

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

11 October 2001

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By authority of the Victorian Government Printer

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Thursday, 11 October 2001

The **PRESIDENT (Hon. B. A. Chamberlain)** took the chair at 10.03 a.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

Electricity: supply

Hon. PHILIP DAVIS (Gippsland) — Last week the Minister for Energy and Resources claimed that 1000 megawatts of new generation capacity is planned and that summer electricity supply is secure. However, Nemmco says:

As the generator projects are still under construction, there remains a risk that delays may be caused by factors such as adverse weather or industrial issues.

Given that only two projects amounting to no more than 450 megawatts are under construction, that there have been delays due to asbestos, green growing frogs and industrial relations issues, that Yallourn Energy has a new round of industrial trouble today and that this week Loy Yang B took 500 megawatts off line due to turbine blade damage, is it a fact that summer electricity is at risk?

Hon. C. C. BROAD (Minister for Energy and Resources) — I take this opportunity to point again to the fact that this government, unlike the previous government, is actively facilitating investment in new generation in Victoria, which was certainly not occurring under the previous government. In addition this government is investing in measures to secure renewable energy generation, demand management and energy conservation. It is pleasing to note that in the statement of opportunities on which the Nemmco forecasts are based those actions by the Victorian government through Vencorp are being acknowledged and recognised.

My advice is that the estimates by Nemmco are conservative in terms of the reserves necessary for not only the coming summer but into the future. They are continuing to monitor the situation. Nemmco, of course, has the capacity in relation to scheduled maintenance and unforeseen circumstances to reschedule maintenance by generators throughout the system, not only in Victoria, to take account of unforeseen actions. I have every confidence that through their monitoring and scheduling, which is also being monitored by Vencorp, they will ensure that the reserve requirements for this coming summer are met, and that if there is any concern about those reserve

margins not being met they will take the appropriate action to ensure that adequate reserves are in place.

Industrial relations: information service

Hon. JENNY MIKAKOS (Jika Jika) — Earlier this year the Minister for Industrial Relations announced that a service would be established within Industrial Relations Victoria to provide information and assistance to employers and employees. Will the minister advise the house what progress has been made towards setting up this new service?

Hon. M. M. GOULD (Minister for Industrial Relations) — I thank the honourable member for her question. As I have previously advised the house, this year there was a new budget initiative for Industrial Relations Victoria of \$1 million to be allocated to provide industrial relations advice, information, advocacy and assistance to Victorians. There is an urgent need for this type of service in light of the opposition's refusal to allow for a more comprehensive service as part of the Fair Employment Bill that it opposed earlier this year.

Unfortunately, when the opposition handed over industrial relations powers to the commonwealth in 1996 it took no steps to ensure that the federal Wage Line and inspectorate service would adequately address the needs of Victorian workers and their businesses. As a result of this unholy alliance between the previous state government and the federal government, since 1996 there has been no adequate resource in the area, and community organisations like Job Watch, to which I referred yesterday, have been struggling to fill the black hole that has been left behind.

Since the start of this financial year substantial preparatory work has been undertaken to establish this new service, which will substantially increase the community's awareness of employment rights and responsibilities.

A number of officers have been recruited following newspaper advertisements, and these officers will start up the new service over the next few weeks. The unit will deliver its information in a range of innovative and targeted programs through seminars, workshops, interactive learning, online information, fact sheets and printed material.

In particular the unit will seek to urgently ensure that regional employers, small employers and young or vulnerable employees are provided with the information they need to ensure that they are aware of what their entitlements and rights are. In this way we will enhance the government's commitment to

promoting fair employment practices and to returning services to the whole of the state.

Tipstar: revenue

Hon. N. B. LUCAS (Eumemmerring) — On 3 August last year the Minister for Sport and Recreation jointly announced that the Labor government’s national footy tipping competition had received the green light, and subsequently we learnt that Footy Consortium Pty Ltd would collect in the order of \$50 million, 23.4 per cent or \$11.7 million of which would, to use the minister’s words, provide additional funding for sports programs. Now that the 2001 AFL season has concluded, will the minister inform the house of how much the football tipping competition has raised for distribution to sporting programs?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for his question. Honourable members will no doubt be aware that with the returns from that scheme there will be money flowing into women’s sport and other areas of sport that were neglected by the previous government, and this government is eager to use those dollars accordingly. Those returns have not yet been determined. No doubt they will be and I will receive that information, and no doubt those returns will be used to supplement and complement those areas that were neglected by the previous government.

Hon. N. B. Lucas — On a point of order, Mr President, I asked a dollar-figure question; the question was, ‘How much?’. The minister went on with a discussion with regard to women’s sport and other issues. He should either tell the house that he does not know how much, or he should give us the figure.

Hon. J. M. MADDEN — On the point of order, Mr President, I believe I answered the question. I have identified that I have not yet received the information.

Hon. Bill Forwood — You admitted you did not know.

Hon. J. M. MADDEN — I said I had not received the information.

The PRESIDENT — Order! The question was a specific question about money, and there was reference to \$50 million purportedly raised, of which \$11.7 million would go to sporting programs. The question asked how much had flowed. The minister said he had not received the information as yet, and I presume when the minister eventually receives that information he will provide it to the honourable member.

Gas: network extension

Hon. E. C. CARBINES (Geelong) — Will the Minister for Energy and Resources inform the house of what further action the Bracks government has taken to encourage the extension of the gas network across Victoria?

Hon. C. C. BROAD (Minister for Energy and Resources) — I thank the honourable member for her question and for her persistence in representing her local community with regard to this very important matter.

Following the changes introduced by the Bracks government in the last session of Parliament to the Gas Industry Act to promote the effective and responsible management of the Victorian gas market, I am pleased to advise the house that on Tuesday an order under section 27 of the Gas Industry Act was approved. It provides for the granting of a temporary exclusive retail and/or distribution licence for new areas. This new order, which comes into effect today, has been designed to enhance the potential for new extensions to the natural gas network to areas that might not otherwise be supplied with natural gas.

This action by the Bracks government stands in contrast to the actions of the previous Kennett government, which failed to make any provision for extending the gas network when it privatised the gas industry in this state. While the order is not a panacea —

Honourable members interjecting.

The PRESIDENT — Order! The minister is entitled to be heard in reasonable silence. A barrage on irrelevant issues does not help.

Hon. C. C. BROAD — Thank you, Mr President. While this order is not a panacea for all gas extension projects, it will most certainly improve investor certainty and commercial opportunities. For gas extensions to be viable the cost of bringing natural gas to a new area must be less than the cost of alternative fuels such as liquefied petroleum gas and electricity over the long term. In addition, the cost of switching to new gas appliances in new areas will also affect the take-up rate of gas, which will in turn affect the economic value of the gas extension project.

The order provides greater commercial opportunities for the development of gas extension projects by parties other than incumbent gas distribution businesses by providing for exclusive retail and distribution franchises. The exclusive retail franchise, in particular, will reduce certain business risks compared to those

faced under full retail competition. In practical terms, gas retailers and other entrepreneurs may now be encouraged to compete to manage the development of gas extensions, knowing that they may have greater certainty to recover costs and to access new customers who consume up to 1 terajoule of natural gas a year. This is a relatively new area of gas market activity, and the government is encouraged by initial responses from a number of stakeholders to the opportunity that this order by the Bracks government presents.

The new order is another example of the Bracks government turning things around by providing greater certainty to investors and improving the commercial opportunities for the development of the natural gas network across Victoria, along with the jobs and opportunities for regional and rural Victoria that this represents.

Answer ordered to be considered next day on motion of Hon. PHILIP DAVIS (Gippsland).

Fishing: licences

Hon. P. R. HALL (Gippsland) — My question to the Minister for Energy and Resources relates to the proceeds raised by the introduction of the recreational fishing licence. Given that both the Auditor-General and recreational fishers are of the view that the buy-out of bay and inlet commercial fishing access licences has not improved conditions for recreational fishing and therefore the use of the funds raised by the recreational fishing licence is inappropriate for the purpose of funding these buy-outs, will the minister commit to the use of an alternative source of funds to fund this buy-out so that the recreational fishing licence funds can be used in a way to directly benefit recreational fishers, as intended by the legislation?

Hon. C. C. BROAD (Minister for Energy and Resources) — I take this opportunity to remind the honourable member, and all honourable members opposite, that the buy-out the honourable member referred to was an initiative of the previous Kennett government.

Hon. G. R. Craige — We will take responsibility for that. Are you going to take responsibility for introducing poker machines?

Hon. J. M. Madden (to Hon. G. R. Craige) — Will you take responsibility for neglecting schools, hospitals and the police for seven years?

The PRESIDENT — Order! I ask the Minister for Sport and Recreation and Mr Craige to keep quiet while the minister is responding to the question.

Hon. C. C. BROAD — As I was saying, this was an initiative of the previous Kennett government and was also a commitment in the platform of the Labor Party, that on coming to office it would complete that initiative of the Kennett government. That has now occurred. The Bracks government has delivered in full on that commitment. Those funds have been provided through the trust fund set up in legislation by the Bracks government for the revenue from recreational fishing licences. Again another commitment by the Bracks government which the previous Kennett government was not able to get through Treasury has been delivered in full. I am pleased that those funds are now fully protected in a trust fund, which was the desire of the representatives of fishing groups.

I will continue, as is set out in the legislation passed through Parliament by the Bracks government, to ensure that funds from that trust fund are allocated in accordance with recommendations by the committee established under the legislation in accordance with the wishes of the representatives of the recreational fishing groups on that committee.

Retail tenancies: review

Hon. D. G. HADDEN (Ballarat) — Will the Minister for Small Business inform the house of the progress of the review into Victoria's retail tenancy laws?

Hon. M. R. THOMSON (Minister for Small Business) — I thank the honourable member for her question. The Bracks government came to office with a strong commitment to review the retail tenancy laws in Victoria. The government was committed to providing a better balance in the relationships between landlords and tenants in the retail sector and has been determined to minimise regulation, reduce business costs and improve the business environment in Victoria, particularly for small business.

By contrast with the former government and the present federal government, the Bracks government has consulted widely and extensively during the course of the review. I said the Bracks government wanted the legislation to be fair and balanced and to provide certainty to both tenants and landlords. The issues paper formed the basis of the commencement of the review of the Retail Tenancies Reform Act 1998.

The government also made a specific commitment to reform the legislation to better protect small and medium-sized enterprises. The recommendations from the discussion paper, which will be released today, encompass the issues raised during the first public

consultation stage. In all, 350 businesses attended the public seminars held throughout Victoria, and 56 written submissions were made. A number of individual meetings were also held to discuss the issues raised in the paper.

