficult to find appropriate sites and have those sites licensed by the department. Although there will be no direct prohibition on apiary sites in the Bendigo Regional Park, the fact that reference areas will be created will mean that there is some displacement. That is an issue we will have to keep an eye on.

A month or two ago I spoke at the Victorian Apiarists Association annual conference in Bairnsdale, and concern was expressed to me that it is getting more difficult to retain some of the bee sites around the state. Honey production is important, and the function of apiarists in terms of pollinating different crops in the northern part of Victoria is also very important and valuable. We need to be cognisant of the value of that

industry in both honey production and pollination when we are giving these new areas of public land different classifications. All in all, although apiarists are not going to object to this legislation, they are being further squeezed by the creation of reference areas within the Bendigo Regional Park, and that will create some pressure on existing bee sites.

I want to make a comment about firewood collection, which is a big problem in central Victoria because of the creation of various parks as a result of the Box Ironbark Victorian Environmental Assessment Council inquiry. The creation of national parks and, with this legislation, state parks, will impose more pressure on the areas available for firewood collection. Many people in country Victoria rely on the ability to get a permit for collecting firewood from public land. That resource is becoming scarce, and it is a problem that we need to address more carefully in the future to ensure there are adequate supplies of firewood for people who rely on and need it.

I want to make some comments about Kurth Kiln Regional Park. This park covers an area of some 3400 hectares north-east of Gembrook, adjacent to Bunyip State Park. It is a lovely area of the state that I hope to represent after the next election — currently I do not — and I look forward to learning more about the Kurth Kiln Regional Park and the surrounding area. The minister told us in the second-reading speech that picnicking, walking, bike riding, camping, horseriding, dog walking, orienteering and visiting historic sites are among many of the popular activities enjoyed in that park. It is interesting to see that there are provisions in the legislation for low-intensity timber harvesting to continue in the eastern section of the park, and I welcome that.

The final park to be included in the amendments to the Crown Land (Reserves) Act is the Macedon Regional Park. The bill provides for 300 hectares of forested land, which is currently owned by Western Water, to be included in that park, bringing its size to more than 2200 hectares. I also note that there will be some nature conservation reserves created in the Otway region under these amendments to the act. Generally this has been supported by local communities. In particular there will be re-reservation of one area of land near Aireys Inlet for the creation of a local sport and recreational ground, which has received support from the Aireys Inlet community and has been accommodated by the government with the amendments in this bill. It is important to note that the needs of local communities have been considered in not only providing additional conservation areas, but also in

the re-reservation of some of those conservation areas where there is a need to do so.

Overall, for the reasons I have outlined, The Nationals are happy to support this bill, which provides for the expansion of some of the national parks in this state involving a total of 400 hectares. They include areas that will largely bring about no change to the way the land is used, so it is a commonsense approach that has been taken to support those additions to national parks and the creation of three major new regional state parks.

Motion agreed to.

Read second time.

Third reading

Mr GAVIN JENNINGS (Minister for Aged Care) — By leave, I move:

That the bill be now read a third time.

In so doing I would like to thank members for their contributions to the debate and thank Mr Hall for his timely finish.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

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

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Energy: renewable sources

Hon. PHILIP DAVIS (Gippsland) — I direct a question without notice to the Minister for Energy Industries. A task force initiated by Australia's state Labor governments that investigated implementing a nationwide carbon trading scheme has recently been forced to concede the high impact that such a scheme would have on business and households. The proposed scheme would require subsidies to be paid to low-income households to try to alleviate the inevitable rise in power prices. Regrettably, rather than admit the unworkable nature of the proposed scheme, it is proposed to exempt some energy-intensive businesses and offer subsidies to low-income households. Will the minister explain why the conclusion of the state Labor task force's discussion paper that a proposed carbon

trading scheme would adversely affect low-income households stands in stark contrast to his previous assertion in this place that his Victorian renewable energy target scheme will not impact on Victorian households?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — It is such a confused question that I do not really quite know where to begin and where to end.

Hon. Philip Davis — If you are confused, Minister, give it up!

Hon. T. C. THEOPHANOUS — Mr Davis is the one who is confused. He is very, very confused. First of all, the report to which Mr Davis refers has not even been released by the interjurisdictional group. The most important thing to say about the interjurisdictional group, which is looking at a proposed emissions trading scheme for this country, is that it has every single jurisdiction in this country on it except one. Guess which one? The federal government!

The federal government — John Howard — does not even want to talk about the issues surrounding climate change, does not want to talk about the thing that nearly every commentator agrees and believes is ultimately the answer to climate change — that is, to have an emissions trading scheme of some sort that would put some kind of price on pollution so that it is not free to put greenhouse gases into the environment. It is something that is being discussed all over the world. Even the United States of America is talking about it at least. But in this country John Howard has got his head well and truly buried in the sand, somewhere near Bald Hills looking for orange-bellied parrots.

The people of Victoria should pay real attention to this: one of the stark differences between us and the other side — and I say to Mr Davis that we are happy to go to the election on it — is that we care about climate change. We are concerned about our children's future. I want to put on record that the federal government's own Australian Bureau of Agricultural and Resource Economics group, which has done enormous amounts of research in this area, came to a frightening conclusion: if we did nothing, if it were business as usual up through until 2050, then the emissions in this country would be 142 per cent of the 2001 emissions.

Imagine this: here we are in a country where we produce more emissions per head of population than any other country in the world, except for the United States of America, and we are talking about having in place a policy which will mean we will have 142 per

cent of what we currently produce through to 2050. That is the policy of the opposition.

We stand by the policy we have in support of an emissions trading scheme. We are working through the issues to get the best possible emissions trading scheme, and we will continue to do that in the interests of our children and our grandchildren.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — I thank the minister for his expansive answer, but I am a bit surprised that the minister did not reveal why it is that he disagrees with the findings of his state colleagues. I therefore ask: why is it that, with high and rising world oil prices already increasing the cost of doing business and impacting on family budgets, the Bracks government is implementing a scheme that will subsidise wind farm developers and increase costs for both businesses and ordinary Victorians?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — Can I just make this comment: a federal government came into power and promised it would keep costs down. What have we had? We have had an increase in petrol prices in this country that is absolutely unprecedented. The member talks about increased prices when we talk about the possibility of an \$8 increase per annum for Victorian households in order to get renewable energy in this state, and the opposition complains about it, but members of the opposition do not get up here and complain about an increase in the price of petrol to \$1.40 and an increase in other costs, such as interest rates which are costing Victorians hundreds of millions of dollars. They do not care about Victorians.

Hon. Philip Davis interjected.

The PRESIDENT — Order! The Leader of the Opposition has asked his question, so he should stop interjecting.

**Information and communications technology:
broadband initiatives**

Hon. KAYE DARVENIZA (Melbourne West) — My question is to the Minister for Information and Communication Technology. The minister has often provided this house with details of how the Bracks government is making broadband happen in regional Victoria. Can the minister provide details of innovative broadband applications that the Bracks government is making happen that help women in regional Victoria?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — I thank the member for her question, and I know she is very interested in using technology to assist women in general but particularly in country and rural areas. Members of the chamber will be aware of how serious this government is in ensuring that it is using technology to provide the best possible services to people no matter where they live. We are doing this because we have a plan and a strategy under the broadband framework to deliver the best quality services to people and to use technology well and wisely.

There is one very strong and stark example of how we can now use broadband-enabled technology to bring world-class health care services to people in regional and provincial Victoria. There could be no better instance of that than a digital mobile breast screening service which I launched in Wangaratta last week. BreastScreen Victoria, through its mobile van, is now able to provide women in provincial Victoria with access to world-class breast screening technologies that women in Melbourne take for granted. This is a world first to provide the mobile wireless broadband service application to women in country Victoria.

Let me explain a little of what this means to women. It means women will not have to live in fear that they may have breast cancer. They will be able to have their image relayed to Melbourne where a specialist can look at it, and if there is some suggestion of a problem it can immediately be dealt with. If it looks like there might be a cancer, they can get proper and appropriate treatment from the proper hospital. Sometimes it is just a shadow or the way in which a woman is positioned when that image is taken. That can be dealt with on the spot — no need to worry and no need to wait for film to be transported to Melbourne to be interpreted and then to wait anxiously to find out whether or not you have a real issue.

This is a wonderful service for women. I congratulate BreastScreen Victoria. The Victorian government has contributed \$1.9 million to help establish this service to country Victoria. It is bringing a great service to women in those areas. Of course the Howard government has apparently given up on trying to make broadband happen. It is not interested. In fact if you listened to Senator Coonan at the moment you would be led to believe the current broadband technology that we have in place is good enough, that asymmetric digital subscriber line technology is good enough.

Here is a news flash for the federal government: advanced health applications, such as those that

BreastScreen Victoria and our hospital system are using, require advanced next-generation technologies to make them possible. We cannot provide the services to our communities without real broadband. We are doing it in Victoria for our schools, providing it in our hospitals and ensuring that Victorians will have access to the best possible services that technology can provide. Isn't it a pity that we cannot rely on the federal government to do the same.

WorkCover: awarded costs

Hon. B. N. ATKINSON (Koonung) — My question without notice is to the Minister for WorkCover and the TAC, Mr Lenders. What is the government's policy and direction to the Victorian WorkCover Authority on the collection of costs awarded by the court?

Mr LENDERS (Minister for WorkCover and the TAC) — The Victorian government has established and built on a world-class occupational health and safety insurance scheme in WorkCover. That is something the house should reflect on, because very few places get this balance right. If a worker is injured, they receive compensation for their injuries. There is obviously a screen through which claims are filtered so that the genuine claims go through and claims that are not genuine are filtered out. There is also the requirement on how that is funded, and how you deal with that is important. Then you need a regulator that sets the environment in place so that there are fewer injuries in the workplace. If there are fewer injuries in the workplace, clearly there are fewer injured workers and fewer claims on the scheme.

They are the objectives. The principles behind that are that when there are costs in these areas you have things like medical panels, tribunal hearings and an accident conciliation service. Mr Atkinson has been very silent about that this week. He has been very silent about the accident conciliation service after besmirching people and throwing fear around a couple of weeks ago.

Hon. B. N. Atkinson interjected.

Mr LENDERS — I am getting to Mr Atkinson's question. I am replying to his question and painting a context for him to help him understand, because his noisy colleague Mr David Davis is yet again yapping away, as he normally does. He changes his position. In fact, I would be so bold as to say that his policy positions are going around faster and faster than a turbine in a wind farm. In fact Mr David Davis has had more positions than the Kamasutra. The less we hear from Mr David Davis the more we can refer to

Mr Atkinson's question about how we award costs in the WorkCover scheme.

The Victorian WorkCover Authority obviously enters into the legal system like any other body would. Obviously it has a regime in place where costs are dealt with — how plaintiff firms and defendant firms are awarded costs — and there is a series of procedures. Mr Hall raised in this house some time ago, as did Mr Forwood, the situation of the Krupjak family in Gippsland, so it depends on the circumstances and the time. The policies depend on the circumstances of the case. The authority is a very broad organisation dealing with many cases. I look forward to whatever Mr Atkinson thinks he has dug up for the supplementary question, whatever huge coup he thinks he has brought into this place. I urge Mr Atkinson to actually spend some time understanding the WorkCover system — and I would be glad to have a dialogue with him on how it can be improved.

Supplementary question

Hon. B. N. ATKINSON (Koonung) — I am surprised that the minister has to have his jokes on stick-it notes so he can get them right, particularly when he tells such an old joke!

I understand the Victorian WorkCover Authority pursues cost awards determined by the courts against employers but does not take any action to recover costs awarded against employees, even where their action is backed by a union. Could the minister therefore advise how the Victorian WorkCover Authority has come to adopt this de facto policy and, whilst I understand the figures will no doubt need to be provided subsequently, what the figures are for recovery of costs from employers and employees or unions where the courts have determined those cost awards?

Mr LENDERS (Minister for WorkCover and the TAC) — Again Mr Atkinson sees the WorkCover scheme as purely a tool to attack governments with and tries to run on a philosophy — a philosophy he comes from all along — that the market will sort out things. Actually he should be in the country party, where you privatise profits and socialise losses.

Honourable members interjecting.

Mr LENDERS — Yes, he should be in the country party with that philosophy, because that is what Mr Atkinson comes into this place with. He has no empathy whatsoever with injured workers, and he uses this place to nitpick at a scheme. I say to Mr Atkinson: look at the WorkCover scheme. If he has any constructive contributions about the tripartite

relationship between employers, employees and their unions, and the independent regulator, he should address them. Perhaps his federal colleague Mr Andrews had to get an assistant minister today because he was not on top of his portfolio. Perhaps Mr Atkinson should take a lesson from that. I urge him to look at WorkCover to see how it looks after injured workers and how it brings down premiums.

Commonwealth Games: volunteers

Hon. H. E. BUCKINGHAM (Koonung) — My question is directed to the Minister for Commonwealth Games, the Honourable Justin Madden. Can the minister inform the house what the Bracks government is doing to ensure the Commonwealth Games leave a lasting legacy for the Victorian sport and recreation communities, particularly given the good work by volunteers during the games?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I welcome Mrs Buckingham's interest, particularly her interest in volunteers, and not only for the great work they did but also the great benefits that can be returned to the community through their great work.

We are very proud of the Commonwealth Games in many, many ways. That comment is complemented by Mike Fennel's words when he described the Melbourne Commonwealth Games as simply the best. But one would suspect that much of that reflected the outstanding work of our volunteers at the games, including the work of organisations such as St John Ambulance and the Red Cross, which provided volunteer services to complement the games. To ensure we continue to enjoy the benefits of the games, over and above the economic activities, the goodwill in the community and the involvement of the community in the games, we want to make sure we keep the volunteers involved. We want them to go from being involved to staying involved. Staying Involved is an initiative we have developed to make sure that the lasting legacy of the benefits of the Commonwealth Games flow on to the community; to make sure that the volunteers are linked and connected back into their communities to continue their outstanding contribution. We are doing that by linking those volunteers through the provision of accredited training to local organisations.

The volunteers were asked if they were interested in continuing to volunteer. I understand they were contacted personally for that purpose. Of those volunteers 7000 answered those questions positively and responded to that contact. Those 7000 volunteers

have been offered opportunities to be involved in coaching, officiating, club administration and governance to reflect the established and ongoing needs of community sport and recreation. The training provided will be recognised nationally and accredited through the vocational education and training system.

The training is also being aligned with advice and support that relates directly to the interests of the volunteers. It means that local volunteering opportunities are available and referral organisations such as local volunteer resource centres, peak sport and recreation organisations and regional sports assemblies have been linked to the volunteers. They are making the contact and the benefits are flowing on. That means there are opportunities for benefits to flow back to those areas from this connection, and we expect that to happen, whether it be coaching or supporting of junior football or hockey teams, looking after foreshore areas, helping the State Emergency Service or the Country Fire Authority, or being a driver for Meals on Wheels. We are working with the volunteers to benefit the community.

It is a shame that the federal government is putting together inflexible WorkChoices arrangements which will impact on the time that individuals can organise and commit to volunteering. It is a great tragedy that at one end we are investing in volunteers and at the other end the federal government is trying to take these opportunities away from volunteers. We will continue to support volunteers. We expect that 1000 of the games volunteers will take up the opportunity of training and apply that training to volunteer organisations directly. We are working to make Victoria a better place to live and raise a family. We only wish the federal government was doing the same.

Sport: regional assemblies

Hon. P. R. HALL (Gippsland) — My question is directed to the Minister for Sport and Recreation. I noted that in the answer the minister has just given he made passing mention of the good work being done by regional sports assemblies. It is to this topic that I draw his attention. In particular I refer him to the regional sports assembly evaluation final report, in which the work of the assemblies in regional Victoria was highly commended. In particular I refer him to page 5 of that report, where it says:

The current funding levels are insufficient to satisfactorily meet the current objectives and community expectations of the program.

Given this finding, I ask the minister: does the government intend to increase funding to Victoria's 10 regional sports assemblies?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I welcome questions on this matter from Mr Hall — from the country party, is it?

Hon. P. R. Hall — The Nationals.

Hon. J. M. MADDEN — The Nationals. I am sorry.

There is no doubt that the regional sports assemblies do a fantastic job. I have communicated that to members of those organisations on a number of occasions and most recently when we discussed the review of their service provision and their relationship with Sport and Recreation Victoria. I note that Mr Hall, Mr Drum and members on our side of the house who represent regional areas are great supporters of the regional assemblies. For many years they have been able to provide a connection and support mechanism for many of the great sporting organisations that provide sport, week in and week out, right across country and regional Victoria in particular.

One of things we were able to do on coming into government was provide more money to those regional sports assemblies. That has been particularly beneficial. But in doing so we have also probably asked them to do more, and given their enthusiasm they have done a lot more. I compliment all of them on the great work they have done. We have also found that with our investment in the regional sports academies and more resourcing of our regional offices, there is some overlap. We want to clarify the situation — I think the report comments on this, and I do not have it in front of me — and focus their attention on what they do best and what they feel they can do best. I look forward to working with the regional sports assemblies in providing additional resources, whether that be in the form of finances, support, the goodwill of the supportive relationships with the regional sports academies or through the Department for Victorian Communities regional offices, to make sure that the work out in the regions across country Victoria in particular supports the grassroots development of sport and continues to ensure that grassroots sporting participation in this state is maintained, grows and prospers.

I look forward to that in the future. I know that the regional sports assemblies will continue to do great work, and we will continue to work with them to make sure they continue to do that.

Supplementary question

Hon. P. R. HALL (Gippsland) — For a government that claims to be a strong supporter of the regional sports assemblies it surprises me that the government is intending to ask them to do less and not more of what they are currently practising in country Victoria. I ask the minister, who says his government is such a strong supporter, is it not a fact that Sport and Recreation Victoria currently funds each of the 10 sports assemblies with a miserly \$58 000 per year? My direct request to the minister is: will his government at least match the \$100 000 contribution provided by VicHealth to the regional sports assemblies?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I appreciate Mr Hall's question and his desire for more resources. I, along with Mr Hall, would like to provide an enormous amount of additional resources to the sport and recreation sector right across the board. We in this chamber all have the objective of making sure that we continue to provide additional support for those people who do great work out in the community.

One of the great things we have been able to do in this and our previous terms in government is to make sure that we form partnerships with many organisations strategically to get better value. One of the things we have been able to do, given that we know VicHealth spends a lot of money in the sporting participation area, is encourage VicHealth to support the regional sports assemblies. That has been a great outcome for not only VicHealth but also for us in being able to get that to happen. We will address in the future ways in which we can support these — —

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

Energy: consumer protection

Mr VINEY (Chelsea) — My question is addressed to the Minister for Energy Industries. Can the minister advise the house of the reaction to the Bracks government's recently announced energy disconnection and hardship policies and recent actions which highlight the success of these policies?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I thank the member for his question. The Bracks government is proud of its record on energy consumer protection measures. Since the Bracks government introduced the wrongful disconnection payment, a scheme which compensates consumers with

\$250 a day for wrongful disconnections, we have seen a 50 per cent drop in disconnections in the state.

On this side of the house we recognise that energy is an essential service and we have acted accordingly to protect Victorian families. The Bracks government's response to hardship will include the best set of arrangements in Australia to protect Victorians. I have also made it clear as we move towards national regulation that Victoria will not water down its hardship provisions for the sake of national consistency.

We start from the principle that no consumer in genuine hardship should be disconnected from supply. We also provide direct financial assistance in the form of concessions to Victorians on life-support machines or through utility relief grants to those suffering hardship. Unlike the previous government, we care about Victorians in these circumstances. This is why when the case of Ms Vicki Pilven, who is on a life-support machine, was brought to the attention of the Minister for Community Services in the other place and to my attention, action was taken to ensure that the issue was addressed and that Origin Energy rectified its action of sending a disconnection notice to Ms Pilven.

I must thank the office of the Minister for Community Services, which acted so quickly. I must also thank the member for Ballarat West in the other place, Karen Overington, who brought this matter to the direct attention of the Department of Human Services regional office and also to my attention.

Ms Hadden — On a point of order, President, the minister is misleading the house. It was me who raised the issue with the Parliament — —

The PRESIDENT — Order! Sit down now, Ms Hadden! Under the standing orders of the house Ms Hadden cannot make an accusation like that. If she wants to raise that matter, she should do so in the proper form, otherwise she will be ruled out of order.

Hon. T. C. THEOPHANOUS — I also understand that in addition to my office Ms Overington approached Ms Pilven and her daughter to provide assistance and calm any of their concerns. I contrast the sensitive way in which Ms Overington has dealt with the matter, which actually achieved results, with that of the actions of Ms Hadden, who has only tried to make political capital out of this issue. Ms Hadden has done nothing to allay the genuine distress of Ms Pilven, but has through her actions tried to present the false image that Ms Pilven was in danger of disconnection. Ms Hadden has latched onto this issue after she was exposed as

trying to use the house to get gas onto her own property in Creswick. She should stop trying to increase — —

Honourable members interjecting.

The PRESIDENT — Order! Minister, sit down! Ms Hadden, be quiet! There are queries about some of the comments the minister has made, but it is impossible for me to rule on it if I cannot hear. I ask members to stop interjecting and the minister to conclude his answer, if he has not already done so.

Hon. T. C. THEOPHANOUS — Ms Hadden said that I promised her natural gas. I did not promise her natural gas, I promised the people of Creswick natural gas. She lives 2 kilometres outside of Creswick. It would cost a fortune to send natural gas to her house, which is 2 kilometres outside of Creswick. She should stop trying to create anxiety in people who are in distress in her community for political capital and actually represent the community rather than herself.

The PRESIDENT — Order! Ms Hadden.

Ms Hadden — On a point of order, President — —

The PRESIDENT — Order! Sorry, I called Ms Hadden for a question, but she wants to — —

Ms Hadden — Yes, I am moving — —

An honourable member interjected.

The PRESIDENT — Order! No, the member cannot. Ms Hadden on a point of order.

Ms Hadden — I move:

That the minister's answer be taken into consideration on the next day of meeting.

Motion agreed to.

Hon. D. McL. Davis — On a point of order, President, Mr Nguyen has gone to sleep, and I think he should be woken.

Questions interrupted.

SUSPENSION OF MEMBER

The PRESIDENT — Order! Mr David Davis that is a frivolous — —

An honourable member — Chuck him out!

The PRESIDENT — Order! I do not need the member to give me any guidance. It is a frivolous point

of order, and under sessional order 31 I ask Mr Davis to remove himself from the chamber for 30 minutes.

Hon. D. McL. Davis withdrew from chamber.

Questions resumed.

Hepburn: inquiry

Ms HADDEN (Ballarat) — My question without notice is to the Minister for Local Government, Ms Broad. The state government's probity investigation report into the conduct of Hepburn Shire Council's handling of the Hepburn spa bathhouse lease assignment in 2004 raised a number of serious alarm bells in its recommendations. Now the new council's recent conduct is being questioned as to probity and transparency. The Creswick ward councillor has a conflict of interest in her own planning application for the relocation of her post office business which seeks to waive a number of Hepburn planning scheme requirements and in which she has both a direct and indirect pecuniary interest.

Will the minister appoint a municipal inspector to investigate breaches of the act by the Hepburn Shire Council with the same vigour as she did with the Glen Eira and Greater Geelong city councils?

Ms BROAD (Minister for Local Government) — If the member wishes to provide evidence to me, my office or my department, I will treat that evidence as I always do — —

Hon. Bill Forwood interjected.

Ms BROAD — In response to Mr Forwood, just a moment ago certain examples were being drawn to the house's attention of action that has been taken, including the removal of a council. Action is taken in response to evidence that is provided, and if it is provided it will be assessed. If it merits investigation then it will be investigated.

It will, however, be very interesting to see how the Liberal Party and The Nationals sort out this new policy where apparently the one minister for local government and planning is going to have a say over planning matters, which will be a return to the days of the former planning minister Mr Maclellan when councils had planning matters taken out of their hands and were treated very much as second-class citizens in this state.

In conclusion, if the member has evidence of matters which require investigation and she provides that, I will refer it to my department to be assessed.

Supplementary question

Ms HADDEN (Ballarat) — Many of my constituents are calling for the return of the self-proclaimed visionary former Labor mayor Warren Maloney to the Hepburn shire's helm. The minister said this morning in her ministerial statement on local government that she had made local government more democratic, accountable and transparent. The Creswick ward councillor was elected last November and has breached a council resolution of 20 December 2005 by having failed to repay the council a mates rates interest free loan by 30 June 2006, and the chief executive officer failed to implement council's decision without undue delay in breach of his responsibilities under the Local Government Act. Will the minister now commence an urgent investigation of the Hepburn Shire Council with a view to prosecution?

Ms BROAD (Minister for Local Government) — I reiterate my previous answer. If the member cares to provide evidence of the matters she has referred to, they will be reviewed by my department, and if they warrant investigation they will be investigated.

Seniors: active living programs

Hon. J. H. EREN (Geelong) — My question is to the Minister for Aged Care, Mr Jennings. Can the minister inform the house of recent initiatives the Bracks government has taken to assist older Victorians to live longer and stronger.

Honourable members interjecting.

Mr GAVIN JENNINGS (Minister for Aged Care) — I thank the house for the degree of attention that I am receiving in responding to Mr Eren's question. Probably there are occupants of the chamber who would like to know whether there are any auditory programs or relief programs for people who may be suffering from auditory problems. I know Mr Hall is; he has got his hand up. At the moment I have not got an announcement on audiology or auditory programs but I know it is very important for members of our community to be conscious of maintaining good hearing. It is particularly important for us to provide the quality of life for older members of our community at times when they need some encouragement and some assistance in maintaining a good diet and a good degree of physical activity and social integration.

Yesterday I answered a question from the shadow minister for ageing and carers in relation to social inclusion programs in Ballarat. I am happy to say that those programs are increasingly more socially inclusive

by the day, so I think we will have some speedy resolution of those issues.

The matter Mr Eren refers to is that last week I was at a great event down in the Barwon region, near Geelong — which the member well knows as it is within his constituency — announcing a new range of programs under the Well for Life banner. I have announced to the house previously a succession of programs under that project. We have allocated \$2 million across Victoria. Last week at a great community event at Diversitat we announced \$409 000 for 30 programs.

I have got good news for members of The Nationals. Mr Bishop will be pleased to know that within the next 20 years — he is too young yet — as part of those 30 programs — —

Hon. Andrea Coote — That is ages!