Those organisations included in the meetings were the Australian Retailers Association, the United Retailers Association, the Confectionery and Mixed Business Association of Australia, the Property Council of Australia, the Shopping Centre Council of Australia, the Real Estate Institute of Victoria, the Franchise Council of Australia, the Small Business Advisory Network, the Victorian Employers Chamber of Commerce and Industry, the Australian Hotels and Hospitality Association, the Victorian Authorised Newsagent Association, the Law Institute of Victoria, Westfield Ltd, Centro Properties Group, AMP, the Lend Lease Group, the Gandel Group of Companies, the retail tenancies registrar and the Department of State and Regional Development in New South Wales. The house can tell from that list that the consultations were wide and included all the stakeholders.

Hon. C. A. Furletti interjected.

Hon. M. R. THOMSON — In fact, 350 operators, Mr Furletti.

Hon. C. A. Furletti — You didn't mention that.

Hon. M. R. THOMSON — Yes, I did. That explains why the paper has been delayed — that is, to ensure adequate time was available for all those people to have a voice in the discussion paper, which contains draft recommendations for further discussions on, for example, the abolition of the 1000 square metre rule; to ensure all small and medium-sized businesses are protected by the legislation; and to ensure more effective disclosure statements are available for tenants so they know what to expect before they sign leases.

The paper also includes such issues as considering a range of measures that would deliver greater security of tenure for tenants; prohibiting leases from including land tax as part of a tenant's outgoings; establishing a retail tenancies grievance body to investigate disputes between tenants and landlords; and protecting small businesses from unconscionable conduct in their retail tenancy dealings.

The Bracks government is determined to ensure that any amendments to the Retail Tenancies Reform Act 1998 provide both certainty and equity for both landlords and tenants. I look forward to and encourage the further input into the next stage of consultations on the review.

Snowy River

Hon. E. G. STONEY (Central Highlands) — My question is directed to the Minister for Energy and Resources as the minister responsible for environmental flows of the Snowy River. A government stream flow management plan for the Ovens River dated July 2001 calls for a tripling of the environmental flow of the Ovens River at Myrtleford. At that level irrigation would not have been allowed on 52 days last summer, to the detriment of agriculture in the area above Myrtleford. Is it a fact that the extra water required for environmental flows in the Ovens River, to the detriment of agriculture, will be used to gain environmental water for the Snowy River?

Hon. C. C. BROAD (Minister for Energy and Resources) — The government has made it very clear at every stage of negotiations in relation to the agreements successfully concluded with the New South Wales and commonwealth governments — and signed by the Prime Minister, the Premier of New South Wales and Premier Bracks — that there would be no adverse impact on irrigators. That is a fundamental tenet of the intergovernmental agreement and has been so from the outset in every discussion and every negotiation. It has been translated into the welter of implementation agreements that are progressively being put in place to secure those environmental flows. It is not the case that there is any adverse effect on irrigators as a result of securing environmental flows for the Snowy River.

Sport: funding

Hon. T. C. THEOPHANOUS (Jika Jika) — Will the Minister for Sport and Recreation advise the house how the Bracks government's revised funding ratios for sport and recreation community facilities are being received in regional Victoria?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for the question. No doubt members of the house would be aware of the changes to the funding ratios that the Bracks government has made in relation to the funding of sport and recreation community facilities. I reinforce that because of the changes to those ratios a number of the projects are now being completed, particularly in rural and regional areas and in isolated areas.

Recently I had the good fortune to spend some time in the Shire of Loddon. In that time I was able to open a number of facilities that were developed in a number of isolated communities through the changes to the funding ratios, under which the Bracks government is

able to provide \$1 for every \$1 raised by local communities for those facilities. I contrast that with the funding ratios of the previous government, when those isolated communities had to raise \$3 to get \$1 from the former government.

There were four projects in particular. I should like also to compliment the Shire of Loddon for its extensive planning to get value out of these projects. There were four projects: the Mitchell Park Community Centre in Pyramid Hill, the Serpentine community bowls and tennis pavilion at Serpentine, the Bridgewater recreation reserve netball court, and probably the most outstanding of those, the Arnold Recreation Centre at Arnold.

Can I say that although the sums of money in these minor facilities grants are not huge, their value to those communities is absolutely outstanding. I also appreciate that in attendance on that day was a member of this house, the Honourable Barry Bishop. He had to listen to four of my speeches on that occasion, and I appreciate his sitting through those! I am sure even Barry Bishop would be able to compliment the government on its ability to bring to local isolated rural communities significant projects that have also come about because of its changes to those funding ratios.

I shall spend a fraction more time on the Arnold Recreation Centre. That was incredibly impressive. The new facility replaced a rustic-looking shed. I know the Honourable Mark Birrell appreciates architecture and no doubt he would have appreciated the rustic shed that was there at Arnold. I suppose it was picturesque. Every man should have his shed, and I think the Honourable Mark Birrell should have one too in his retirement. The Arnold Cricket Club had operated out of that shed since 1950. The club is now 100 years old and it no doubt appreciated and enjoyed that shed, but times have changed and because of the changes to the funding ratios, and the 3:1 ratio, it was able to build a facility. It provided an enormous amount of voluntary contribution to the development, and I congratulate the club on that.

What you end up having with a development like this is not only a brand-new facility and ownership by the locals, who feel an attachment to it because they have presented so much of their own value and their own elbow grease to the project, but a project that will serve not only as a cricket club pavilion but as a pavilion where community groups meet. Already the Dunolly Pony Club, the Kilmore Agricultural Society, the Murphy's Creek Fire Brigade, Landcare groups, the Arnold West Tennis Club and the Arnold Church Committee have talked about using this facility in the

future. It will be a facility that will be used not only for cricket but also for christenings, 18th and 21st birthday parties, the odd wake and maybe even weddings in the community.

It just goes to show that as a government we are committed to funding grassroots sport in regional communities, unlike the federal government, which steers away from it — at every opportunity. There is no doubt this government is committed to community building in those isolated rural communities that were devastated by the Kennett government.

Real estate agents: audit

Hon. C. A. FURLETTI (Templestowe) — I refer the Minister for Small Business to her response yesterday to a question from one of her backbenchers in which she announced sweeping proposals involving the audit of every real estate agent in Victoria over the next two years. Given the Treasurer's vitriolic attack on real estate agents yesterday in the other place, an attack repeated in this house by the Honourable Jenny Mikakos yesterday, when all real estate agents were vilified for their bringing to the attention of the Victorian public the government's huge windfall in stamp duty receipts enjoyed by the Labor government at the expense of home buyers, and given that the Estate Agents Act already provides for the protection and audit of trust moneys received by estate agents, will the minister admit that her announcement yesterday is nothing more than a vendetta against real estate agents for their support of a reduction in stamp duty rates on property transfers?

Hon. M. R. THOMSON (Minister for Small Business) — It is a pity that Mr Furletti did not bother to listen to my answer yesterday. I was very clear in stating the reasons why —

Honourable members interjecting.

The PRESIDENT — Order! I am interested to hear the minister's response, and I ask honourable members to quietly listen to what she has to say.

Hon. M. R. THOMSON — I stated the reasons why the audit is taking place. It is being done under the legislation. It is being done because it was being done only piecemeal in the past; it had not been thorough. It is being done because there were three convictions last year and we did not know what the situation was in relation to whether or not moneys were being placed in the appropriate trust accounts; whether or not that was done at the right amounts and the right times; and whether or not agents were meeting their legislative requirements. We have commissioned three

independent accounting agencies to undertake the audits over the next two years. They will be giving real estate agents one week's notice prior to — —

Honourable members interjecting.

Hon. M. R. THOMSON — I am happy to answer the question again. I answered it yesterday and I will answer it again. Agents will be given one week's notice prior to the auditors' attendance. I said yesterday that we believe the vast majority of estate agents are keeping their funds in accordance with their requirements under the legislation. We want to ensure that Victorians — and let us understand this, billions of dollars are being put out in deposits by Victorians every year for property — can be confident that when they lodge their deposits they are being put into the trust accounts as required under the legislation and that the real estate agents meet their legislative requirements.

It is not a witch-hunt. Real estate agents who are ensuring that the money is properly accounted for have nothing to fear. They should welcome the audit because it will only enhance the reputation of those real estate agents by ensuring that their clients' moneys are properly banked and accounted for and that the Victorian community can feel confident in that fact.

Gippsland Basin: petroleum exploration

Hon. R. F. SMITH (Chelsea) — My question is to the Minister for Energy and Resources.

Hon. B. C. Boardman — Is this about tendering? Have you seen some documents lately?

Honourable members interjecting.

Hon. R. F. SMITH — Withhold your rage. It will turn!

The PRESIDENT — Order! Mr Bob Smith is asking a question, which is about something unrelated to honourable members' interjections. I ask them to keep out of it.

Hon. R. F. SMITH — My question is directed to the Minister for Energy and Resources. Will the minister inform the house of further petroleum exploration developments in the Geelong Basin — that is, I mean the Gippsland Basin — —

Honourable members interjecting.

The PRESIDENT — Order! I did not hear the latter part of the question after 'Gippsland Basin'.

Hon. R. F. SMITH — I will say it again: Gippsland Basin, as opposed to Geelong Basin.

The PRESIDENT — Order! I did not hear the words after that.

Hon. R. F. SMITH — And the benefits these will provide to the Victorian economy.

Hon. C. C. BROAD (Minister for Energy and Resources) — I am pleased to inform the house that the Bracks government has welcomed another new major petroleum explorer to Victoria, in Gippsland not Geelong.

The new major petroleum explorer is PanCanadian Petroleum Ltd, which has been awarded two deep-water exploration permits in eastern offshore Gippsland. PanCanadian is expected to spend more than \$76 million on exploration activities across the two permits over the next six years. This development will not only contribute to the local Gippsland economy but will also further diversify the growing number of companies that are undertaking significant resource exploration activities within the state.

PanCanadian is a major Canadian company with interests in Canada, the North Sea, offshore Western and South Australia as well as several other countries. The company drilled more than 2500 wells in 2000 and achieved a net income exceeding CA\$1 billion in that same year. It is in anyone's terms a major participant in the oil industry.

The Bracks government is supporting the ongoing development of all oil and gas potential for the state by the commitment of an additional \$7.5 million to minerals and petroleum industry development and regulation over four years.

Encouragement of new and responsible oil and gas exploration is a cornerstone of the state's resource policy and an important strategy for broadening the state's energy supply options. The increase in activity and interest is a clear demonstration of the positive business climate for investment throughout the whole state, which has been created by the Bracks government.

In conclusion, the Bracks government is continuing to develop a petroleum industry that contributes substantially to the wealth and wellbeing of all Victorians while meeting contemporary community expectations for social and environmental outcomes as well as the economic benefits.

PETITION

Pakenham bypass

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I present a petition from certain citizens of Victoria requesting that the Victorian government accepts the commonwealth government’s commitment of \$30 million to the Pakenham bypass project and allocates funding to allow construction of the bypass to commence this year. The petition is respectfully worded and in order and bears 2074 signatures. I desire that the petition be read.

Petition read pursuant to standing orders:

To the Honourable the President and members of the Legislative Council assembled in Parliament.

The petition of certain citizens of the state of Victoria draws to the attention of the Legislative Council the need for the construction of the Pakenham bypass on the Princes Highway between Beaconsfield and Nar Nar Goon Road.

Your petitioners therefore request that the Victorian government accepts the commonwealth government’s commitment of \$30 million to the project and allocates funding to allow construction of the bypass to commence this year.

Laid on table.

PAPER

Laid on table by Clerk:

Regulator-General’s Office — Options for the Review of Retail Electricity Tariffs, Final Report, September 2001.

DEPARTMENT OF TREASURY AND FINANCE

Annual report, 1999–2000

Hon. W. I. SMITH (Silvan) — I move:

That the Council take note of the report of the Department of Treasury and Finance for 1999–2000.

I read the 1999–2000 annual report of the Department of Treasury and Finance with great interest. I expected a critical financial analysis by the Department of Treasury and Finance of the economic, financial and resource management of its initiatives and policies. Instead, I found a public relations exercise with many motherhood statements and very little to back up what was being said. Few figures accompanied any of the statements in the report. It was difficult to analyse or assess the department’s performance, and there was

little criteria for assessing many of the report’s statements.

One assumes the department has done the work and carried out extensive critical financial analysis, but it has not got around to publishing it. I shall point out a number of items in the report to demonstrate what I have said. Under the heading ‘Year in review’ the report refers to the department’s mission statement and achievements. It says its mission has been:

to provide leadership in economic, financial and resource management.

It then lists 10 items under the heading ‘Achievements’, which I shall not go through. To give an example of their flavour, two of the items listed are:

A world-first financial accountability framework

A mechanism to monitor government spending — the Expenditure Review Committee.

And the list continues. My concern is that there are no accompanying analyses or statements to back up what the department believes it has achieved, which is economic growth for the whole state. The only figures in the whole document which provide some indicators of the economic and financial state are small graphs on the second and third page under the heading ‘Economic and financial report card’. Those graphs have headings like ‘Victorian net interstate migration’, ‘Gross state product’, ‘General government financial liabilities (per cent of gross state product)’, ‘2000–01 budget estimate’, ‘Victorian international non-gold merchandise exports’, and ‘Improved regional employment growth’.

I wish to pick up on those indicators and examine them in more detail. The ‘Economic and financial report card’ says:

Victoria’s economic and financial position is strong and foundations have been laid for the state’s long-term economic growth.

The first of those indicators is Victorian net interstate migration, an interesting chart, which shows the years 1990 to 1999 and looks at where Victoria has been over that nine year period. It says that Victoria is the place to be, and states:

Victoria’s annual population growth has trebled since 1994 and is now above the national growth ...

Yes, it is, but if one looks at the year when the bars in the graph were at their lowest point, 1993, one finds that after the Kennett government was elected the bars began to rise. Prior to that the bars were steadily going down and Victoria was losing people. When the

Kennett government was elected the bar began to rise, and after 1993 people began moving to the state. On the government's own predictions the numbers have peaked and are expected to decline from 2003–04 onwards..

Under the heading 'Gross state product' the report says:

Strong economic growth to continue.

Gross state product is the same as it was last year, but the graph shows that the strongest year was 1998–99, before the Bracks government was elected. The gross state product was at its highest during the Kennett years.

The graph 'General government financial liabilities' has the heading 'Restoring Victoria's AAA rating'. We know who restored Victoria's AAA rating — it was the Kennett government, and we know why the AAA rating had to be restored.

The last indicator I refer to from this section is the 2000–01 budget estimate. Under the subheading 'A substantial budget estimate surplus' the report states:

In the 2000–01 state budget the department forecast an operating surplus of \$592 million.

However, when one looks at the figures they show the greatest surplus was in the year 1999–2000. After that it started to diminish.

I refer to the secretary's report at page 6 where he comments:

A range of new initiatives were implemented ... for the realisation of other long-term policy objectives.

But there is no listing of the policy objectives, only the comment that the department provides strategic advice and implementation of policy. It is a motherhood statement; there is no analysis of what it will do.

Interestingly, at page 7 under 'Enhancing financial accountability' the report looks at the legislation that has been introduced, and as one of the key points it lists:

Independent review of the budget by the Auditor-General.

I pick up that point because I understand there is some debate about the Auditor-General actually being involved in the formation of the budget. If the Auditor-General is actually picked up through that process, does he or she not own the budget at the end, and how independent can they be at the end?

The report looks at 1999–2000 performance and at key projects and initiatives, infrastructure and related ancillary services, but there is no analysis. It has plenty of policy, little benchmarking, but no analysis of the infrastructure and no list of infrastructure that has been developed. Where are the nominated infrastructure projects and what is the economic impact of those infrastructure projects?

The Workcover policy advice in the report is very interesting. At page 33 under 'Quantity' it states:

Capacity to provide strategic advice on Workcover policy including the following key deliverables and projects:

reinstatement of common-law rights;

new arrangements for the delivery of occupational health and safety;

regulatory regime for major hazard facilities consistent with the world's best practice.

The report does not contain any economic analysis of the reinstatement of common-law rights. What impact is it having financially? What is the economic impact on the Workcover authority? What does this impact have financially on businesses? There is no financial analysis of the impact of the changes of those Workcover policies.

The report continues at page 46:

By providing advice to the government on strategic resource management decisions, the department continues to build the foundations of a prosperous future for all Victorians.

That is typical of the comment I was talking about earlier on, the public relations-political comment with very little background. The department has slipped into this section under 'Financial performance' a one-liner headed 'Financial outcome':

The overall result of a deficit from operations of \$696.5 million in 1999–2000 is principally due to a review of the state's unfunded superannuation liability.

And no more.

At page 48, under the outlook for 2000–01, the major initiatives are outlined in the report. There are six major initiatives. Time does not permit me to go through them except to nominate the first two:

Implementation of a whole-of-government public-private partnership framework (Partnerships Victoria);

establishment of an Essential Services Commission and a separate Ombudsman for energy and water consumers.

Neither of those has been met. The advice I have received is that the first has not been met, and the bill

covering the second is still in the house. I look forward to the next report being much more transparent and reporting particularly on those outcomes and whether they have been met.

In conclusion, the annual report was not what I expected. I expected to be able to go to it and come away with a good understanding of a strong financial critique of the policies of the department. I found basically a public relations statement. It is disappointing that there is no solid benchmarking in that report, and no solid financial or economic analysis. I hope the next report does a better job.

Hon. G. W. JENNINGS (Melbourne) — The report of the Department of Treasury and Finance for the 1999–2000 year covers the activities and the functions of the department and its achievements in performing its role. This is distinct from providing budget analysis and information on the economic performance of the state in terms of the delivery of the budget. The economic forecasts that predicate that budget, and the major initiatives announced by the government in the delivery of a budget, are published in the usual cycle in May of each year.

I alert honourable members to the distinction between the expectations of information in a departmental report and the information we should be receiving in terms of the appropriate level of economic and financial disclosure that one would expect to be dealt with in great detail within the budget papers. I suggest that is the best place to locate that essential information.

The report outlines the department's vision and mission statements. The vision is to provide a prosperous future for all Victorians; the mission statement is to provide leadership in economic, financial and resource management. The department outlines to the Parliament and to the people of Victoria how it has gone about providing that support to government and the economic analysis, policy framework and rigour it has brought to bear in supporting the government's achievement of those outcomes.

On page 3 of the report the department outlines what it considers to be its major achievements for the year, which are to support the government in providing for Victorians:

... a transparent and accountable financial system, economic growth for the whole state, and value for money services.

The achievements the department has outlined include the following:

A state budget surplus of \$592 million for 2000–01;

...

A public-private partnership policy to deliver better services to the Victorian community

A better approach to gambling regulation based on community consultation

Restoration of common-law rights for seriously injured workers

...

Implementation of commonwealth tax changes while protecting the state's budget position —

which was a major reform process undertaken by Victoria and the nation in that financial year. Obviously a state Treasury is required to perform a major role to ensure the smooth transition of the financial relations that underpin the ongoing financial viability of the state.

Interestingly, the department indicated another priority achievement was to be ready for the year 2000 in terms of compliance with the much vexed and anxiety-ridden Year 2000 bug which did not eventuate and for which the whole globe can be grateful. A degree of attention was devoted to it by the Department of Treasury and Finance and across the whole of the public sector. That is one catastrophe that our economy has well and truly not been subjected to, and we are grateful for the work that the Department of Treasury and Finance undertook to cover the occurrence of that unlikely contingency.

Within the financial accountability framework that has applied within Victoria since the election of the Bracks government, the department identified a number of major reforms in the relevant legislative framework. The key legislation was introduced by the Bracks government in the spring session of 1999 and saw the amendments to the Audit Act, followed by the Financial Management (Financial Responsibility) Act.

Following the implementation of those pieces of legislation we have seen the introduction of new quarterly budget sector financial reports, twice-yearly statements of the government's financial policy objectives and the independent review of the budget by the Auditor-General. From the time the legislation was discussed in this place that has been a somewhat intriguing concept — that the Auditor-General sign off on the preparation of budget material. In my contributions to debates as far back as 1999 I have said this is a very adventurous undertaking by the Auditor-General, because he must be certain and deliberate in maintaining a degree of independence from the internal line-by-line items in the budget.

The Auditor-General limits his scrutiny of the preparation of the budget material to confirming that the economic indicators, assumptions and forecasts in the budget are sound and fall within the ball park of reasonable expectations, and that the government in its preparation of the budget complies with the appropriate accounting framework. That is the limit of the scrutiny and involvement of the Auditor-General. It was an important initiative undertaken by the Bracks government on a commitment it made to the people of Victoria that it would involve the Auditor-General in the preparation of the budget. It is totally appropriate to limit that scrutiny in the way outlined within the legislation, and it would be inappropriate if at some point in time the Auditor-General were required to go beyond the scope of what the legislation provides for.

I note from the annual report of the Department of Treasury and Finance that the department uses a nice turn of phrase when describing its compliance with the new pieces of legislation and the new government priorities by identifying the department's agile response in implementing the government's election commitments. This was demonstrated through its support of the establishment of the expenditure review committee, which occurred at the very instigation of the Bracks administration. That is a nice turn of phrase — referring to its agility to respond to changing expectations in the economic framework that the Bracks government brought to bear in couching the budget. It was done at a time when the report indicates that there had been a reduction in executive services within the department. The report says there was a decrease of 33 out of a total of 119 executives during that financial year.