Mr GAVIN JENNINGS — I am just saying Mr Bishop is too young for these programs because they are designed for 85-year-olds! The good news is that we are putting seed money into a variety of programs right around Mr Bishop's neighbourhood. In 20 years time, if he is back from his caravan trip, whether it be in Robinvale or Ouyen or Mildura, there will be a whole succession of programs that we have seeded this year to get Well for Life going.

We recognise that probably in 20 years time Mr Vogels may be interested in some of the projects that we have launched in — —

Hon. J. A. Vogels — I want to be longer and stronger!

Mr GAVIN JENNINGS — Yes, longer and stronger and living more actively, because they are active programs. Funnily enough, this is not a theme that I chose, but it is probably just a convergence of issues raised today.

In Casterton and in Warrnambool there will be programs supporting the active engagement of senior members of our community. In about 40 years I can say to Ms Argondizzo that the people living in the city of Manningham who might well share her interests will be sharing in these Living Longer Living Stronger and Well for Life programs. We recognise right throughout the breadth of Victoria that it is not only people of the generations covered by this chamber who find a bit of fun and enjoyment in this type of conversation, because there are pretty enthusiastic seniors right across Victoria who are well into their 80s. Their physical activity,

social inclusion and lust for life should not be underestimated.

The programs that have come through Well for Life, the \$409 000 for 30 projects, will add to the degree of happiness and enjoyment experienced by seniors right across the state of Victoria.

Energy: renewable sources

Hon. A. P. OLEXANDER (Silvan) — My question is to the Minister for Energy Industries. There have been recent reports about the Victorian government's decision to introduce the Victorian renewable energy target and the impact that would have on producing 1000 megawatts of wind power and how it would help to reduce climate change. The minister has made claims about jobs and investment in renewable energy as a result of this policy, and opponents of wind energy have proposed a moratorium on wind farms in Victoria. I ask the minister: can he advise the house as to what the effect a moratorium on wind farms would have on jobs and investment in Victoria?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I thank the honourable member for his question and his interest in renewable energy in this state. We on this side of the house are proud of our renewable energy policy, which is designed to increase Victoria's share of renewable energy from a very low 4 per cent up to 10 per cent by 2016. Alongside this policy we also have a considered and comprehensive approach to assessing wind farm applications that takes account of visual impacts and allows submissions from local communities to be carefully and independently considered. We certainly do not make decisions like the one Senator Campbell made on the Bald Hills wind farm.

However, the call and plan for a moratorium on all wind farm development from the coastal and landscape guardians, which is a fringe group, and the Liberal Party, if it were implemented, would have a devastating effect on employment and investment in regional Victoria. It would put at risk an estimated 2200 jobs in regional Victoria.

Honourable members interjecting.

The PRESIDENT — Order! This has been a very loud and exciting question time. We are down to the home stretch. I ask the Leader of the Opposition to stop interjecting or I will have no option but to use sessional orders on him.

Hon. T. C. THEOPHANOUS — Two thousand two hundred jobs and \$2 billion of investment in

regional Victoria would be at risk if this moratorium were ever to be put in place. That is 2200 Victorian families. It is families that we are talking about and it is the income of families that we are talking about. Clearly the opposition leaders, Ted Baillieu in the other place and Mr Philip Davis, just do not care about putting people in regional Victoria out of work. They do not care about it, and this policy shows that very starkly.

I hope that regional Victorians consider carefully whether a party which is prepared to forgo 2200 jobs in regional Victoria is worth supporting. They should consider that. Not only that, but we had Mr Vogels in here and in the community indicate that he did not support renewable energy, including wind power. He does not care about the current 150 to 200 jobs at the Keppel Prince factory in Portland or about the Vestas wind energy blade factory there. There are existing jobs as well as new jobs that will be put at risk if this moratorium were ever to go ahead.

I want to mention one other thing because our international reputation would be in absolute tatters if this policy went ahead. There is a sovereign risk for investors based on policy that is put forward and on plans for renewable energy. For this opposition to say that it will put all that investment on hold will seriously affect the destination of Victoria for investors from overseas and will put us in the area of a basket case when it comes to investment in this state. We will stop this happening.

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

Supplementary question

Hon. A. P. OLEXANDER (Silvan) — By way of a supplementary question, I ask whether the minister can elaborate on the amount of investment that is at risk as a result of the Liberal Party's moratorium?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I think it is important to understand that it is not about only the 2200 direct jobs because every one of those 2200 direct jobs in regional Victoria also creates a spin-off. Other service industries have to provide services for those families in regional Victoria. The wealth that is created is not just the \$2 billion of direct investment that we are talking about. There is a factor of at least two to two and half in addition to that which is generated in investment and services and so forth in regional Victoria. This would be a huge kick in the teeth for regional Victoria if it were ever put in

place — and it is the policy of the Liberal Party and The Nationals.

WorkCover: safety campaigns

Mr SMITH (Chelsea) — My question is to the Leader of the Government, Mr Lenders, in his capacity as Minister for WorkCover and the TAC. The safety of workers in Victoria is paramount in making sure that Victoria is a better place to live, work and raise a family. Can the minister update the house on WorkCover campaigns that have contributed to increasing safety in Victorian workplaces?

Mr LENDERS (Minister for WorkCover and the TAC) — I thank Mr Smith for his question. I am acutely conscious that sometimes when there is a clutter and noise getting a message through is a real challenge. The Victorian WorkCover Authority has this challenge when it tries to get a message about safety into workplaces and communities. Often there is a background of noise and distraction — as we have arguably seen in this chamber today.

If members reflect back to Mothers Day they will recall that on our television screens, on our radios, in our newspapers and in outdoor advertising we had the WorkCover campaign called ‘Homecoming’, which I think Mr Smith is alluding to in his question to me. The Homecoming campaign was an interesting one. Those who can recall will remember that there was an ad that did not have the shock and horror of blood of ads that can sometimes be seen in these sorts of campaigns. It was a very gentle ad showing a child waiting for his father — in this case — to come home from work. It showed the whole expectation in the family and the uncertainty —

Hon. Andrea Coote — Will you run it on Fathers Day as well?

Mr LENDERS — Mrs Coote asks whether we will run it on Fathers Day. I would at any stage welcome suggestions as to how we can get the message through about safety. It is very timely because to cut through with the message is important. As a community we have been very aware that we spend a lot of taxpayers money on advertising campaigns. The question often comes as to how it actually works.

Mr Drum talks about taxpayers money being spent. I can tell him that the reason that I think this is such a pertinent question from Mr Smith is that the Victorian WorkCover Authority has acted on some follow-up of the community after the Homecoming ad was shown to see what the effect was. Almost one in four surveyed employers claim to have personally taken action in the

workplace because of the message of what it does to families. I am sure Mrs Coote would have paid attention to this and taken action in her own workplace in Port Melbourne — I hope that she would have. We also know that of surveyed employees who recalled the ad one in five took action personally after seeing the advertisement to make their workplaces safer.

The importance of this is to get us to take action in our lives to make workplaces safer. Safety is not an optional extra, as it arguably was in the past. I urge the house to look on this and reflect on it and find ways that we can get a message out into the community to make our workplaces safer so that Victoria will truly become a better place to live, to work and to raise that family in a safe environment so that workers come home.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Minister for Finance) — I have answers to the following questions on notice: 3800–2, 4064, 4217, 4219, 4221, 4222, 4490, 4494, 4496, 4499, 5422, 5504, 5507, 5627–37, 5639–43, 5654, 5656, 5732, 5735, 5739, 5740, 6357, 6358, 6553, 6644, 7011, 7012–16, 7176, 7179, 7186, 7187, 7275, 7465, 7466, 7471, 7535, 7619, 7661, 7703, 7763, 7766, 7805, 8021, 8023, 8050, 8069, 8076, 8083, 8092, 8093, 8096, 8098.

SNOWY HYDRO CORPORATISATION (PARLIAMENTARY APPROVAL) BILL

Second reading

Debate resumed from 9 August; motion of Ms BROAD (Minister for Local Government).

Hon. PHILIP DAVIS (Gippsland) — I rise to speak on the Snowy Hydro Corporatisation (Parliamentary Approval) Bill. Before going to the particulars of the bill I thought I should give some background in terms of context. The Snowy hydro scheme, which is well regarded as a national icon, provides water to irrigators, which produces around \$3 billion of produce, and in 2005 it produced about 74 per cent of the renewable energy in Australia.

Snowy Hydro Ltd operates a system that produces 3756 megawatts across the scheme and is an integrated water and hydro-electric power project. Of course it is located in Australia’s Southern Alps. The Snowy Mountains scheme was built over a 25-year period commencing in 1949. It diverts water for irrigation west to the Murray and Murrumbidgee river systems and

produces hydro-electricity through integrated infrastructure including 16 major dams, 7 power stations, 145 kilometres of interconnected tunnels and 80 kilometres of aqueducts.

The scheme was developed to send water to farmers west of the Great Dividing Range, where dependable water was needed for growing crops, fruit and vegetables. On its way westwards the water drops 800 metres, generating electricity in huge power stations supplying peak load power to the eastern mainland states. Because hydro-electricity is generated within seconds of the release of the stored water, it can respond to peak load demands or emergencies. Unlike wind turbines, for example, hydro power is able to be turned on and off at will. It is highly predictable, and it is a very strategic resource to guarantee security of supply of electricity, whereas wind power is the most unreliable form of energy provision and has no strategic benefit whatsoever in terms of security of supply. In fact it creates major challenges for maintaining security of supply.

In leading into the debate I thought I should refer to the last annual report of Snowy Hydro Ltd that has become available in the Parliament, which covers the year to July 2005. I will quote some excerpts:

Snowy Hydro owns, manages and maintains the Snowy Mountains Hydro-electric Scheme, which consists of 7 power stations and 16 large dams mainly in the Kosciuszko National Park. Operations consist of the generation, marketing and retailing of flexible and renewable electric energy, ancillary services and related electricity products, and the storage and diversion of bulk water to the Murray and Murrumbidgee rivers.

In the year to 2 July 2005, 4388 gigawatt hours were generated and 2187 gegalitres of water were released. Net profit after tax was \$147 521 000. In the previous reporting period to 26 June 2004 net profit after tax was \$58 863 000 with a generation of 4320 gigawatt hours and water releases of 2037 gegalitres.

The directors' report goes on to state:

For completeness it should also be noted that under part 5 of the act, Snowy Hydro has been issued with the Snowy water licence. The Snowy water licence prescribes Snowy Hydro's rights and obligations with respect to the collection, diversion, storage, use and release of water within the Snowy area. The Snowy water licence also imposes some obligations on Snowy Hydro in terms of releasing environmental flows into the Snowy River and the montane rivers within the Snowy area. Snowy Hydro has complied with the environmental flow obligations that have come into effect until the date of this report.

The Snowy licence which is referred to is in total for a period of 75 years.

Going to the reason we are here and discussing this bill, it is important for us to understand what the principal act, which we are seeking to amend, actually sought to achieve. I go to the Snowy Hydro Corporatisation Act 1997, which notes in the preliminary part:

The purpose of this act is to reform the Snowy Mountains Hydro-electric Scheme by corporatising the Snowy Mountains Hydro-electric Authority and making related changes to the scheme.

I want to make the point that when this act was, as a bill, debated in the Parliament of Victoria in 1997, all parties present supported that bill. All of the speakers in both houses managed to make positive contributions to the debate about the benefits that would obtain as a result of the corporatisation of the Snowy Mountains Hydro-electric Scheme.

There were numerous speakers in the other place, and some of them are no longer in the Parliament, including, for example, David Treasure and Barry Steggall, members of the former National Party. In this place the bill was introduced by the then Minister for Finance, the Honourable Roger Hallam, who on behalf of the government spoke strongly in support of the passage of the legislation.

Mr Lenders — The coalition as it was.

Hon. PHILIP DAVIS — Indeed, it was a coalition between the Liberal and National parties. The other speakers from the government side included Mr Baxter, Mr Hall and Mr Strong, all of whom spoke strongly in support of the legislation. The Leader of the Opposition at that time was Mr Theophanous, who was, as I recall, the opposition spokesman for finance and energy industries. He was the lead speaker on this bill. It was Mr Theophanous who put the case for the opposition strongly supporting the government's position on corporatisation. I relay that because it is important for us to recall what the Snowy Hydro Corporatisation Act says. At section 6(1) the act states:

- (1) The State of Victoria may acquire, hold, dispose of or deal with shares in the Snowy Hydro Company.

The principal act included that provision, which had the unanimous support of all members of both houses of this Parliament at that time.

Members had no misapprehensions about what corporatisation could mean, because the principal act, the Snowy Hydro Corporatisation Act 1997, made it clear that a government at any time could dispose of or deal in shares in the Snowy Hydro company. We need to get the context of this debate right. There has been an enormous amount of what I describe as passionate but

perhaps not well-informed debate about the Snowy hydro scheme and the proposal the Victorian government committed to to dispose of its shares.

The bill before the house seeks to change the principal act in a material way. But before I address that I want to remind the house that on 13 February this year the Victorian government — in the form of the Premier with comments also attributed to the Treasurer and the education minister — made a public commitment to dispose of Victoria's 29 per cent share in Snowy Hydro Ltd. That was reflective of all three government owners of Snowy Hydro — the others being the commonwealth with 13 per cent and New South Wales with 58 per cent — at various stages coming to a point of agreement that they would sell their interest in Snowy Hydro.