The department responded to the government's shift in priorities, the framework in which the budget was couched and the programmatic changes that occurred in that year within the context of downsizing the executive regime within the department. It deserves a high degree of credit for the smooth and seamless transition from one administration to the other, in the shift of financial accountability and the delivery of services across the state.

In summing up I will indicate some of the performance indicators of the economy that are highlighted in the report. There is the ongoing growth and consistent pattern in gross state product that was demonstrated over the years consistently from 1995–96 through to what is anticipated to be 2003–04. This is at a time when all honourable members would be aware that economies around the globe are confronted with a major economic downturn and a great degree of difficulty. After this report and the following budget to

this day there remains a high degree of confidence within the forward projections on which the government operates, on the advice of Treasury, about maintaining positive growth within the Victorian economy during the forward estimate process.

The information in the report shows the growth in employment across regional Victoria being consistently higher than in metropolitan Melbourne but still both having positive employment growth over the period 1996 to 2000. This has been maintained since that financial year in question. Indeed, the reported surplus achieved in the financial year in question has been maintained and will continue to be maintained in the forward estimate period in the current budget cycle.

I congratulate the department and its secretary and staff for the role they have played in supporting the economic performance of the Victorian government.

Hon. E. J. POWELL (North Eastern) — I want to make some brief comments on the 1999–2000 annual report of the Department of Treasury and Finance. This report is more about the achievements of the former coalition government's work with the department than a recognition of the Bracks Labor government's work with it.

I want to make some comments about a few of the pages in the report. The report refers to Victorian interstate migration. I refer to page 5 of the report, which contains a graph of Victorian net interstate migration. The report states:

Victoria's annual population growth has trebled since 1994 and is now above the national growth rate for the first time since the early 1970s. People continue to move to Victoria.

The report says a net 5350 people migrated from interstate in 1999. For the first time since statistics were recorded in 1971 more people were coming into Victoria than leaving. That chart and those responses show the confidence in the former coalition government and the work it did to improve business relationships and economic growth.

I also talk about the restoration of Victoria's AAA rating. I hope the Bracks Labor government is not also taking the credit for that. The AAA rating was restored because of the hard work and good financial management of the former coalition government. In 1992 the Kennett coalition government inherited a massive state debt from the Labor government of \$32 billion. When I became a member of this Parliament in 1996 the debt was \$22 billion. I have to say that some difficult decisions had to be made by the government to bring down the debt. In 1998 the debt

was \$11 billion, which was achieved with no increases or any new taxes. In fact there were tax cuts to the value of \$132 million. In 1999 the Labor government inherited a strong vibrant state with a substantial surplus.

I also bring up for discussion a reference in the report about the year 2000 readiness. I congratulate the Honourable Roger Hallam because for that achievement all credit must go to him as the minister who was then responsible for managing the process. When the clock ticked over on 1 January 2000 we all wondered what would happen. Victoria held its breath, but it was encouraging to find that nothing happened. There were no incidents because the Honourable Roger Hallam made sure that all government departments, electorate offices and most of the businesses in Victoria were ready. He put in an enormous amount of effort over the whole year to make sure businesses were aware of their obligations and what could happen when the clock ticked over. All government departments were aware of what could happen and they were prepared. All credit should go to the Honourable Roger Hallam who, as I said, did an enormous amount of work. It is important that he and the department get credit for that achievement.

I raise the issue of payroll tax, which is about the economy of small business. The former coalition government reduced payroll tax from 7 per cent to 5.75 per cent over three years. This is the only state that has ever cut payroll tax for businesses over three consecutive years. When the Labor government came in it did not reduce payroll tax in its first budget.

On the impact of common-law rights being reinstated on Workcover, the Auditor-General's ministerial report on portfolios of June 2001 shows that the Workcover scheme lost a massive \$651 million over six months, bringing the accumulated losses under the Bracks Labor government to \$1.1 billion. These massive increases to Workcover premiums prove that there was a burden on small businesses in Victoria.

I was pleased to receive the report. I would comment that the pages are not numbered, and perhaps that could be looked at in the next report. The report is more a credit to the former coalition government than the current Bracks government.

Hon. P. R. HALL (Gippsland) — Annual reports consist of two main sections. There is a section which contains the annual financial statements of the company or organisation in question and a descriptive report on the annual operations of the particular organisation.

The financial statements are signed off by the Auditor-General, so I do not think there is any question about the integrity of the financial statements. I get a bit sceptical sometimes when I read the descriptive sections of an annual report. Invariably those sections paint a very rosy picture of the organisation's operations during the course of the past 12 months, and indeed why not? If you are the chief executive officer, the department secretary or the chairman, why not boast about the activities and the achievements of your organisation over the past 12 months?

I started reading through the annual report of the Department of Treasury and Finance for 1999–2000 and it is no different in that sense. It paints a rosy picture of the operations of the department over the past 12 months. But I think one needs to look a bit further beyond the face value of the descriptive reports and analyse those comments to find out the real picture of what might be happening within the activities of that department.

I will comment quickly on a couple of matters in the report, but before I do so I need to qualify my comments with the following two points. Any criticisms I make are not criticisms directed to Department of Treasury and Finance staff or those staff members who contributed to the report. We are told that there are some 444 employees of the department, and I am sure they are all very good people. If I have a criticism it is directed at the government of the time, which set the policy and direction that the officers of that department are required to follow, so criticism is directed to the government rather than to the employees of the department.

The other thing I want to say about this annual report is that it is set over a period when there was a change of government, so one should not conclude that every piece of good news in the report is a result of the actions of the present government. Equally, if there is bad news one should also not attribute that to the present government because both the previous and the present governments played a role in the activities outlined in the report.

Having said that, I want to make a couple of points about some of the items mentioned in the report. At page 7 the report talks about the year in review, and I particularly highlight a couple of the items listed under the subheading 'Consulting the community'. The first paragraph talks about one achievement being the restoration of common-law rights to seriously injured workers. That was a government election commitment. That was true, and I am one of the people who throughout my time believed the use of common law

should be available to people who are seriously injured in the workplace. But one needs to look at the other side of that story as well. It is not all positive; it has a negative effect as well.

It also means that there has been a general across-the-board increase in Workcover premiums across the state. In some businesses I know Workcover premiums have virtually doubled. That has an effect because it means businesses do not have an ability to expand their operations, and some employment opportunities are lost. I supported the reintroduction of common-law rights, but it has had an impact on the creation of further job opportunities because of the increase in premiums.

The report also says that the current government has implemented a stronger regulatory environment for the gaming industry. Over the past two years the gaming industry has been one of the great failures of the present government. It has no coordinated plan to address problems that may arise in the gaming industry. The government needs to sit down and not make ad hoc decisions in respect to gaming. It needs to have an overall coordinated plan to address issues within the gaming industry.

The third paragraph in the section deals with the legislation to establish the Essential Services Ombudsman. That legislation is before the house some one and a half years beyond the period the report covers. It talks about a great new initiative, but I do not see it as that. The Energy Industry Ombudsman has done a great job for many years covering the electricity and gas industries. As I understand it, the creation of the Essential Services Ombudsman extends that coverage to the water industry.

In conclusion, I know my time is short and there are some other areas that I would have liked to comment on. I look forward to future reports from the Department of Treasury and Finance which will cover a complete year of the current government and give honourable members a better overview of how this government is performing.

Motion agreed to.

VICTORIAN ARTS CENTRE (AMENDMENT) BILL

Second reading

For **Hon. M. M. GOULD** (Minister for Industrial Relations), **Hon. M. R. Thomson** (Minister for Small Business) — I move:

That this bill be now read a second time.

The main objective of this minor bill is to expand the functions and powers of the Victorian Arts Centre to acknowledge in statute the trust's responsibilities in establishing and managing a public art collection.

The Victorian Arts Centre Trust has been collecting and displaying art since the 1970s. This important public collection comprises over 1700 works and includes artworks by some of Australia's, and Victoria's, most highly regarded modernist and contemporary artists such as Arthur Boyd, Sidney Nolan and Clifford Possum Tjapatjarri. The main purpose of the art collection is to enhance and maintain the cultural amenity of the Victorian Arts Centre, a major icon of the Victorian community.

It is important to note that the arts centre's collection has largely been developed through donated artworks, and that its future is dependent on the generosity of donors. Clarification of the trust's public art gallery functions will result in the trust being able to participate in the commonwealth government's cultural gifts program, which provides donors of artworks with more attractive tax deductibility arrangements.

In addition to the amendments to the Victorian Arts Centre Act, the bill makes a minor amendment to the Museums Act 1983 to make the Museums Board of Victoria fully accountable for the engagement of technical advisers and consultants. This minor amendment will bring the museum into line with the other major arts institutions in this regard.

I commend the bill to the house.

Debate adjourned on motion of Hon. Bill FORWOOD (Templestowe).

Debate adjourned until next day.

COMMONWEALTH GAMES ARRANGEMENTS BILL

Committee

Resumed from 10 October; further discussion of clause 8.

Hon. P. A. KATSAMBANIS (Monash) — Last night we were discussing clause 8, specifically subclause (4), related to remuneration of members under the provisions of the bill. Can the minister again confirm to the house that the government has no intention of making publicly available information relating to the fees and allowances to be paid to individual members of advisory committees?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Last night I indicated, and I indicate again, that an overall fee will be disclosed in relation to payments to the panel, but not necessarily for individual members.

Hon. P. A. KATSAMBANIS (Monash) — The minister has had overnight to reflect on his answer and he continues to give non-committal answers as to whether individual fees will be made publicly available. Today the minister uses the term ‘not necessarily’. Yesterday he used similar non-committal terms. Are there any circumstances where individual fees may be disclosed publicly?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again, I reiterate my previous remarks that I would publish the overall fee for the panel and will consider at the relevant time whether I might wish to publish the individual fees to individual members.

Hon. P. A. KATSAMBANIS (Monash) — It is disappointing that the minister is not prepared to commit either way, yes or no. I take it from the difficulty he has in giving the answer so far that there is a reluctance on the part of the government, through the minister, to make the fees and allowances publicly available. That is disappointing, particularly given the comments the government made when in opposition.

If the minister intends to publish more aggregate fees relating to each advisory committee will he publish one figure relating to both fees and allowances or is he more likely to publish a breakdown of the total costs relating to the aspect of fees received and the other aspect of allowances paid?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again, I am advised it would be the case that we would present an aggregate fee. There may be consideration of the breakdown of those fees, not unlike reports one might see in a general annual report — those sorts of breakdowns which do not necessarily indicate fees of individuals.

Hon. P. A. KATSAMBANIS (Monash) — The minister seems to have little idea of the nature of the reporting requirements that he will utilise. That is disappointing because the bill gives the minister significant powers and authority. However, it seems these important issues relating to use of public funds have not been considered. From the nature of his answers — being so non-committal — the only inference I can draw is that, until the opposition started to question him on this, the minister had not considered how to publish the fees.

The minister talked about the nature of publishing fees and allowances in other reports. Can he provide some examples of the sort of reporting he referred to so we can have an idea of the sort of reporting we will see in relation to the fees of the advisory committee?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised, and again I reinforce, it would be an aggregate figure. There may be a breakdown of figures to members but they would not be directly allocated to the names of individual board members, which is often the case in the reporting of figures paid to people on committees or boards.

Hon. P. A. KATSAMBANIS (Monash) — That was not the question I asked. The minister mentioned that the government would report in the manner of other annual reports and I asked him to outline what sorts of annual reports were envisioned when that comment was made.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again, I reiterate those comments. I refer to the standard reporting mechanisms and regular business reports in private enterprise.

Hon. P. A. KATSAMBANIS (Monash) — So the minister would look at business reports in private enterprise? I want to clarify this. Or would he look at other public sector reports, be they annual reports or interim reports.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — They will be of that nature, I am advised.

Hon. P. A. KATSAMBANIS (Monash) — Which nature, private or public?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — They may be either.

Hon. P. A. KATSAMBANIS (Monash) — Mr Chairman, we can go like this for a long time. I do not intend to do so. It appears very clear to me that the government, having asked the Parliament and the public of Victoria to accept it in good faith and having corralled so much power in the hands of one minister in this bill, is now extremely reticent to report to the public of Victoria about fees and allowances that will be paid to advisory committee members. This is very sad but again it highlights the fact that either the government wants to be secretive about these fees and allowances or that the government and the minister in particular have simply not contemplated the issue of reporting fees and allowances until it was raised by the

opposition or maybe even a combination of those two facts.

Whatever it is, the words and the lack of commitment of the minister on the record today and yesterday should stand for all Victorians to see. This government pays lip service to the concept of openness, accountability and transparency. When it comes to the test again it has shown that it is failing to provide openness, transparency and accountability in the payment of fees and allowances to people who will be charged with sensitive but very important public duties and will be paid from the public purse — that is, by the taxpayers of Victoria. I have to express my disappointment in that and move on.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I recognise Mr Katsambanis's comments, but one must also appreciate that while the government is providing substantial transparency and accountability through these processes and particularly in contrast to the framework within which the previous government worked, I also reinforce there is a recognition of issues of privacy of the potential individual members of those advisory panels that may also be required to be respected.

It is in that light that I make these comments that there is transparency in government but also a recognition that individuals who may form the advisory committees may wish to have some element of privacy about the extent of the fees paid. The government is not steering away from the path of publishing the aggregate fees and the likely breakdown of those fees without actually identifying the amounts paid to individual members of the advisory panels. With the limited number of members on an advisory panel, it would not necessarily be difficult to recognise the range of payments across those panels to individual members.

Hon. P. A. KATSAMBANIS (Monash) — This privacy matter really does not wash with the public and certainly not with me, because people who undertake public duties are fully aware that they are being recompensed by the taxpayers, who are the stakeholders in this issue and they should know. The salaries of politicians, magistrates and judges are made freely available.

Hon. I. J. Cover — Councillors.

Hon. P. A. KATSAMBANIS — As Mr Cover points out, local councillors have their salaries made publicly available. Permanent or sessional members of tribunals have their fees made publicly available. Senior public servants, through annual reporting, have the

broad range of their salary bands made publicly available. The public knows the sorts of salary ranges of public servants in a particular band. The opposition must continue to point out to the minister that those people will be paid from the public payroll. Yes, their privacy is important; however, the public, as the stakeholders in all this, have a right to know what their public officials are being paid for undertaking public duties.

We will move on. I ask the minister to indicate whether he envisages that the fees and allowances payable to advisory committees and the workings of advisory committees generally will be subject to scrutiny and review by the Auditor-General?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that I should expect that to be the case and accept that accordingly.

Hon. R. A. BEST (North Western) — Can the minister confirm that chairmen of advisory committees will be paid more than ordinary members of the advisory committee?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is likely to be the case. It would also depend very much on the terms of reference of the relevant committees. It is my understanding and I am advised that it is standard practice for the chairs of such committees often to receive a level of remuneration, whether it be as an allowance or a sum payment, which is more than that of the other members of those respective committees.

Hon. R. A. BEST (North Western) — Is the minister saying that in certain circumstances the chairman will receive a chairman's fee? Will that be paid regardless of how many meetings he attends or will it be based just on the position of chairman?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am also advised that again it is likely to depend on the type of committee and how it might sit, appreciating that a complex and intensive reference may require a standard fee for the entire service or it may also be an option to pay for the number of days of sitting. They are often the models used for payment of committees, boards or panels within government. That would be considered accordingly, based on the terms of reference and the expertise of the members of those advisory committees. Can I reinforce that if one particular model were selected that model would be relevant to a single particular advisory committee. There would not be a contrast between the two models within one committee.

Hon. R. A. BEST (North Western) — Is the minister saying there will be a certain amount of flexibility in how chairmen will be paid, depending on the complexity of the work of the committee that is being chaired?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that is correct.

Hon. I. J. COVER (Geelong) — As I understand it, there is already an advisory committee in place for the Melbourne Cricket Ground redevelopment; is that correct?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that is correct.

Hon. I. J. COVER (Geelong) — Are its members receiving payment or fees like the ones set out in the bill?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that is the case.

Hon. I. J. COVER (Geelong) — Were their fees struck as a special arrangement because the bill had not been introduced or will that now be the guideline for the fees that will be paid to members of advisory committees?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the model under which the advisory committee for the Melbourne Cricket Ground redevelopment was established was along the lines of the panel structures that traditionally have existed through the Department of Infrastructure when those panels have been required for issues of significance, not unlike the brief of the advisory committee on the MCG. That is again a model which has been chosen on the basis of the brief and based on the extent or the significance and complexity of the issues in the project.

Hon. I. J. COVER (Geelong) — It is my understanding that the MCG advisory committee that is already operating will roll into the advisory committee as set out by the bill.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that when the bill is passed, that will be the case.

Hon. I. J. COVER (Geelong) — If, when the fees and allowances for the advisory committee that it becomes under the bill are finally set, there is a variation between what the fees are for this committee compared to what they are getting at the moment, does

the minister expect there will be any claim, if it is more — if they get an increase — for back pay to make up the shortfall between the various rates of fees and allowances?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I appreciate the honourable member's question, and I am advised that the understanding of the current work of the MCG advisory committee is that when the bill is passed its powers will be passed on, or its brief in relation to the range of issues it is considering will be rolled into an advisory committee under this legislative framework, and its remuneration would be the same, because I am advised that there is an understanding that when the legislation is passed that committee will come under this legislation.

Hon. I. J. COVER (Geelong) — Although I asked the question in what might have appeared to be a light-hearted manner, I do in all seriousness take up the point Mr Katsambanis was getting at last night. The Commonwealth Games is a big event — it will be the biggest sporting/cultural event in Victoria since the Olympic Games in 1956. Although it is acknowledged that arrangements must be in place through the legislation to prepare for the games, there are certain aspects of the bill that clearly need to be thought through and established, such as issues with regard to fees and allowances. It would appear from the minister's last response that if he determines the fees and allowances the MCG committee is currently getting will be the same when the legislation comes into force, the government has at least thought through the issue of continuing the committee at the same fees and allowances. I urge the minister to see that the setting of fees and allowances is given plenty of thought and is clear cut.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I again reinforce that a number of standard models are used within the public service. I am advised that they will be the framework under which these advisory panels and their remuneration will be determined.

Hon. R. A. BEST (North Western) — I believe this is a very instructive process because it provides an opportunity to give an indication of the issues the opposition is trying to pursue.

Firstly, I would like to know how many members there are on the MCG advisory committee, so that we can start to establish the fee structure.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that there are three members on the MCG advisory committee.

Hon. R. A. BEST (North Western) — Who is the chairman of that advisory committee?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the chairman is Jim Webber and the other two committee members are Maggie Baron and Kath Mitchell.

Hon. R. A. BEST (North Western) — Does the chairman receive a premium by comparison to the other two members of the advisory committee?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the answer is yes, the chair does receive a premium, and I can also say that the total aggregate cost for that panel sitting each day is \$2100.

Hon. R. A. BEST (North Western) — How many meetings has the advisory committee had?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that it has had in the order of three meetings, or three daily sittings, but it does not communicate with my office on a regular basis. However, I would expect that there is likely to be some communication with the department about the regularity with which the committee sits.

The CHAIRMAN — Order! Mr Best, the committee is tending to stray. I understand what the questioning is trying to provide at the committee level, but we are straying off the bill. Let us see come back to it.

Hon. R. A. BEST (North Western) — That is exactly the reason for the questions, because I would like to clarify whether the minister is prepared to rule a line when this bill passes to demonstrate the fees that are payable to this committee before it transfers and becomes an advisory committee, so there is transparency in being able to identify, under the terms of appointment as set out in clause 8, fees and allowances payable to committee members, and the opposition has the opportunity of identifying some of the costs associated with the terms of appointment of these advisory committees.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — If I have understood the honourable member's question correctly, he is asking me to clearly indicate how much has been spent on the process to date, and then about the process once the advisory

committee takes place under this legislation, is that correct?

Hon. R. A. Best — Correct.

Hon. J. M. MADDEN — I am happy to answer yes to that.

Clause agreed to.

Clause 9

Hon. P. A. KATSAMBANIS (Monash) — Clause 9 is one of the clauses that gives the minister the most sweeping powers, specifically subclause (2), which gives the Governor in Council the right to remove a member of an advisory committee from office at any time. That is as wide ranging as you can get! No reasons are necessary, and there is no rhyme or reason. I ask the minister if there are likely to be any guidelines as to how that power is to be exercised.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that they would be the normal guidelines that apply to the establishment of committees, but as for the technical term, I suppose — I do not want to continue to use the word 'panels' — they are not unlike the guidelines established through the Department of Infrastructure with regard to those panels.

Hon. P. A. KATSAMBANIS (Monash) — In summary, what are those guidelines, and where are they likely to be obtained?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that practice occurs throughout the Department of Infrastructure. I ask the honourable member to seek those instructions through the department.

Hon. P. A. KATSAMBANIS (Monash) — The minister says it is a practice in the Department of Infrastructure. I am trying to work out what that means. Are there rules, guidelines, regulations or orders? The minister asked me to seek that information from the Department of Infrastructure. He has an office in the Department of Infrastructure in his role as Minister assisting the Minister for Planning. I would have thought that information would be more readily available to the minister. If he does not know what they are, how am I supposed to know what they are? What does 'practice' mean and why can we not have direct access to that information now?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I think there were two or three questions there.