But of course the Victorian government decided to maximise the political impact of that policy announcement by committing to establish a fund to maintain, upgrade, refurbish or replace many of Victoria's dilapidated schools. Why it has not done that over its last seven years in office is a mystery. In any event the government decided to make a commitment to direct the more than \$600 million from the sale of Victoria's share to the project called Building Tomorrow's Schools Today.

With great fanfare, promises were made by government members to schools all over the place about what great benefits would follow, without a thought in the world about how that would be funded if the sale did not proceed. When it brought down the budget in May the government repeated those commitments, but we now know that it was all starting to unravel. Why? Because, frankly, a debate ensued in the community, which was driven, to his great credit, particularly by Senator Bill Heffernan, a Liberal senator from New South Wales. He really led what I suspect one could describe as a public revolt about governments considering selling what many regard to be a national icon.

No matter what one thinks at an intellectual level about these things, the community view was strident. The *Australian Financial Review* of 26 May, to cite an example, has as the headline to an editorial 'Little to fear in Snowy sale'. The article is enlightening reading. On 1 June an editorial in the *Australian* newspaper has the headline 'Sensible Snowy sale'. However, we now know that these editorial opinions were coincidental with the penultimate campaign by the opponents of the Snowy sale, and that notwithstanding any merit in terms of the arguments put forward by the New South Wales, commonwealth or Victorian governments, the community view was given voice, particularly in New

South Wales, not just by the campaign leadership of Senator Bill Heffernan but also through its facilitation by radio commentator Alan Jones, who provided a public opportunity for arguments to be aired strongly and vehemently against the sale of Snowy Hydro.

In a Victorian parliamentary sense my recollection is that the campaign peaked in the week leading up to 1 June. I received, and I dare say every member in this place received, an open letter to Victorian parliamentarians signed by a great number of luminaries urging that, in effect, it would be the downfall of democracy as we know it if the icon were sold.

What I can say is this. These are my thoughts, but somebody else gave me the words with which to express them concisely. It was put to me in these terms:

The people who oppose the sale of Snowy Hydro are the very people who would oppose the building of this or any other similar project if it were proposed today.

Those words made me think very deeply about my views on this matter. I have to confess that I have had quite a struggle to come to a rational view about what seemed to be completely consistent with the good use of state and commonwealth taxpayers equity, which governments are responsible to administer appropriately. It seemed to me that the debate was, to a large degree, misinformed. But you need to remind yourself as a parliamentarian that at the end of the day we are servants of the community. Notwithstanding how strongly we feel as individuals about an issue, we have to be in touch with the values of the ordinary Australian and Victorian people who, at the end of the day, we represent and serve.

I therefore turn to the comments made by the Prime Minister in a statement issued on 2 June. It is headed 'Australian government withdraws from sale of Snowy Hydro Ltd'. I will read the full extract into the record:

The Australian government has decided to withdraw its 13 per cent shareholding from the sale of Snowy Hydro Ltd.

The government has listened to the immense community reaction on this matter.

The privatisation of Snowy Hydro Ltd has not been a policy or election commitment under the Howard government.

In December last year the New South Wales government unilaterally announced it would sell its majority shareholding of 58 per cent in Snowy Hydro Ltd.

This decision to sell the Snowy Hydro has created significant unhappiness, concern and unrest throughout the Australian community.

In addition there are a number of outstanding Snowy Water licence issues which are creating uncertainty and affect the interests of the environment, farmers, irrigators and all those who depend on the health of the Murray-Darling Basin.

The Australian government has decided that the sale of its 13 per cent share will not deliver long-term benefits to the country.

In response to the strong opposition and the need to safeguard the interests of all those dependent on Australia's iconic water resources, the Australian government will withdraw its 13 per cent share from the sale of Snowy Hydro Ltd.

It is now up to the New South Wales and Victorian governments to decide on action in relation to their respective shareholdings.

The Australian government has no intention of buying any additional shares in Snowy Hydro Ltd.

In my view that fairly simple statement brings us all to account as parliamentarians. The federal government and the Prime Minister understood the deep and abiding concern that was widely expressed in the community about the Snowy Hydro sale. No number of advisers, economists, analysts, merchant bankers, stockbrokers — or even members of Parliament for that matter — could change the view that ordinary people had about what has become legendary and an Australian icon.

Australians take their heritage and symbolism seriously. It is a pity that when it comes to those icons and symbols the Bracks government has not heard the concern in country Victoria about abandoning the men from Snowy River and the mountain cattle grazing tradition. The two are linked. They are issues of heritage, of values and of iconic reference. For the government to bring this bill into the Parliament now, having followed the commonwealth government's lead in abandoning the sale of its interest in Snowy Hydro, demonstrates the inconsistency and to a degree the hypocrisy of its approach. It is not consistent and ethical in the way it deals with these policy matters.

Immediately after the commonwealth government's decision many commentators claimed credit for it. As the Victorian Farmers Federation said in a press release:

It was a flawed policy driven by the New South Wales government's poor economic management, and a flawed process with no community consultation by any of the governments regarding the decision to privatise.

I will not make gratuitous comments about any of the governments involved. I think it is fair to say they acted in good faith in the sense that they were unaware when they embarked upon this process that there would be such strident community opposition. But it took the Prime Minister, John Howard, to deal with what was by

2 June a major crisis of confidence in governance in Australia. It appeared that governments did not want to listen to what ordinary people had to say, so the Prime Minister unilaterally acted to ensure that the sale did not proceed. Of course, as the Prime Minister said, the commonwealth had little stake in Snowy Hydro compared with Victoria and New South Wales, and I suppose it was for that reason he was able to take the lead.

On the day of the announcement I was fascinated to hear that the Premier was at the Traralgon South Primary School in my electorate making an announcement about the Building Tomorrow's Schools Today Fund, which was buried on the same day. I have in my hands two press releases, both of which were released on the same day. One refers to the Premier's announcement at the school of \$1.5 million for new buildings and updated facilities from the Building Tomorrow's Schools Today Fund, which was to be funded from the proceeds of the Snowy Hydro sale. At the same time the Premier's office was issuing another press release saying 'Victoria withdraws from Snowy sale'. Obviously the government did not get its communications strategy right. Somebody should have made a phone call and suggested that the Premier not make the announcement that he made at the school, because the reality is that Victoria does not have the proceeds of the Snowy Hydro sale to commit to the Building Tomorrow's Schools Today Fund. This means that there are schools all around Victoria that are in a desolate position because maintenance has not been provided to them over the last seven years.

Mr Pullen — Rubbish!

Hon. PHILIP DAVIS — I take up the interjection of Mr Pullen, but the facts are — and I do not even need to refer to notes to recall them — that in 1992 when the Kennett government came to office the backlog of maintenance in schools after a decade of Labor governments was \$670 million. In 1999, when the Kennett government left office, the backlog of maintenance was down to \$130 million. Over the last seven years that backlog has grown again and is now over \$250 million. The fact is that the Labor government over seven years has not maintained our schools, and the only way it can see to fund that maintenance is to sell assets. I have to say that it is an embarrassment that the Labor Party is unable to fund simple school maintenance. It is a standard obligation that governments have. Governments must maintain schools and hospitals; it is the first call on the state budget. What has Labor done? For seven years it has done absolutely nothing. It is a disgrace.

The bill before the house deals specifically with a change to the operation of the Snowy Hydro Corporatisation Act. The purpose of the bill is to prevent the sale of Snowy Hydro Ltd shares which are held by the state of Victoria, without the approval of both houses of Parliament. It does that specifically in clause 3 of the bill which is headed 'Disposal of shares of State in Company'. Subclause (2) inserts proposed section 6(2A) into the principal act and states:

The State of Victoria must not dispose of or transfer shares held by it in the Snowy Hydro Company without the approval of each House of Parliament given by a resolution passed by that House.

That is the machinery provision which gives effect to the policy position of the government, which it seeks to implement by the passage of this bill.

I have clearly indicated that it is my pleasure to speak to the bill and to support the bill in the sense that this initiative is a belated attempt by the Victorian government to reflect the views of the community, it having been dragged kicking and screaming to that position. The bill, I am sure, will pass through this house, because I understand that members are generally in accord with this view, albeit there are some issues, as I have pointed out, about the failure of government policy and administration with respect to school maintenance which would have been potentially assisted by the sale of Snowy Hydro. But there is a black hole in the state budget as a result of the failure of the Snowy Hydro sale and the government has not addressed that.

We are concerned about the future management of the Snowy hydro system because it has come to light in the government's policy response that it is quite prepared to ignore what community advocates have been saying for some considerable time, which is that there must be a pre-eminent approach to security of water supply for irrigators and for the environment, and that there needs to be policy certainty.

Notwithstanding the claims of the government that it has signed agreements that further secure the entitlements of the Snowy River in respect of environmental flows, even now the government has not committed to a 28 per cent flow. All that remains is a generous commitment to work towards achieving that outcome in the long term. If the government were sincere in that endeavour, not only would it have introduced the legislation before the house, it would have put a policy proposal before the Parliament to demonstrate that it was ultimately going to seek that particular outcome which it says is part of its policy agenda.

Hon. P. R. Hall — Turning the Mowamba aqueduct back on would be a good start.

Hon. PHILIP DAVIS — As Mr Hall points out, the Mowamba aqueduct has been turned off. The Snowy Hydro Corporation claims that is consistent with the Snowy water licence and the agreements. There is some dispute about that, but the Victorian government has been silent on the matter. I am sure the opportunity exists during the course of this debate for the house to be enlightened by the Parliamentary Secretary for Environment who I am certain will have a great deal to say on the issue and will explain to the house why that should be the case.

I wish to conclude by indicating that I believe this bill is a small step in terms of securing for Victorians their particular safety valve, if you like, to ensure that there is a proper public examination of any future proposal to sell our Snowy Hydro share — the 29 per cent interest that Victoria holds — but there could be improvements to this bill.

I note that the Leader of The Nationals is proposing to circulate amendments to this bill during the course of the debate, and I look forward to an opportunity to further contribute to the discussion during the committee stage of the bill. If those amendments achieve even more certainty in securing the public exposure of any decision on the future of the Snowy, I am sure that we will be well advised to support those amendments. Therefore I clearly indicate that the Liberal Party is supporting this bill.

Hon. P. R. HALL (Gippsland) — This afternoon I am the lead speaker for The Nationals on the Snowy Hydro Corporatisation (Parliamentary Approval) Bill, but I could equally be speaking to general business item notice of motion 6 standing in my name on today's notice paper which says:

That this house expresses its opposition to the sale of Snowy Hydro Ltd and calls on the government to reverse its decision to sell Victoria's share of the company and in so doing honour its 1999 election promise to Victorians that it would not privatise water authorities.

If the house chooses to accept the amendments I will move during the committee stage, then I will have achieved the full intent of general business item 6 standing in my name and I would be happy to withdraw it from the notice paper. I offer that deal to members of the government.

This is a rather small bill consisting of just five clauses, but it is a bill of immense significance and a bill to which literally volumes of history is attached. The history is attached to both the building of the Snowy

Mountains scheme itself as well as the rather sorry saga over now many years about water releases from the scheme and in more recent years its proposed ownership. On those two matters alone there is much history that could be recounted during the course of the debate. Some speakers will mention that history in part, but none of us will have time to go through it in full.

I want to start my contribution to the debate by talking about the magnitude of the Snowy hydro-electric scheme and put it in the context of why we are having this debate. I do not think the size of the scheme and the importance of the decision this Parliament is taking at the moment has been fully explained. Let me mention a few brief background statistics about the scheme. Built over a 25-year period from 1949 to 1974 it diverts water for irrigation on the Murray and Murrumbidgee river systems principally and through a series of some 145 kilometres of interconnected tunnels and 80 kilometres of aqueducts, 16 major dams and 7 power stations. It produces hydro-electricity in this state for both Victoria and New South Wales and ultimately now through the eastern seaboard grid to other states within the national electricity market. As people have said, the scheme is an immense engineering feat of days gone past and will remain so in the minds of us all.

Snowy Hydro Ltd is the company that owns the facility. It has three shareholders — namely, the Victorian, New South Wales and federal governments. It is the company that owns and operates the Snowy Mountains scheme. The web site of Snowy Hydro shows that the facility generates 3756 megawatts of electricity, and every bit of that is hydro-electricity. I might add, Snowy Hydro owns a gas generation plant in the Latrobe Valley that generates 300 megawatts and is also in the process of building a 320 megawatt gas-fired power station at Laverton North. The Snowy scheme itself produces 3756 megawatts of hydro power.

We need to have some understanding of how big that is: 3756 megawatts is bigger than Loy Yang A and Loy Yang B power stations combined. It is about the equivalent of the maximum output of both Loy Yang A and Hazelwood power stations — about 2000 megawatts and 1800 megawatts respectively. This is a significant producer of electricity. It is 3756 megawatts of renewable energy, which is the equivalent of 7500 wind turbines — that is, 7500 40-storey-high wind towers dotted around Victoria. If you have been down to Toora, you have seen the 12 wind towers down there; if you go up to Ararat, look at the 45 wind towers at Challicum Hills. In themselves they are a fair imposition on the landscape. Imagine 7500 of such wind towers scattered

around the coast of Victoria. I think we would be appalled with the litter they would create on our beautiful landscapes.

This 3756 megawatts is 74 per cent of all renewable energy available in mainland Australia through the national electricity market, therefore the question we have to ask ourselves is: given the fact that everybody is saying how important renewable energy is, how valuable renewable energy is, how much we are prepared to pay for renewable energy? The government has just introduced by way of legislation a Victorian renewable energy target which mandates the use of renewable energy — that is, it provides a guaranteed market for renewable energy. Why in the world would we, as representatives of the Victorian public, ever think about selling this valuable asset?

Mr Pullen interjected.

Hon. P. R. HALL — I will go to selling the water in a minute. I look forward to hearing Mr Pullen's contribution to the debate.

Why would anybody want in one fell swoop to sell 3756 megawatts of power — 74 per cent of mainland Australia's renewable energy? The point I make is that you would be mad to do so. The Nationals have always been opposed to the sale of the Snowy Mountains hydro scheme. As I said, this issue was covered by general business item 6 several months ago, when the Labor government said it was going to join in the sale. It was the Labor government's putting the scheme on the market that prompted me to put that item on the notice paper.

Somewhat tongue in cheek I claim that I put it on the notice paper on Tuesday and that on Friday the Victorian government rolled over and agreed with my proposition. Tongue in cheek I claim some credit for its success, but the community I represent expected that of me and expected that of the Labor government too, but they did not get it from the Labor government. The Labor government was quick to hop into bed and help out its New South Wales mates when they had a bit of a financial crisis.

As I said, Snowy Hydro Ltd, the company itself, has three shareholders.

Mr Pullen — You have never even been there.

Hon. P. R. HALL — We look forward to Mr Pullen's contribution in a minute.

Mr Pullen — You cannot answer the strike questions.

Hon. P. R. HALL — I have 37 minutes left. If Mr Pullen wants to keep yelling out, he should keep yelling out, because I will say what I want to say in 37 minutes. I have plenty of time left.

I was saying that Snowy Hydro Ltd is a company with three shareholders. The New South Wales government owns 58 per cent, the Victorian government owns 29 per cent and the federal government owns 13 per cent. The estimated sale price that would have been gained is somewhere of the order of \$3 billion. That would have been determined by the market, and invitations were issued to register interests in a share prospectus. I notice that one I took out of a newspaper of 28 May this year is headed ‘Snowy Hydro share offer, pre-register now’. That was in all the newspapers on that particular date. The market ultimately would have determined the price. The best analysis said that the sale would have reaped around \$3 billion.

The New South Wales take of that \$3 billion would have been \$1.7 billion, the Victorian take would have been \$900 million and the federal take would have been around \$400 million. You can see who stood to gain the most. It was obviously New South Wales with \$1.7 billion. When that government desperately needed those funds to prop up its ailing budget its Victorian government mates were soon quick to announce, ‘Yes, New South Wales is selling so we will sell ours’. To my disgust the federal government also fell into line. It was the preferred opinion of the Victorian Nationals that we not sell any of that. That has been consistently our position throughout.

The Victorian government will claim, and it did, that it was forced into that position. It said that because the New South Wales government, the main shareholder, was selling out, it believed it had no option but to also sell. I do not believe that at all. It had an option. It could have retained some public ownership of the facility just as there are other utilities around the country that have part public and part private ownership. The Victorian government could have done the right thing and retained ownership; it did not have to sell its share in this deal.

The Victorian government was certainly not totally clean on this issue. It is my contention that it was a clandestine plan of the Victorian government to eventually unload its share of the Snowy hydro scheme anyway. I am about to produce the evidence for that. Labor Party members might not like it, but there is substantial evidence for it. If it were the Bracks government’s intention to fully retain its ownership of its share of the Snowy hydro, why did it not include it when it made amendments to the Constitution Act

through the Constitution (Water Authorities) Act of 2003? It deliberately excluded the Snowy hydro system from that.

Ms Carbines — It is not a water authority.

Hon. P. R. HALL — Ms Carbines says it is not a water authority. Why is it not a water authority when it delivers water for irrigation purposes down both the Snowy and Murray rivers to Victorian irrigators? I would have thought that that fits into the definition of a water authority.

Mr Pullen — Why don’t you move an amendment?

Hon. P. R. HALL — I am about to move an amendment, if Mr Pullen will just listen. I am about to call his bluff. If he has any guts he will follow and support the amendment I am about to move.

Mr Pullen — Why don’t you do it?

Hon. P. R. HALL — I turn to the Constitution (Water Authorities) Bill second-reading speech, which the Premier delivered in the Legislative Assembly on Tuesday, 10 April 2003. This is what he said, in part:

... at the last election, this government made a commitment to ensure that our water authorities remain publicly owned and directly accountable to the people of Victoria.

...

The ownership of our water authorities that deliver water to Victorians will be entrenched in state ownership by amendments made to the Constitution Act 1975.

The Premier referred to water authorities that deliver water to Victorians. Doesn’t Snowy Hydro deliver water to Victorians? It delivers irrigation water to Victorians. He went on to say:

Any bill that removes the responsibility for ensuring the delivery of water services from a public authority will be governed by those entrenchment mechanisms and will require a special three-fifths majority of all of the members of both the Legislative Council and the Legislative Assembly before it can be submitted for royal assent.

That bill, which we considered in 2003, defines a public statutory authority to mean:

... a body, whether corporate or unincorporate, that is established by or under an Act for a public purpose but —

and this is it —

does not include a company (within the meaning of the Corporations Act) in which all the shares are not held by or on behalf of the state.

It seems to me that if you search for all the water authorities that Victoria has even a share in, the only one that fits that definition is the Snowy hydro scheme itself. It is the only water authority in this state that is excluded by this legislation. I therefore can only conclude that the government had a clandestine plan all the time to sell its share of the Snowy hydro scheme at a time of its choosing.

As further evidence of that, the Constitution (Water Authorities) Act of 2002 — I do not have a copy with me but the papers office will dig it out for members — has no such provision in it. The Snowy hydro scheme would have been included to be entrenched by a three-fifths majority under the Constitution Act at that time, but not in 2003, when the government had the numbers to put the principal act through the Parliament.

Mr Pullen interjected.

Hon. P. R. HALL — Because you would not have agreed with it anyway. Mr Pullen has never agreed to one amendment I have proposed to any legislation in this Parliament, but I challenge him to break that record today. I am putting forward an amendment that is entirely consistent with what the Premier said to the Victorian public prior to the 2002 election and in his second-reading contribution to the 2003 legislation that I have just quoted from. If Mr Pullen has the courage of his convictions, he will support my amendment.

I also want to make a comment about what I call the deflection-from-criticism measure adopted by the Labor government when it chose to sell its share of the Snowy hydro scheme — that is, to promise \$600 million in proceeds towards building or renovating school buildings in this state. The first comment I make is that the market expectations of Victoria's share of the sale would have been \$900 million, which I put on the record a little while ago in my contribution. Why did the Bracks government say it would only use \$600 million of that to rebuild schools in Victoria? What would have happened to the other \$300 million-plus? I would have thought it would have gone straight into general revenue. The government was deceiving the people of Victoria by suggesting that all of the proceeds that Victoria was to receive from the sale would have gone to rebuilding schools. Clearly it would not — only two thirds of it, or the \$600 million promised, would have been used for that purpose.

The second point I make is that it was a ruse anyway. The Leader of the Opposition has claimed there is a black hole in the budget, but the government has persistently said, 'No, there is no black hole, we have

the money and we are still going to spend \$600 million extra to build up our schools'. I say that the government would have done that anyway. The \$600 million was just a token figure up front that would have been committed towards capital expenditure anyway and the government would simply have been using the \$600 million elsewhere. I do not believe there would have been a net additional \$600 million spent on school infrastructure. The fact is that the government is going to do it anyway, whether it gets the proceeds from the sale of Snowy Hydro or not. That simply proves that the \$600 million was a subterfuge, a deflection from any public criticism that the government might have received from its intention to sell Snowy Hydro.

I move to my next point. What has changed with this legislation? The answer is that nothing much has changed. At the top of page 2 the second-reading speech says:

This bill will ensure that any future proposal to sell Victoria's shares in Snowy Hydro Ltd must be agreed to by both houses of Parliament.

However, what is the difference when this government has the numbers in both the Legislative Assembly and the Legislative Council in coming back here in two or three weeks time when Parliament next sits and saying, 'We have decided to sell it anyway'. The government would simply use its numbers in both houses of Parliament to pass the legislation.

The bill before the house enables any government in the future to do that. Simply, if you have the numbers in both houses of Parliament then you can come and sell the Snowy scheme just like that, and you will use your numbers to force through legislation to do so.

All that I will be attempting to do with the amendments that I will move during the committee stage — and I am happy for them to be circulated now so that members of the chamber can see what I am talking about — is to try to reflect what I believe was the intention conveyed to the people of Victoria by the Premier.

**The Nationals amendments circulated by
Hon. P. R. HALL (Gippsland) pursuant to sessional orders.**

Hon. P. R. HALL — The amendments propose to require that any water authority, whether it be our domestic or rural authorities in Victoria, or whether it be a company like Snowy Hydro Ltd — in which Victoria owns shares and which is a water authority in every sense of the words because it delivers water to Victorians — can only be sold with the agreement of a

three-fifths majority of the members of the Legislative Assembly and the members of the Legislative Council. That simply achieves consistency with all public water authorities, as I said, whether they be domestic or rural or whether they be authorities like the Snowy hydro scheme.

I would be interested to hear anybody from the Labor side argue against that logic, because clearly that was a promise given by the Premier of Victoria to the people of Victoria prior to the 2002 election. It was also the message that was conveyed by the Premier in his second-reading speech prior to the 2003 legislation, which entrenched the ownership provisions of every other water authority in Victoria, so why not Snowy Hydro Ltd? For the sake of consistency, logic and sound reason, you would do that. That is my challenge this afternoon, firstly, to members of the Liberal Party, who I am pleased to hear will support that provision, and I welcome that. That challenge is offered to members of the Labor government. If they want to be consistent with what they do with water authorities, if they want to show the people of Victoria that they are sincere on this issue and believe Snowy Hydro should be retained in public ownership, then they will support these amendments. It is as simple as that.

I want to make a couple of comments about the backdown to sell the Snowy. Yep, it was a backdown by New South Wales first, and then Victoria.

Ms Carbines — And the federal government.

Hon. P. R. HALL — Of course. I have said before it was the feds too. I suggested the Victorian Nationals did not agree with the federal government's decision to sell its share after the decision by New South Wales, just as we were equally opposed to the Victorian government wanting to sell its share very quickly. When there was a backdown by New South Wales, then the federal and Victorian governments were very quick to follow suit — they ran at it at 100 miles an hour once they realised the flow of public opinion was against them in respect of this matter.

I made a comment in a press release which I issued on Friday, 2 June — again, it is a public document because it is on my web site — in which I congratulated those various people who had been involved in the application of public pressure to governments of all persuasions to back down on the sale. It was in that press release that I described this as a 'great result for people power', because without those community groups holding public meetings in both Victoria and New South Wales and getting good press on this issue and many commentaries in our newspapers, I do not

believe the New South Wales government would have backed down and precipitated a backdown from other levels of government as well.

Even in that press release I gave credit to the member for Gippsland East in the other place for the role he ultimately played in the backdown, and I will make a comment about him later. But a lot of people were involved in that, and eventually the tide was against governments at all levels and the right decision was taken to back down from the sale. We are nearly at the point that I advocated in that item of general business. As I said, the last hurdle this government needs to take up is the one that entrenches this three-fifths majority provision in the Constitution Act.

I said I gave credit to the member for Gippsland East, Craig Ingram, towards the latter part of the campaign because I acknowledged that he was elected on the Snowy River issue and has been a strident advocate for increased water flows down the river ever since. But I have to say I was disappointed, and a number of his constituents were very disappointed, with his initial comments when it was decided the Victorian government would also sell its share. These were some of the comments attributed to him on 15 February in the *Snowy River Mail*:

Member for Gippsland East, Craig Ingram, who was primarily elected on returned flows to the Snowy, said the outcome was a 'good start', however work still needed to be done.

He is reported as having said:

Victoria was put in an untenable position when New South Wales and the commonwealth decided to forge ahead with the privatisation.

Victoria would have found it difficult to hold out on its own, considering they would have been left with a minor and diminishing shareholding.

I think they've done a reasonable job in negotiating an outcome ...

So what do you do? Shrug your shoulders and say, 'It is too hard, all right? I cannot do any more.'? That is what Mr Ingram did. If he said he was opposed to this, he would have come out strongly on the very day the Victorian government made its decision to sell its share. But, no, he simply shrugged his shoulders and said, 'These people have looked after me. They have done as well as they can. I have done my best. That is all I can do'. That is the sentiment he conveyed to the people of East Gippsland on 15 February. He shrugged his shoulders, gave up and said, 'I cannot oppose my Victorian Labor Party mates'. That is simply what he said.

Mr Pullen interjected.

Hon. P. R. HALL — No, I am not trying to cause mischief. When he came out later on — I think again the pressure from his constituency turned Craig Ingram — to his credit he got off his backside and did something about the situation. As I said in my press release, he was one of those players who was instrumental in and contributed to the backdown by all governments. But the initial response from the member for Gippsland East was extremely disappointing, and his constituency let him know that.