Hon. P. A. Katsambanis — Only one.

Hon. J. M. MADDEN — Which question does the honourable member want answered?

Hon. P. A. KATSAMBANIS (Monash) — I can go through the questions one by one: what does the minister mean by 'practice'? Is it a written practice, a fly-by-night practice or something he makes up as he goes along?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that it would be indicated from within the department what is acceptable practice on the advisory committees. That advice would be given to the minister from within the department.

Hon. P. A. KATSAMBANIS (Monash) — It appears there is no current practice. Is that correct?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I do not quite understand the context of Mr Katsambanis's statement or question, but I will try to answer it in the sense that at present the Department of Infrastructure has panels in the same form or in the same model as the advisory committees. That is standard practice, and there are standard processes and procedures under which they take place. Again, the advisory committees are established based on those models.

Hon. P. A. KATSAMBANIS (Monash) — I am trying to make it easy for the minister. He said there are procedures relating to the current Department of Infrastructure advisory panels using the planning processes. What are the standard procedures for removing members of those advisory panels from the planning processes we have in place today?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I reinforce that I am advised it is standard under this piece of legislation. If we refer to further clauses it will be clear under which of them those processes take place.

Hon. P. A. KATSAMBANIS (Monash) — The minister should feel free to refer to those clauses. Please enlighten me.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I ask Mr Katsambanis to move to those clauses, if that is his wish.

Hon. P. A. KATSAMBANIS (Monash) — I am asking the minister to explain what procedures he will use to sack members of the advisory committees he has appointed. They are open ended in the legislation. Initially the minister said it is covered by existing procedures, then he said it is covered by procedures relating to the current advisory panels appointed under the planning regime which this act completely overrides. Now he is saying the procedures he will use are covered by subsequent clauses in the bill before the committee. If the procedure relevant to clause 9 is indicated in other clauses in the bill I ask the minister to point them out to me and to Victorians.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that while I cannot speculate on any singular potential reason why a panel member may resign or be required to be removed I highlight issues further in the legislation, particularly clause 12, that relate to disclosure of interests. They very much form the framework on the way in which members of those advisory committees disclose any direct or indirect pecuniary interests and the matters under which they must accordingly perform in relation to those. They make it relatively clear as to expected issues that may arise but also recognise there may well be issues, one can necessarily appreciate, that may arise from time to time.

Hon. P. A. KATSAMBANIS (Monash) — The minister has talked about clause 12, which refers to disclosure of interests to be made by members of the advisory committees. I fully expect those people would be able to comply with legislative requirements. That clause has to do with those members disclosing interests in situations of pecuniary interests, direct or indirect. I and my fellow Victorians would expect them to comply but that has nothing to do with why the minister would sack a member of an advisory committee.

The minister told the committee that subsequent clauses deal with the procedures for the minister to sack members of the advisory committees. Was that a throwaway line or an answer for the sake of giving an answer, or will the minister point out the relevant clauses?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — No doubt Mr Katsambanis would appreciate that within the framework of clause 12 — and I am happy to go to clause 12 if he wants to go down that path although I would prefer to move through the legislation clause by clause rather than jumping through it — it would be expected that the

nature of direct or indirect pecuniary interests would be set out. That is why clause 12 is in the bill.

If those were not complied with, that would be one of the significant reasons and most likely the driving reason for any panel member being removed should they not conform with those processes or should it be revealed at a later date they had a pecuniary interest which they failed to act on. That is made clear in the legislation. That is why clause 12 exists. If Mr Katsambanis would like to proceed with issues in clause 12 I suggest the committee move through the bill accordingly.

Hon. P. A. KATSAMBANIS (Monash) — I am more concerned with clause 9. The minister talked about subsequent clauses. May I take it from the minister's answer that the only reason he would remove advisory committee members is because they failed to properly disclose their pecuniary interests?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that would be one of the most significant reasons to remove somebody from an advisory panel, but I cannot speculate on what issues may occur in the future in relation to that. One can believe one has the vast majority of those issues covered within the standard practices within the department, but no doubt none of us can see into the future although we can anticipate issues arising from time to time.

There may well be other reasons outside those framed in clause 12. There may be, for example, the potential for an advisory committee to not progress an issue in the manner in which that advisory panel is expected to operate in the brief or the framework. While one cannot see into the future Mr Katsambanis would appreciate that there is the opportunity to remove members of those advisory committees if they were not conducting their activities in a responsible manner.

Hon. P. A. KATSAMBANIS (Monash) — I thank the minister for that last sentence because it is starting to get to the nub of the question I am asking. The minister said there may be opportunity for members to be removed if they were not conducting their activities in a responsible manner. That is well and good to say, but is it not a fact that the legislation gives the minister power to remove advisory committee members for any reason or even without reason?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again, I appreciate that based on the opposition's history, its own experiences and perhaps its own performance it might progress the removal of

somebody from an advisory committee without explanation, but I would expect that in the same manner that we will make public the determinations in relation to recommendations from those advisory committees, should members of advisory committees be required to be removed an explanation in relation to that would be made public.

Hon. P. A. KATSAMBANIS (Monash) — Is that a commitment from you that if there is a removal of any member of any advisory committee you will make public an explanation as to the reason for their removal at the time of removal?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Within the context of the Crown's responsibility and any other issues surrounding that, they would have to be considered accordingly, but I can give an undertaking that we would be making public why a panel member would be requested or required to be removed.

Hon. R. M. HALLAM (Western) — I am a bit confused now with what the minister has reported. It appears to me that he has been very badly briefed, which I find sad given that it is his bill. I take his comments to have included the fact that any decision to remove a member of the advisory panel from office would conform with standard procedures — I think that is the terminology the minister used. He went on to say that they were the standard procedures employed by the Department of Infrastructure. I even recall his suggesting to Mr Katsambanis that he might direct his inquiries to the Department of Infrastructure, which I find very strange indeed.

In the interests of the committee proceeding, I suggest that we leave clause 9, proceed to clause 10 and come back to clause 9 at a later time, to give the minister the chance to take some advice on what those standard procedures are within the Department of Infrastructure and report to the committee.

Clause postponed.

Clause 10

Hon. R. A. BEST (North Western) — One of the questions I have regarding the procedure of meetings is: where the chairperson does not attend, will the person who is appointed as the temporary chairperson be paid a premium for fulfilling the role as an acting chairman?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that will be the case.

Hon. R. A. BEST (North Western) — When the committee considered clause 7 I asked the minister what was the circumstance regarding the structure of the committees and he said in most cases the committees would be made up of three people. Given the latest answer from the minister on this clause, in the absence of a chairman from an advisory committee there will be two people. The person who is elected to chair that meeting will get a premium. That could create a problem because a quorum is obviously two people. If there is a deadlock and no agreement between those two people who are members of the advisory committee as to who will be chairman, how will it be resolved?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised it would then be a case of the Department of Infrastructure assisting them in making a decision as to who would be chairman on that occasion.

Hon. R. A. BEST (North Western) — Or would it be preferable in the construction of the committee to actually appoint a deputy chairperson so that when somebody was not able to be there you would have a chairman there, and if the chairman could not be there someone could then take his or her place? I shall give an example: the unfortunate and untimely death of Ron Casey and the retirement of a couple of people from the Harness Racing Board rendered that body virtually inoperable for a period of time, which caused a fair amount of disruption. It was unfortunate.

What I am trying to get to is a smooth transition. That is why I make the offer to the minister and ask him to indicate to the committee whether he is prepared to consider amendment of the structure of advisory committees so that we can continue to presume that the advisory committees will act accordingly in conducting meetings.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I would be happy to consider a process whereby a deputy chair may be part of the formation of an advisory committee.

Clause agreed to.

Clause 11

Hon. P. A. KATSAMBANIS (Monash) — Hopefully we can be brief here. Clause 11 deals with public consultation. I notice that the primary method of advising the public that an advisory committee is seeking consultation is a public notice in a newspaper circulating generally in Victoria. That is one form of public notice. Why was the giving of more formal

notice not considered for people who may be most directly affected by any development that is assessed under this bill, in the same way that, for instance, in planning processes affected local residents are advised by mail so that they do not have to go through the lottery of checking the public notices sections of daily newspapers?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that this would be the minimum requirement and that advisory committees might choose through their own undertaking to instigate a more formal process of notifying the public in relation to consultation.

Hon. I. J. COVER (Geelong) — That is a welcome response. If this is the minimum obviously there will be the opportunity for public notices to be posted, for example, on a government web site. I am aware there is a Commonwealth Games web site as well, and those opportunities exist. Will the minister be using those?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — No doubt there will be a number of potential other mechanisms available for use to notify the public in relation to consultation with advisory committees, and that may be one of those.

Hon. R. A. BEST (North Western) — On a point of clarification — it is particularly pertinent to me given that the Wellsford Forest Rifle Range in Bendigo will be one of the games sites, and with representation from Mr Cover, there is potential for the triathlon to be staged in Geelong — so that we can ensure the public is appropriately consulted, would the minister consider ensuring that if there are issues relative to road closures and the operation of venues within those cities and the like, advertisements are placed in the two regional newspapers that operate out of those cities rather than in a metropolitan daily?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I would expect, and can confirm, that that would be the case.

Clause agreed to; clause 12 agreed to.

Clause 13

Hon. P. A. KATSAMBANIS (Monash) — Is the advisory committee appointed for the construction of the Melbourne Cricket Ground the only advisory committee to which clause 13 is likely to apply?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is the case.

Hon. P. A. KATSAMBANIS (Monash) — If so, and noting that clause 2 suggested that this bill commences upon receiving royal assent, is there any likelihood that the MCG advisory committee so appointed may not receive the legislative protection for actions it has already undertaken that would be afforded to other advisory committees that commenced after the passing of the bill?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I have the gist of your question, but will you streamline it?

Hon. P. A. KATSAMBANIS (Monash) — The Melbourne Cricket Ground advisory committee is already operating. The bill commences at the time it receives royal assent; therefore all new committees appointed will be fully protected by the bill. Is there a likelihood that the MCG advisory committee will not be given full protection for the actions it has already taken because the bill will not come into force until after those actions had been taken?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The current Melbourne Cricket Ground advisory committee is protected under the current formation, and that protection would also continue. Once the legislation has been passed that committee is then rolled into the framework of this legislation.

Hon. P. A. KATSAMBANIS (Monash) — Can the minister assure the house that that committee has not taken any actions currently and will not take any actions until it is properly constituted under the provisions of the bill when it becomes an act that are outside its current powers but may well be protected under the act that we are contemplating today?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is the case.

Clause agreed to.