As I said, Craig Ingram came out towards the end with some important issues. He commented about how difficult it has been to achieve an environmental flow down the Snowy. Earlier, by way of interjection, I made a comment to the Leader of the Opposition that it would have helped if the Mowamba aqueduct had been turned back on. That returned a 6 per cent original flow to the Snowy River. With great fanfare, Premier Bracks and Premier Iemma from New South Wales got the TV cameras up there, put their rubber boots on and stepped into the little creek near the Mowamba aqueduct and turned that aqueduct on, returning 6 per cent flows to the Snowy River. Yet earlier this year the aqueduct was turned off again. The new corporatised hydro authority says it cannot afford to put that water down the Snowy River for environmental purposes.

I make this point with respect to that matter: it has been hard enough for anybody to achieve either environmental flow or flow for irrigators under a corporatised Snowy Hydro authority. How difficult would it have been under a privatised Snowy Hydro authority? We would not have had any hope at all, and the irrigators in Victoria would have been sold out and the environmental values of those rivers would have been sold out as well. Consequently it was a ridiculous decision, as I said, to sell the Snowy Hydro authority in the first place — a stupid, stupid decision.

To summarise the points I have tried to make here this afternoon, I think this whole idea from day one was crazy and not in the best interests of Victorians. The New South Wales, Victorian and federal governments were foolhardy to proceed to the point that they did. I am pleased there has been a backdown, but again it has only come because of political pressure from a large number of people and community groups, and I pay them great credit for what they have done.

I repeat that there is one more challenge for this Bracks government to show the Victorian people it is absolutely sincere about wanting to retain ownership of the Snowy Hydro company in public hands. It must

agree to entrench in the Constitution Act a three-fifths majority before any government in the future can ever think of or contemplate selling the Snowy Hydro company. It did it for every other authority in Victoria. If it is consistent, if it is logical, if it is to be reasonable and if it is to gain some respect from the people of Victoria, it will agree to the amendments which I will move during the committee stage.

Ms CARBINES (Geelong) — I am very pleased this afternoon to speak on behalf of the government in support of the Snowy Hydro Corporatisation (Parliamentary Approval) Bill, which seeks to protect Victoria's water rights and its investment in the Snowy hydro scheme. The Bracks government has a very strong record in relation to the Snowy River. I was proud to be a member of this chamber during our first term when we led the debate on returning flows to the Snowy River.

I very well remember the contributions to that debate of some members opposite. They had to be dragged screaming and kicking to even consider returning the environmental flows to the Snowy River. I well remember the reluctance, the scepticism and the quite condemning contributions —

Hon. Philip Davis interjected.

Ms CARBINES — Mr Davis has had his chance. I suggest he be quiet and listen for a change. The sad fact is that Mr Davis thinks he can come in here and get all puffed up, hot and excited and shout at people and his will will therefore prevail. Well, history shows that it does not, and no-one is impressed by the way Mr Davis behaves in this chamber, least of all the members of his own party.

The Bracks government's commitment to the Snowy is historic. We are very proud of what we have done to return environmental flows to the Snowy River. We have already achieved the first milestone in relation to the Snowy with the return of some 38 000 megalitres of environmental flows down the river. We are very proud of that achievement.

It was interesting listening to the contributions of Mr Davis and Mr Hall. Usually I have a good deal of respect for Mr Hall and his contributions, but both members this afternoon have attempted to rewrite history. When they are in opposition they are all care and no responsibility, but when they are in power, when they have responsibility, they do not care. If we look back at what happened when the National and Liberal parties were last in a coalition government in this state, we see that they privatised our electricity and gas

companies and they were on the way to privatising our water authorities; they were the next cab off the rank. Thank God the Bracks government came along. Thank God the Victorian people woke up to those charlatans opposite and voted for us. We have worked to protect Victoria's water interests by making sure that they will not be privatised.

I was very interested in what Mr Philip Davis had to say about schools. Unlike Mr Davis, I was a teacher in state schools under the Kennett government. It closed some 300 schools and sacked 9000 teachers. Mr Davis pretends to be playing a violin and crying crocodile tears over teachers and state education. What a charlatan he is! He sacked 9000 teachers and closed some 300 schools. How dare he come in here this afternoon and attempt to denigrate the Bracks government's commitment to investing \$8 billion in state education. Mr Hall tried to perpetuate that argument this afternoon as well. Yes, if the sale had proceeded, we would have directed the proceeds of that sale to improving our schools. We have already invested some \$8 billion, and we were going to use the proceeds of the sale to further improve them. The fact that the sale is now not proceeding does not undermine that at all, because the proceeds from the sale were not included in the forward estimates in relation to education. The schools that expected to benefit from the sale of the Snowy will still be upgraded and their maintenance will still be carried out. The argument Mr Davis and Mr Hall put this afternoon is just nonsense.

All members would be well aware of the journey that has brought us to this place this afternoon. Last year, as all members know, the New South Wales government decided it was going to sell its majority share in Snowy Hydro. The federal government jumped on board behind the New South Wales government. Let me remind members of this place that it is a federal Liberal-National coalition government. It decided to jump on board to make up a 71 per cent sale of shares in Snowy Hydro. The Victorian government had a very hard decision to make. It had to decide whether to have a minority share in a private company and therefore risk the environmental flows to the Snowy River and the flows to the irrigators. We reluctantly decided to sell our shares, but before we decided to commit ourselves to selling those shares we worked very hard to secure some rights for environmental flows to the Snowy River and rights for our irrigators, the rights the parties opposite could not care less about. We know that.

We worked very hard to make sure that those rights were secured, and on those conditions we were prepared to sell our 29 per cent shareholding in Snowy

Hydro. We secured additional protections for Victoria's water rights, for the Snowy and for our irrigators. Where were the members opposite during that time? They were missing in action, cowering behind their federal counterparts, who jumped on the bandwagon ready, willing and able to sell without considering at all the environmental flows to the Snowy or the people whom they purport to care about when they come into this place, the irrigators. Where were they when we were talking about irrigators' rights? They were missing in action.

We all know the story. The New South Wales and federal governments have changed their minds in relation to the sale, and the Victorian government followed suit and announced it would not proceed with the sale of its shares in Snowy Hydro — the shares we reluctantly agreed to sell in the first place.

The bill before us today reflects the announcement by the Premier on 9 June that we would legislate to amend the Snowy Hydro Corporatisation Act of 1997 to ensure that any future sale of Victoria's shares in Snowy Hydro by any government would require parliamentary approval. I congratulate the Premier on this legislation. It is a very solid idea. It is a sensible approach to this issue, and it is important legislation. It is legislation, I might add, which the Liberal and National parties could have introduced when they were in power. They could not have cared less about the Snowy when they were in power. They could not have cared less about water authorities. They were on the road to the privatisation of the water authorities. As I said at the start, thank God the Bracks government was elected. People woke up to the Liberal and National parties; they saw the failed experiment in the privatisation of gas and electricity, and they thought, 'Nup, we are not having any more of this or the Liberal-National coalition government', and they voted for us. We have worked to secure flows to the environment, and we have worked to secure and protect our water authorities from privatisation with legislation that those opposite would never have even dreamt about when they were in government in this state.

The proposed amendments to the Snowy Hydro Corporatisation Act will ensure that any future sale or disposal of Victoria's shares in Snowy Hydro has the approval of both houses of Parliament. We have also proposed that when considering any future sale the Victorian Parliament will be provided with copies of relevant documents, including any agreements that deal with water flows, the New South Wales Snowy water licence and any changes to the licence, the constitution of the company and any changes to that constitution, the Snowy water inquiry outcomes implementation

deed, the supply of data to the Murray-Darling Basin Commission, the Murray-Darling Basin agreement and any changes to that agreement as well as any other documents the minister introducing the proposal for the sale of Snowy Hydro sees fit.

The existing arrangements agreed to at the time of the corporatisation of the Snowy Mountains Hydro-electric Authority already provide significant protection for Victoria's water rights and interests. However, if the ownership of Snowy Hydro Ltd were to change in the future, our amendments would provide Parliament with the ability to properly scrutinise the implications of such a proposed change in ownership or disposal of shares for Victoria's water rights and interests. It is an important piece of legislation.

I understand The Nationals are seeking to move some amendments in the committee stage which may protect the Snowy Hydro from privatisation, but they have received misguided advice on this matter. The Snowy Hydro is not a water authority. It is quite clear it is a hydro-electricity power company. It is not a water authority; it does not have the same powers and responsibilities as a water authority. On top of that it is based in New South Wales and not in Victoria; it operates under a New South Wales licence. Victoria has no control over that and that seems to have passed The Nationals by. It is also jointly owned by the commonwealth and New South Wales. It is not a solely Victorian asset. It is not appropriate to alter the Victorian constitution to prevent a future sale of Snowy Hydro, which is not in Victoria, it does not belong to us, it is not just ours and it is not a water authority.

The bill that is before us this afternoon is the best way to ensure environmental flows to the Snowy and Murray rivers and to also ensure irrigator entitlements receive maximum protection in the event of any future proposals for the sale of the Snowy Hydro. It is a very important piece of legislation which not only strengthens the Bracks government's demonstrated commitment to protect environmental flows to the Snowy River, but it also strengthens our protection of the rights of irrigators — and that is a very important thing to do. I am very pleased to have been able to speak in support of the legislation this afternoon and I wish it a speedy passage.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I am pleased to join the debate this afternoon. In my time in Parliament there has not been a more hypocritical piece of legislation brought into this place by this government. In February we had the Premier and the Treasurer announce their intention to sell Victoria's 29 per cent interest in Snowy Hydro without

any regard at all to the will of this Parliament and without any reference to this Parliament. The Treasurer stated in a press release of 13 February that having a significant investment in a New South Wales-based company with national expansion plans did not make sense and therefore the Bracks government had decided to sell that 29 per cent interest. Now we jump six months to August, and we suddenly have legislation brought before the house saying that such a sale of that interest can only be done with the agreement of each of the houses of this Parliament.

It was absolutely hypocritical for Ms Carbines to get up with a set-piece speech from the department, a speech that the minister in the other place was not willing to give by way of a second-reading speech because it was so pathetic. But the Parliamentary Secretary for Environment made her set-piece speech from the department and carried on about how this is an appropriate mechanism to protect Snowy Hydro and how the Bracks government is listening to and caring for people by putting in place this mechanism. What we really have is a complete case of hypocrisy because in February the government was quite content to sell Victoria's interest in Snowy Hydro without any reference at all to the people of Victoria, or indeed to the Parliament of Victoria.

We also have a further demonstration of the government's hypocrisy in its response to the proposal by The Nationals to take this mechanism one step further and enshrine it in the Victorian constitution. I am sure Mr Baxter will speak on this point, but just to pick up on what Ms Carbines said — or the government's argument on this issue — the government's view is that it cannot do that because Snowy Hydro is not predominantly in Victoria. It is not owned only by Victoria and therefore it cannot take the extra step of enshrining the no-sale provisions in the Victorian constitution. That is a further demonstration of this government's hypocrisy on this issue.

The government is willing to put the 29 per cent Victorian share effectively in escrow until a sale is agreed to by the Parliament of Victoria, despite the fact that the company is owned predominantly by New South Wales and the commonwealth, yet it is not willing to take the further step of truly protecting it beyond the reach of a government by enshrining it in the constitution where it would, as with so many other things which this government has done, require the support of the people of Victoria for such a sale to be made. I am absolutely amazed at the breathtaking hypocrisy of this government in introducing this piece of legislation this month when just six months ago it was quite happy, without any reference to the people or

the Parliament, to sell Victoria's interest in Snowy Hydro.

The Leader of the Opposition spoke at length about the merits of the proposed sale of Snowy Hydro and the politics that surround the decision made ultimately by the three governments — the commonwealth, New South Wales and Victorian governments — not to proceed with that sale. That decision and this subsequent decision by the Victorian government to place parliamentary oversight on any future decision to sell the Victorian interest in Snowy Hydro focuses on the future of the company.

When the state announced its intention to sell its 29 per cent stake, the Treasurer said in his press release of 13 February — jointly with the Premier — that having a significant investment in a New South Wales-based company with national expansion plans did not make sense. Despite the political developments since February that statement remains true. With a minority interest in Snowy Hydro we have a peculiar situation in which the Victorian taxpayers, by way of the government, have a holding in a corporatised entity, a company that they do not control and that will require substantial capital investment for its expansion plans. That has now created a quandary for the government, because we have heard the Premier indicate that it is the intention of the Victorian government that the shortfall resulting from the decision not to sell Snowy Hydro will be filled by virtue of the dividend flow from Snowy Hydro, which of course is predicated on future dividends from Snowy Hydro.

The reality is that as a result of this decision the company will not have access to capital through a privatisation. It will be through either its existing resources — that is, the retention of profits — or through an injection of capital from the shareholders, the two state governments and the commonwealth, that the company will be in a position to undertake its expansion plans. So there is now very real doubt as to whether Snowy Hydro will be in a position to pay the dividends that the Premier has indicated he is relying upon. Certainly in the past two years Snowy Hydro has paid to its three shareholders substantial dividends, of the order of 80 per cent or 90 per cent of the company's profits. If it is to proceed with its expansion plans it will not be able to pay out 80 per cent or 90 per cent of its profits in dividends to the state governments. Therefore I suggest that it is folly for the Victorian government to be relying upon those future dividend streams.