Clause 14

Hon. P. A. KATSAMBANIS (Monash) — What is the minister's current understanding of the particular places in Victoria that will be declared Commonwealth Games venues?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — It will be all the games venues. As the honourable member would appreciate, there are likely to be other elements and amendments added to the legislation in relation to the overlays that will be required to be delivered for the Commonwealth Games regarding particular venues and surrounding precincts.

All those venues will be declared Commonwealth Games venues, but this legislation relates to a number of specific building projects that must be undertaken, and hence the framework of the bill.

Hon. P. A. KATSAMBANIS (Monash) — I accept that, but the minister would have some idea of the venues he is contemplating using for the Commonwealth Games. If there a list of those venues can the minister supply that list to the committee today or in the near future?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I can provide the honourable member with a list of the current nominated sites for games venues. I am happy to provide those at a later date. The opposition will be briefed on issues surrounding the Commonwealth Games.

Hon. P. A. KATSAMBANIS (Monash) — In what time frame would that list be provided?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Depending on the level of detail that the honourable member may wish to have, I can provide it in a matter of a week or two.

Hon. P. A. KATSAMBANIS (Monash) — Is it contemplated that, apart from the currently known venues, and certainly communicated in some forums, other venues may be added between now and the conduct of the games?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — That is the case because the Melbourne 2006 committee is still determining some of the technical issues relating to sports. The technical committee, which determines the sports and where those sports may take place, has yet to be determined. I draw the honourable member's attention to comments made in the second-reading debate about the triathlon, which is yet to be determined; hence those issues relating to either the triathlon or activities that may potentially take place in regional Victoria would include sites that would be potentially nominated under this legislation if that were to come to fruition.

Hon. I. J. COVER (Geelong) — The Liberal and National parties appreciate having been briefed by the Commonwealth Games office and by officers from the minister's department to keep us up to speed, and we know there will be more to come. As has been pointed out frequently during the second-reading debate, we support wholeheartedly the Commonwealth Games, but I am looking for a tip as to when I may start looking more closely at the *Government Gazette* to see when

the first area of land will be declared as a Commonwealth Games venue.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I could give Mr Cover many tips, but on that specific issue I would expect that the first venue to be nominated a games venue is likely to be the Melbourne Cricket Ground. It is likely to be nominated a venue in the second quarter of next year, and I would expect that to be made public at that time.

Hon. R. A. BEST (North Western) — I seek a point of clarification. The part of the legislation the committee is referring to is the declaration of a Commonwealth Games venue. Clause 14(1) states:

The Minister, by Order published in the Government Gazette, may declare an area of land to be a Commonwealth Games venue.

It is not advice but a declaration that a particular area is a games venue. Will the minister confirm that the Wellsford Forest Rifle Range site will be a declared Commonwealth Games venue?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is the case.

Hon. R. A. BEST (North Western) — Will the minister advise the committee of the procedures he will now undertake given that part of the land that is a declared Commonwealth Games venue is under native title claim?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that they will be issues no doubt considered in relation to the establishment of the venue and will also be considered as part of the processes established within the advisory committees under the legislation.

Hon. R. A. BEST (North Western) — Does that mean the minister's declaration will override native title?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the answer to that is no.

Hon. R. A. BEST (North Western) — The minister would be aware that honourable members have received correspondence about this issue. I know the department has been working for some time with the Victorian Rifle Association to try to resolve the issue of that small parcel of land — at what I call the front but the Victorian Rifle Association refers to as the back of the rifle range. It is an area of approximately — I am remembering the site as I have seen it — 20 metres by

100 metres. The association is looking for security of tenure.

I am aware that the association wrote to the minister yesterday saying it is prepared to lease the land. It is not the optimum outcome because the association is being asked to provide some \$300 000 or \$400 000 to erect buildings on that particular site for spectators, administration purposes, and for other functions and activities during the events. The association is uncomfortable with the fact that there is no lengthy lease and no security of tenure. Its original position — it is still the position it maintains today because this morning I spoke to Mark Suell of the Victorian Rifle Association — is that it still wants to purchase that land.

As the minister responsible for ensuring these facilities are available in time for the Commonwealth Games in March 2006 — I remind the minister there is a major event there in March 2002 — can he confirm that the rifle association will get security of tenure and will eventually be able to purchase that land?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — While I have not seen the most recent correspondence referred to by Mr Best, I am happy to look at that correspondence as quickly as possible and to receive advice from my department on that issue so that those parties involved in providing the venues can ensure that they reach the appropriate standards to meet the requirements of the games. I will take advice from the Melbourne 2006 organising committee on the management and establishment of venues to ensure that all the parties involved in delivering the Commonwealth Games are confident and comfortable about the provisions and the access to those venues and to ensure that those venues are a lasting legacy to the relevant communities and sporting organisations. To cut a long answer short, I am happy to consider the letter and receive advice accordingly.

Hon. R. A. BEST (North Western) — I thank the minister for the answer but it is not quite the answer I need. I need to pursue it a little more rigorously to get a definitive response because this is not a problem of the minister's making. It goes back a number of years. In 1996 I remember writing to the then minister and the then Premier pointing out that while the land was part of Victoria's Commonwealth Games bid, the Department of Natural Resources and Environment had been obstructionist in the way it was dealing with this parcel of Crown land. I am not in any way blaming the minister or pointing the finger at the government —

Hon. T. C. Theophanous — On a point of order, Mr Chairman, I have been listening carefully to the concerns raised by Mr Best and as the local member he has a duty and right to raise those concerns about this facility. However, I cannot see or understand how the claim he is putting has anything whatsoever to do with the clause being discussed at the moment, which is clause 14 and concerns the declaration of a Commonwealth Games venue. It is about the minister being able to make an order to declare an area of land to be a Commonwealth Games venue, which has absolutely nothing to do with what Mr Best has been talking about. The issue of the rifle range he is interested in pursuing would be more rightly raised by Mr Best during the adjournment debate.

Hon. R. M. Hallam — On the point of order, Mr Chairman, I point out that earlier in the discussion on this precise clause Mr Best raised the question of whether this parcel of land was to be declared a venue under that clause. The minister confirmed that it was to be declared. The honourable member now is pursuing the complications of that site. I suggest that it is not just in order but entirely appropriate for the honourable member to pursue the issues currently before the Chair.

Hon. T. C. Theophanous — Further on the point of order, Mr Chairman, if Mr Best's line of questioning is related to the issuing of an order by the minister in relation to that venue, I have no problem with him pursuing that. However, as I understand it, the comments Mr Best was making were more about seeking funding and support for that particular venue which have nothing to do with the question of an order in council.

The CHAIRMAN — Order! The requirements Mr Best has been requesting of the minister are quite appropriate under clause 14, which refers to the declaration of an area of land to be a Commonwealth Games venue. I am not aware that Mr Best was seeking any funding in relation to that whatsoever. I rule that the committee proceed with clause 14.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I point out to the Honourable Ron Best, without wanting to jump through the legislation, that he should appreciate that clause 58 states that the act expires on 31 December 2006. In terms of declaring a particular venue under the act a Commonwealth Games venue, if not returned prior to 31 December 2006, that would have to return by 31 December 2006.

If the honourable member continues to refer to the rest of the legislation he would appreciate that where those exemptions exist regarding Crown land reserves they

relate to the Melbourne Cricket Ground Act and the Melbourne Sports Centre Act. He would also appreciate that they become Crown reserves in terms of what may take place under this act, but it is only under those two acts and would not necessarily provide an extension in relation to any determination from this legislation into the future beyond 31 December 2006 in relation to a venue like the Wellsford Forest shooting range.

Hon. R. A. BEST (North Western) — I am delighted with that answer because it actually addresses the concerns I have raised. What we are trying to do and what the previous government attempted to do was to have the Victorian Rifle Association (VRA) invest its own money to assist in upgrading the site. It is not asking the government for money, but it will only invest that money if there is security of tenure and a guarantee that it can purchase that particular land.

What action can the minister take to ensure that the VRA is accommodated and can invest that money to ensure the site is ready for the 2006 Commonwealth Games?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I appreciate the honourable member's question. I also appreciate that we are seeking to provide the best possible facilities for the Commonwealth Games, and no doubt that will be done along the lines of the advice we receive from the technical committee for the 2006 Commonwealth Games. I am happy to follow up on the issue of providing the best available facilities for the Commonwealth Games not just in the short term but well into the future. I am happy to consider that, without having seen the most recent correspondence, to see if there is a way of providing the best possible legacy well into the future in relation to that site.

Hon. R. A. BEST (North Western) — I am talking about security of tenure. As I indicated, this is not a problem of the government's making or of the minister's making, but we need a resolution and a concrete answer.

As I said, I raised this problem in 1996 when the Liberal and National parties were in government, and it was in respect of the actions of the department reacting to a native title claim over the particular parcel of land. There are only four and half years to go until the Commonwealth Games. I am trying to do this in a very cooperative way to help both sides, because it is an issue about ensuring that Victoria — particularly Bendigo, in this instance — can provide a facility of world standard and meet the needs of the competitors as

well as the spectators. I suggest that, particularly insofar as the spectators from Bendigo are concerned, it will be the first time they will see a shooting competition, although we have the Queen's Prize and a number of shooting events. We need to give the VRA security of tenure or security of title to ensure it invests its money.

Previous ministers have tried. The committee is giving the minister enormous powers under the bill, and I support those powers, but I need an indication how the minister will ensure that land will be passed to the VRA. It may have to look at the issue of native title further down the track as part of the responsibility of the ownership of the land. That is another issue. I want the minister to give a guarantee to the committee today that the VRA will be able to purchase the land and that a lease may be provided in the short term, but that it will be guaranteed an opportunity to purchase the land and invest its money to ensure the facility is suitable for the games.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again I thank the honourable member for his question. I appreciate the point of the question in trying to ensure security of tenure and I recognise that is an issue, so I am not trying to avoid the issue or be evasive, but I ask the honourable member to appreciate the sensitivities of native title issues. I would no doubt have to consider all those elements, and not only those sensitive issues, but not having seen the most recent correspondence I would need to reflect on those issues once I have seen the correspondence.

Can I assist in progressing the discussion on the bill by saying that I am happy to investigate it and pursue the issue vigorously, but appreciating there are sensitivities in terms of native title that must be considered, and those stakeholders who are part of the sensitivities would also need to be consulted.

Hon. R. A. BEST (North Western) — If I cannot get that guarantee can I get a guarantee that the minister is prepared to make Wellsford Forest the home of the Victorian Rifle Association?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again, I advise Mr Best that I am not in a position to make those guarantees. That is not necessarily saying that I am not looking for those guarantees or supporting them, but at this point in time I am not able to make guarantees of that nature. I would not only have to review the most recent correspondence but also take advice about a number of complex issues in relation to the venue. I am not trying to steer away from the issue, but I ask Mr Best to appreciate that in this forum at this point in time I cannot make that

guarantee. That is not to say I am trying to avoid consideration of that matter into the future.