It is interesting to note that the federal Special Minister of State and member for Eden-Monaro, the Honourable Gary Nairn, has proposed that the two state

governments and the commonwealth government forgo dividends from Snowy Hydro for the next five years in order that accumulated profits of the company can fund its expansion plans. It is interesting to note also that the Premier of New South Wales, Morris Iemma, has indicated — and I think the New South Wales Minister for Finance, John Della Bosca, has made it very clear — that the New South Wales government has no intention of forgoing its dividend stream from Snowy Hydro. If that attitude is reflected in the government here in Victoria, it points to a very real problem for the company in funding its expansion as planned.

It is worth noting also that given that Snowy Hydro is a company regulated by the Australian Securities and Investments Commission, as are most large corporations in Victoria, the decision on dividends actually rests with the independent board and not with the state governments and the commonwealth in deciding whether dividends are paid. Obviously Australian taxpayers, if not the three governments, would expect that that board, in deciding on its investment plans and whether it pays dividends, would act in the best long-term interests of the company and the scheme and not in the short-term political interests of the two state governments, which seem intent on getting their hands on the dividend stream to plug the holes from the sale not proceeding. Although, as the Leader of the Opposition said, the decision not to proceed with the sale has strong popular support, it has created a situation which puts in doubt the future expansion of the scheme and puts in doubt the state government's plans for the dividend flows from Snowy Hydro.

I finish where I started: this bill before the house today is the greatest act of hypocrisy of this government. It is yet again an attempt to grab some public popularity. Back in February, when the sale of Snowy Hydro was not on the public radar, this government was quite content to sell its 29 per cent interest without any reference to the Parliament or the people. This legislation today will be seen for the public stunt that it is.

Hon. W. R. BAXTER (North Eastern) — There is no doubt that this whole sorry saga of the proposed sale of Snowy Hydro by this government exposes the absolute and crass hypocrisy of the Labor government. It is a clear reason why members of the public are becoming increasingly cynical about politicians. One would have to acknowledge that they have some reason for that cynicism if they contemplate this government's attitude and actions in public statements and public stances on water over the past five or six years. All members remember of course prior to the last election

the government alleging that the former government was intending to privatise water and that this government was going to amend the constitution of the state of Victoria so that water authorities could not be sold except by a very tortuous route via a special majority under the constitution. Of course we knew all along that most of that was simply hot air because the previous government had never had any intention of selling water authorities. But it made a good scare campaign for the Labor Party prior to 1999 and again prior to the last election.

Why am I so confident that the previous government had no intention of doing that? Because I was a member of that government. I sat around that cabinet table, and I well know that it was acknowledged within that cabinet that, whilst we had an extensive privatisation process of which this state is currently enjoying the fruits — a much more efficient electricity system, for example — water is one of those public goods that need to remain forever in public ownership and that the people of Victoria would never have supported any government which attempted to privatise urban water supplies. The previous government, whatever faults it might have had, was not so stupid that it could not read the public mood. Nor was it even ever considered that water would be privatised. Yes, there was some movement to corporatise some of the water authorities and to amalgamate some of the water authorities.

There was nothing new about that. That was part of a very meritorious rationalisation process started by the Cain government, when David White was the Minister of Water Supply. I would say that he was a pretty good Minister of Water Supply. He gave a reference to the then Public Bodies Review Committee to look at the 330 separate water bodies — trusts and authorities — around the state of Victoria at that time. No-one would have considered for one moment that 330 tin-pot little organisations were able to supply high-quality potable water to their communities into the future reliably or at an economic price. The then Public Bodies Review Committee made recommendations that were acted upon by the Cain Labor government, and we saw significant amalgamations. That process continued under the next government, the Kennett government.

Now we have in place still under this government — because it has not made any changes — those regional water authorities and the three water retailers replacing the former Melbourne and Metropolitan Board of Works system here in the city of Melbourne. I think that everyone would acknowledge that they are going exceedingly well. They are reducing water consumption, they have upgraded their maintenance

programs, they are making consumers much more aware of water use and how water savings can be achieved and the like. It has been an on-going process. That was the previous government's ambition and intent, and it largely achieved it. This government is continuing the process. There is absolutely nothing new about that.

This scare campaign that Mr Pullen and others, by interjection, were endeavouring to run during Mr Hall's contribution to the debate is just that: it is a scare campaign. What did we see after the election? We saw legislation brought in to entrench within the constitution the prevention of the sale of water authorities. It was supported by all parties in this Parliament, although none of us thought it was necessary. It was part of the Labor government's spin. It is interesting when you look back and reflect on it how carefully the government went about structuring what it included in that constitutional amendment at the time. It left Snowy Hydro out of it.

One can only think that Mr Hall was onto something when he claimed that was a deliberate act and that in fact, even back in 2003, the Bracks Labor government had in the back of its mind the possibility that, if New South Wales would agree at some stage in the future, it could cash in this valuable asset and give itself a windfall gain. No doubt if that is true — and it would seem on some of the evidence adduced today that there is at least an element of truth in that theory — the government was tickled pink when New South Wales, because it is rapidly getting itself into a Cain-Kirner situation, decided it would sell Snowy Hydro. This government fell in with that proposal with alacrity.

As we have heard, it tried to dress it up to suggest that somehow or other this was going to mean an extra \$600 million spent on schools. It did not mean that at all, as members of the Public Accounts and Estimates Committee full well know. When the Premier and later the Treasurer were quizzed as to whether without the sale of Snowy Hydro those schools would be maintained, of course the answer was that they would be maintained. Maybe it would be over a slightly longer time — that was their qualification — but clearly this was simply substitution. If they could get this money from Snowy Hydro, they could make it look good and look as if they were doing something special for schools, and what they would otherwise have spent on schools could go on to some other project.

The actions of other persons, including The Nationals and the member for Gippsland East in the other place, have forced them into the position of introducing this piece of legislation in an attempt to recover some of

their lost ground. But as Mr Hall has so expertly pointed out, this is a bit of a subterfuge as well. This legislation does not entrench it in the constitution. All it says is that Victoria's share of Snowy Hydro will not be put on the auction block without a decision of both houses of Parliament. As Mr Hall properly alluded to, whilst this or subsequent governments have the majority in both houses, it is simply a matter of passing an amending bill. To try to be trumpeting out there in the community that somehow or other this is safeguarding from sale forever, unless the Parliament exercises a special majority as enshrined in the constitution in respect of other water authorities, is simply not true.

I have heard some members of the government say Snowy Hydro is not a water authority. I think Mr Hall answered that pretty well, and I have no doubt that Mr Bishop will answer it as well. As a representative of an electorate bordering the Murray River, I think it is fanciful to consider that Snowy Hydro is not a water authority, bearing in mind that much of the water that comes down the Murray River comes directly from Snowy Hydro and more particularly huge volumes that come down the Murrumbidgee River and eventually into the Murray River are also directly from Snowy Hydro. Our irrigators certainly think it is a water authority.

There was an interesting juxtaposition in the defence being mounted by the government, which was saying that it was not a water authority but a power authority and therefore it is all right to privatise it. That tends to fly in the face of Labor's long criticism of the previous government for privatising electricity generators in this state. Notwithstanding that the Labor Party made the first move to sell off the brown coal generators in the Latrobe Valley, and that should never be forgotten — that it sold the first one — I think it is a good idea that we have now sold the lot, because we are getting efficiency gains of something like 90 per cent as against the 72 per cent the power stations used to run at under public ownership. Be that as it may, it is really hoisting the government on its own petard. It can hardly criticise the former government for privatising the State Electricity Commission if now it wants to use privatisation as a defence here because it is saying Snowy Hydro is an electricity company and not a water authority. This is the sort of difficult circumstance you find yourself in if you just try to be too smart by half. Mr Pullen in particular fell into that large hole.

One of the things that fascinated me, and I put this to the Premier when he appeared before the Public Accounts and Estimates Committee, is with the battalion of spin doctors, policy advisers and market

researchers he has over there entrenched in Treasury Place, why did they not detect that the sale of Snowy Hydro was going to go over in the community like a lead balloon? Why did they not foresee that if they attempted to do this there was going to be a huge outpouring of opposition? It makes you wonder about the value of those people. Why does the Premier have highly paid policy advisers if they are so incompetent and removed from what the public mood is that they were not able to forewarn him that this was the likely circumstance? We know what happened. All hell broke loose. Some of them were the people Mr Davis referred to, the very same people who would oppose building anything like Snowy Hydro in this day and age — they do not want to sell it because it is there — but let us just put that contradiction aside for a moment. There were thousands of other people in the community who were opposed to the sale of this iconic piece of infrastructure in Australia.

One can understand why. This was the largest public infrastructure project in the nation. It was built by many people who came to this country after the Second World War from many nations, and it enabled them to get a toehold in this economy. Many of them have done very well and gone on to achieve great things. Quite understandably they have a personal attachment to this icon, and of course they would have been concerned if it was appearing to be being flogged off, maybe to foreign owners. No wonder they were upset — —

Business interrupted pursuant to sessional orders.

ENVIRONMENT PROTECTION (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time for Ms BROAD (Minister for Local Government) on motion of Hon. J. M. Madden.

VICTIMS' CHARTER BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

VICTORIAN RENEWABLE ENERGY BILL*Introduction and first reading*

Received from Assembly.

Read first time for Hon. T. C. THEOPHANOUS (Minister for Energy Industries) on motion of Hon. J. M. Madden.

ADJOURNMENT

The DEPUTY PRESIDENT — Order! The question is:

That the house do now adjourn.

Firearms: control

Hon. RICHARD DALLA-RIVA (East Yarra) — My adjournment matter is for the Minister for Police and Emergency Services in the other place. It relates to an issue that has come to my attention with respect to the inspection of firearms, particularly pistols, revolvers and the like.

Over the last few years — it started about four years ago — the changes in the way that firearms licensing is undertaken has placed a greater emphasis on security measures required of holders of firearms. I understand there are something like 200 000-plus licensed shooters in Victoria. While I do not have an exact figure on the number of those who possess only small firearms such as pistols, I understand that it is quite a substantial number.

The issue which has come to my attention and which I raise for the minister in the other place relates to the process of inspections. As I said, this was started about four years ago. There have been random inspections of licences and firearms. Police from either the licensing service or the local police undertake visits at random to the homes of people who legally possess firearms. Currently the process is that they use a form to document what is in the place — in other words, what types of firearms are there, where they are located and what security measures are in place. The form is written in a way that requires minute details to be provided.

We know there have been recent issues with the law enforcement assistance program, or LEAP, database. My issue is that we want to ensure that firearms are secured at a very high level. I am sure members would agree that the last thing we want to see is the opportunity for small-arm firearms to become available to the broader community. Will the minister take the

necessary action to ensure that the information obtained from responsible firearm owners, including crucial details of where their firearms are located, will not be put at risk and that firearm owners can have some certainty about that?

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

Wallara Australia: funding

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I wish to raise a matter for the attention of the Minister for Community Services in the other place. I have received representation from Wallara Australia of Potter Street, Dandenong. Wallara is predominantly a disability services organisation that provides great services throughout the Dandenong and greater south-eastern areas. On a number of occasions I have had the opportunity to visit Wallara in Potter Street and observe some of the programs it runs. It has accommodation and runs various employment programs, or industries, for disabled people, as well as providing the more usual disability services.

The nature of the matter raised with me by Wallara relates to the funding that is being provided by the Department of Human Services. The most recent advice it has received is that for its new funding agreement it has been offered indexation of 2.6 per cent, which is the department's view of the level of inflation it expects for those services. However, Wallara has advised me that the actual price increase it expects for the services it will provide in 2006–07 is 4.15 per cent. There is a substantial gap between the indexation funding it is receiving and the actual price increases it expects to occur in 2006–07.

The advice from Wallara is that in dollar terms for the three-year life of the agreement that will be a total of some \$350 000, which is effectively a \$350 000 cut in real terms in its funding for the provision of disability services in the Dandenong area. Wallara has indicated that this will lead to a cut in transport services for its clients, as well as put in jeopardy its capability to retain and recruit the necessary qualified staff to run its programs.

Obviously not having the adequate funding to cover the inflationary effects that it expects to incur is a very serious issue for Wallara. Therefore I ask the Minister for Community Services if she will review the level of indexation funding that Wallara has been offered under the agreement to ensure that it meets the 4.15 per cent expected inflation rate for that organisation.

Yarra–Fyans streets, South Geelong: traffic lights

Hon. J. H. EREN (Geelong) — I raise a matter for the Minister for Transport in the other place, Mr Batchelor. The issue I raise is a matter of importance to the road users of Geelong. The particular intersection I am talking about is the roundabout at the Yarra–Fyans street intersection.

Both Yarra and Fyans streets are very busy. Fyans Street provides access from the west of Geelong to the south, and as such is an important east-west connection. Yarra Street is also a main thoroughfare that is often used by people travelling from the city end of Geelong to Belmont and Breakwater and to industrial estates and other areas. There is currently a big roundabout at the intersection, but it is not coping with the volume of traffic that is using it, and this needs to be addressed. The roundabout has been there for as long as I can remember, probably 20 years. The action I am seeking is for a set of traffic lights to be installed at this major intersection so that there is proper traffic management to accommodate the large volumes of traffic using it.

I know that in the past few years a number of traffic lights have been installed in various locations in Geelong to accommodate the region's population growth and increasing traffic flows and for road safety reasons, and the people of Geelong are very thankful for that. This intersection is just as important to accommodate traffic flow and also for safety reasons. I therefore ask that traffic lights be installed at this intersection, and I look forward to the minister's speedy resolution of this very important issue.

Water: Bendigo stormwater

Hon. D. K. DRUM (North Western) — My adjournment question is to the Minister for Water in the other place. Many weeks ago I released a stormwater plan for the Bendigo region which involved capturing 10 000 megalitres of stormwater per annum in a newly constructed holding reservoir and then having that water piped back to water storages in the south of Bendigo. That water would then be used for rural allocations for which Coliban Water currently uses potable water or water that can be diverted into potable water. It would be a tremendous saving in water for Bendigo.

Since I released the plan I have had tremendous public support for it. Only recently I took the plan to the City of Greater Bendigo and made a detailed presentation on how it would work. I got a very favourable response. Everyone has been very positive about the plan, with

the exception of the state government-run local water authority, Coliban Water, which has effectively said that it just does not have the money to adopt this worthwhile plan.

It should be pointed out that all along it has been made clear that this stormwater plan is totally separate and not in any way linked to the state government's proposed Goulburn–Campaspe link project, which will see a pipeline go from Colbinabbin through to Lake Eppalock. I have always been a huge supporter of the fact that Bendigo needed a pipeline, and I am happy with that proposal. Unfortunately the member for Bendigo in the other place, who is also the Minister for Agriculture, Bob Cameron, is now playing childish games and in a bizarre media release a couple of days ago attempted to rewrite history by somehow or other suggesting that my plan to capture Bendigo stormwater proves that I am against the Colbinabbin pipeline because I happened to mention that it is going to be an expensive option.

It is going to be a very expensive option. If Mr Cameron wants to take my plan and treat it negatively, he can, but the fact is that it is going to be a very expensive option — but in many respects it is necessary as an insurance option. We need an insurance policy for the Bendigo region if we are to continue to grow and prosper domestically. My stormwater plan, which has the capacity to catch 10 000 megalitres a year, is in no way linked to Coliban Water and the state government's Campaspe–Goulburn link program, which I fully support. But it has to be used as an insurance option. If we capture more stormwater, we will have to rely much less on an expensive insurance option.

The DEPUTY PRESIDENT — Order! The member's time has expired. I was not sure that an action was sought by Mr Drum.

Hon. D. K. DRUM — I intended at the start of my adjournment item to ask the Minister for Water in the other place for a meeting to discuss this plan with him.

The DEPUTY PRESIDENT — Order! I will be lenient and allow the adjournment matter not to be ruled out.

Southern Cross station: parking

Hon. BILL FORWOOD (Templestowe) — I seek the assistance of the minister at the table, the Minister for Sport and Recreation, in forwarding to the Minister for Transport in the other place my request for the resolution of my concern about the misuse of a lane

near Southern Cross station — or Spencer Street station, as it is better known. At that location there is a very nice apartment block by the name of Grand Central Apartments, which used to be the headquarters of the old railways authority.

Unfortunately the lane appears to be completely unsupervised, with the result that many people are now parking on both sides of the lane. The council says that, because the land belongs to the Southern Cross Station Authority, it cannot do anything, and VicUrban says it has no authority to do anything, so we have a situation where the smarties in town are now parking on both sides of the lane and even in the little park next to the station. This is very useful information for those who are smart, who want to park there and not have to pay. People are parking in the lane all day for free.

The problem is of course that the legitimate use by the residents to get to their car park is completely compromised, leading to the dangerous situation where people who are trying to get in and out of the lane cannot get through, so they then reverse. There are always people rushing to the station, particularly in the evenings, so this is potentially very dangerous. What is needed is for someone to take responsibility for the situation. I am advised that the City of Melbourne took legal advice which said that neither the council nor VicUrban can enforce parking provisions under a private parking agreement, as VicUrban is not a municipal council and Docklands is not a municipal district for the purposes of section 90D of the Road Safety Act.

What we now have is that the council will not take responsibility, the station will not take responsibility and VicUrban will not take responsibility. I would like the Minister for Transport in the other place to use his good offices to take responsibility and ensure that this lane is not illegally parked in. I seek urgent action from the minister to solve this matter as quickly as possible before someone gets injured and in the interests of the residents of the Grand Central Apartments block.

Rail: station parking fees

Hon. D. McL. DAVIS (East Yarra) — My adjournment matter is for the attention of the Minister for Transport in the other place, and it concerns the government's plans to introduce a tax at metropolitan railway stations under the provisions of the Transport Legislation (Further Miscellaneous Amendments) Act and under the franchise agreement signed with Connex in 2004. Point 10.6(g) at page 94 of the agreement states:

Upon completion of the works in accordance with the car park security design brief, the franchisee may charge a maximum of \$2.00 per day escalated by the CPI multiplier each calendar year for use of a car park at the stations where security works have been completed in accordance with the car park security design brief.

On the same page 10.6(h) states:

The franchisee may submit a proposal to the director to charge passengers intending to use the passenger services a reasonable charge ...

A whole series of questions arises about the implementation of this franchise agreement through the legislation passed late last year. This series of questions about implementation is significant — for example: how will the access to the car parks operate? Will it be by an attendant? Will it be by boom gates? Will it be by some sort of remote system? Will passenger rail tickets suffice for getting in and out? Will it be loaded into tickets? Will GST be charged on the tickets? A whole series of questions is yet to be fleshed out, including the identification by the minister of the 10 stations at which security will be improved.

My point is that the minister has left this in abeyance — I can only imagine it has been left in abeyance until late November or early December. If the government wins the election, there will be the wholesale introduction of these charges across the metropolitan area in all of the Connex regions, and every Victorian passenger who currently travels on trains and parks at stations will be clobbered. My fear is that this is counterproductive in terms of getting people onto public transport, which the government states is one of its aims. I strongly agree with that aim, including in my area.

I ask the minister to indicate to the community, prior to the election, how this agreement will operate, including the mechanical arrangements. What will happen, for example, when a person is locked in after hours? Will there be an after-hours call service? Which stations will be designated? The minister should come clean, and I ask him to do that.

Gas: Gisborne supply

Hon. PHILIP DAVIS (Gippsland) — I raise a matter for the attention of the Minister for Energy Industries and ask that he advise me as to what action he will take to resolve what is becoming a major problem for communities in the Macedon Ranges.

On 6 May 2003 the Minister for State and Regional Development in the other place said in a press release that connecting gas to Barwon Heads, Bairnsdale, Creswick, Woodend, Gisborne and Romsey was a

priority. At the time he did not mention that only part of Gisborne would be connected and everyone else in Gisborne would have to pay for their own gas connections under the natural gas extension program. Community members are raising concerns from Gisborne in a fairly vigorous way about the injustice of what is now occurring. Many people have found that even though they are within 500 metres of the gas main they are not to be connected unless they pay for the connection personally. They are being provided with quotations from the various contractors, and there is no doubt that the amounts are excessive.

In one example the quote for each of 12 houses was \$863 for the connection; in other examples it has been much more. Jason and Fiona Mallia of Melbourne Road were stunned to receive a quote for \$7359 from subcontractor TRUenergy. Mrs Mallia said it was ridiculous being asked to pay \$7000. What is appalling is that a pensioner, Ray Beyer, received a quote for \$11 155 from subcontractor Origin Energy. He summed up his feelings by saying, 'I feel cheated. I thought gas was coming to Gisborne for free'.

These accounts are reported in the *Sunbury Leader* newspaper, and I know first hand, because I have had representations from people in that community, that they feel robbed of the opportunity to be connected to reticulated gas. It seems that the government has offered a great deal and delivered very little. It is outrageous that the government does not complete the commitment it made to this community. I therefore ask the Minister for Energy Industries to advise what action he will take to resolve these concerns.

Responses

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The Honourable Richard Dalla-Riva raised the matter of inspection of firearms, particularly pistols and revolvers. I will refer this issue to the Minister for Police and Emergency Services in the other place.

The Honourable Gordon Rich-Phillips raised the matter of funding issues concerning the Wallara disability service in the Dandenong and outer east area. I will refer that to the Minister for Community Services in the other place.

The Honourable John Eren raised the matter of traffic light installation on the corner of Fyans and Yarra streets, Geelong. I will refer that to the Minister for Transport in the other place.

The Honourable Damian Drum raised the matter of stormwater usage in Bendigo. I will refer that to the Minister for Water in the other place.

The Honourable Bill Forwood raised the matter of the misuse of a lane around the Southern Cross station precinct. I will refer that to the Minister for Transport in the other place.

The Honourable David Davis raised the matter of parking costs around railway stations. I will refer that to the Minister for Transport in the other place.

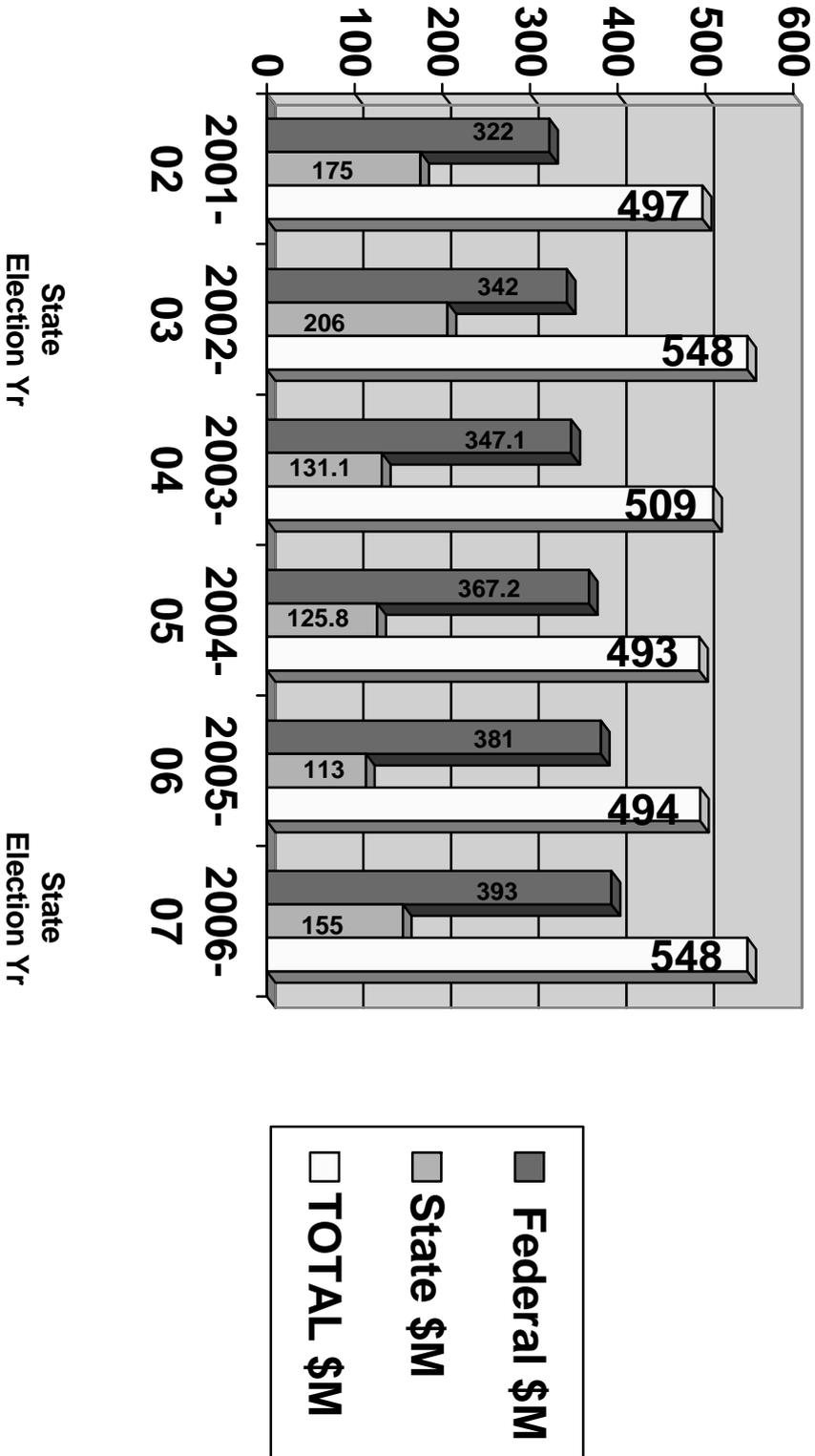
The Honourable Philip Davis raised the matter of gas connection in the Macedon Ranges area. I will refer this issue to the Minister for Energy Industries.

The DEPUTY PRESIDENT — Order! The house stands adjourned.

House adjourned 4.55 p.m. until Tuesday, 22 August.

GOVERNMENT GRANTS & TRANSFER PAYMENTS TO LOCAL GOVERNMENT 2001 - 2007

(\$M)



Source: Victorian Government Budget Papers

PREPARED BY JOHN VOGELS

10/8/06.