Hon. R. A. BEST (North Western) — In the minister's opinion is there potential, if the issues are not resolved, for the Wellsford Forest site not to be the shooting venue of the Commonwealth Games?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that will be the site for the shooting, and unless I receive other advice I would still expect that to be the case. Again, my understanding is that will be the venue for the shooting for the Commonwealth Games. I again appreciate Mr Best's interest about providing the best possible venue and I am also committed to providing the best possible venue. No doubt there are issues Mr Best has raised, some of which are sensitive, that will have to be worked through and considered in relation to providing the best possible venue at the Wellsford Forest shooting range. Again I reinforce that the Wellsford Forest shooting range will be used for shooting as a Commonwealth Games venue.

Hon. R. A. BEST (North Western) — Can I get a commitment from the minister that he will do everything in his power and even beyond to ensure that — —

Hon. T. C. Theophanous interjected.

Hon. R. A. BEST — Mr Theophanous, I should remind you that this is extensive legislation that gives unfettered powers to the minister. One of the things I want to take from his previous answer to me is his commitment to resolve this issue in favour of the VRA to ensure that it invests its money wisely and has security of tenure in the future.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I can only reiterate my remarks that I do not believe within the context of this place at this time in relation to this clause and the legislation that I can give those guarantees, but I can say I am committed and will do all I can to ensure that the Wellsford Forest shooting range is the best possible venue for shooting for the Commonwealth Games. I also reinforce that the bill does not exempt the process from native title. Of course, that is an issue that must be considered in relation to the provision of the best possible venue at the Wellsford Forest shooting range.

Hon. I. J. COVER (Geelong) — In declaring a Commonwealth Games venue, will the Northcote bowls club be declared a Commonwealth Games venue before or after it undergoes the upgrade it needs to host the Commonwealth Games bowling competition?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — At this time I am advised there is no requirement to nominate it as a Commonwealth Games venue through the course of its construction. The legislation relates directly to three specific building projects — the Melbourne Cricket Ground, the Melbourne Sports and Aquatic Centre and the games village.

Hon. I. J. COVER (Geelong) — I know it applies to those three, but it has just occurred to me that the Northcote bowls club needs the upgrade and I thought it might have occurred to the minister as well that given that the bill gives him the power to overrule other acts, and he can provide the facilities on time, it may be an example of a venue that should be declared to allow the minister to use this bill. We would not want the lawn bowls venue or any other venue not to be available for the Commonwealth Games when the time comes because the minister has not used the powers available to him.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I appreciate the honourable member's question, and I recognise that the legislation may well give me the capacity to use it in that context, but I am also advised that at this time there is no need to use the legislative framework in relation to the construction of the venue. It has been warmly received by the local council and my advice is that it will be delivered on time.

Hon. BILL FORWOOD (Templestowe) — I just want to clarify that the minister is not ruling out the use of the power that the bill gives him but will use it if it becomes necessary.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again I am advised that the legislation relates specifically at this time to the three venues I previously described, and at this time I am advised that I am not required to use those powers in relation to the construction of any other potential Commonwealth Games venues.

Hon. BILL FORWOOD (Templestowe) — Does the minister acknowledge that the powers exist for him to nominate other venues at a later date?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is correct.

Hon. BILL FORWOOD (Templestowe) — In those circumstances, given that the minister has the power, does he accept that he can use the power in Darebin?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I appreciate the question, and in theory the legislation provides that framework. I have the power to consider and implement it. I also reinforce that that is why the legislation contains the advisory committees — to seek advice in relation to any potential issues such as the one you raised.

Hon. BILL FORWOOD (Templestowe) — I am back to where I started. Will the minister rule out using the power in relation to the bowling complex in Darebin?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that at this time it is not expected that I would need to use those powers in relation to the lawn bowls centre, but as such I am not ruling anything in or out.

Clause agreed to.

Clause 15

Hon. P. A. KATSAMBANIS (Monash) — The minister has talked about the three major projects likely to be covered by the bill.

Hon. T. C. Theophanous — Greece doesn't have a team, Cyprus does!

Hon. P. A. KATSAMBANIS — I will ignore the ramblings coming from the background.

The three major projects that we have talked about are the aquatic centre, the Melbourne Cricket Ground redevelopment and the development of the games village, wherever that might be sited. Is it foreseen that any other projects are likely to be nominated as Commonwealth Games projects under clause 15?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — It is possible but at this time I am advised that it is not necessarily likely.

Hon. R. A. BEST (North Western) — Subclauses (6) and (7) state:

- (6) If the Minister refers a matter to an Advisory Committee under sub-section (2), the Minister may make a project Order without the report of the Advisory Committee if the Minister does not receive a report from the Advisory Committee within the specified time.
- (7) The Minister is not bound by a report of an Advisory Committee in making a project Order.

Given my interest in the previous clause, is the minister prepared to invoke those clauses to ensure that the

Wellsford Forest Rifle Range is the venue for the 2006 Commonwealth Games shooting competition?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Mr Best might wish to explain a bit further how he would envisage that that could be the case.

Hon. R. A. BEST (North Western) — Given that it has taken an inordinate amount of time — in 1996 I first raised the issue — it is not — —

Hon. T. C. Theophanous — You couldn't have had it done by your own government could you?

Hon. R. A. BEST — Mr Theophanous, you are so helpful.

The CHAIRMAN — Order! Mr Best, through the Chair. Ignore the interjections.

Hon. R. A. BEST — I have to be honest: I did not realise until two days ago that this was still an outstanding issue. My understanding is that the bureaucracy was dealing with it and if the number of departments involved still have not been able to resolve it after five years, I am concerned that in establishing an advisory committee as the minister is able to do he may still not be able to resolve it in the time required to ensure the games can take place at the venue in 2006.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am still trying to work out where the question was. I can understand the statement but I am not sure where the question mark was.

Hon. R. A. BEST (North Western) — It gives the government an opportunity of overriding an advisory committee, or if an advisory committee has not made a report, of ensuring that the necessary steps are taken to make Wellsford Forest a venue in 2006.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I appreciate the honourable member's question and the line of questioning on the guarantees he is trying to establish for the Wellsford Forest shooting range. Again, I appreciate the matters raised. I have not seen the most recent correspondence on it but I look forward to viewing it.

I anticipate we will provide the best possible games venue. I also anticipate that if there is a requirement for an advisory committee to report to me that will be done within the time frame set. Again, I reinforce that, as mentioned, the legislation has the capacity for the minister to make a determination if the report is not received within the required time. However, again, the

bill does not exempt the processes of native title and they are sensitive issues which would need to be considered on any of those matters for which the honourable member is seeking a guarantee. I would take advice on that not only from an advisory committee but from the relevant departments and stakeholders.

Hon. I. J. COVER (Geelong) — Clause 15 is about declaring Commonwealth Games projects and the three major projects covered by the legislation — that is, the Melbourne Cricket Ground redevelopment, the Melbourne Sports and Aquatic Centre expansion and the construction of the Commonwealth Games village. Yesterday in the debate I mentioned that I had had correspondence from the City of Melbourne, which has a particular interest in the games village. A letter from the chief executive officer, Michael Malouf, refers to a meeting on 6 September of the council's planning, development and services committee. Among its resolutions was a request that the Minister for Major Projects and Tourism and the Minister for Sport and Recreation ensure that the council and the community are adequately consulted before a determination is made on the preferred site and design of the Commonwealth Games athletes village. Will the minister do that?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am happy to undertake that. I appreciate that the City of Melbourne will be a stakeholder in a range of issues in regard to the Commonwealth Games. No doubt it will deliver services of some sort. The government looks forward to a long and healthy relationship in proceeding with the 2006 Commonwealth Games. No doubt the City of Melbourne will be well and truly in the loop in relation to any developments that take place in and around the delivery of the Commonwealth Games.

Hon. I. J. COVER (Geelong) — I appreciate that and I am sure the council will. It would also appreciate the minister agreeing to a further request that the government provide for legislative entrenchment of ecologically sustainable principles into the planning and development of the Commonwealth Games in 2006. This follows from yesterday's discussion about environmental issues and the Sydney Olympics green games model. Will the minister accede to the request from the council about providing for the legislative entrenchment of ecologically sustainable principles into the planning and development of the games?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — On a number of occasions the government has mentioned that this is the initial

legislative framework. No doubt there will be amendments to the legislation on a range of issues. The issues raised by the honourable member may well be considered in further amendments but, again, there may be other mechanisms which guarantee the delivery of many of those matters through the establishment of relevant advisory committees.

Clause agreed to.

Clause 16

Hon. P. A. KATSAMBANIS (Monash) — Clause 16 is about declaration of designated access areas, and specifically subclause (2) suggests that where any of the land in such proposed designated access areas is under the control of the minister administering the Crown Land (Reserves) Act 1978 the minister responsible for the games must consult with that minister before making a designated access area order for that land.

It is all good and well to consult but the bill does not provide a process for resolution of the disputes. What will be the nature of the consultation undertaken between ministers, and if there is a dispute between ministers whose say will have priority?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — There is a whole range of processes under which ministers meet and discuss. The honourable member will appreciate that in terms of the wheels of government no doubt there is a number of mechanisms by which ministers will resolve those issues.

Hon. P. A. KATSAMBANIS (Monash) — We will wait with bated breath and see. As I said, I will not respond to any of the inane interjections from the peanut gallery at this stage — it will help us progress.

If the minister will answer my question as to why the procedure will be undertaken by order rather than by regulation or some other mechanism that is open to parliamentary scrutiny, that may also be an answer to my questions about the following few clauses. In the bill the minister has utilised an order of the Governor in Council as the mechanism for making such determinations, be they about designated access areas or later in the bill about project orders and the like. Did the minister contemplate using the regulation-making power contained in the bill to make those determinations rather than making them by order?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that whilst that was

considered this method was considered more appropriate.

Hon. P. A. KATSAMBANIS (Monash) — The minister will be aware that regulations are open to parliamentary scrutiny through the operation of the Parliament's Scrutiny of Acts and Regulations Committee and also through the disallowance power available to either house of the Parliament. However, orders such as those utilised extensively in clauses 16, 17, 18 and 19 of the bill are not open to such scrutiny. The concept of making regulations having been considered, was the regulatory approach dismissed because the government wanted to avoid public and parliamentary scrutiny in the making of these decisions?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised it was considered more appropriate and more streamlined. I believe there are processes within the framework of the legislation — I particularly refer to other comments I have made — to ensure that the government is transparent and accountable in relation to all the processes and the determinations made by me as minister.

Clause agreed to; clauses 17 to 19 agreed to.

Clause 20

Hon. P. A. KATSAMBANIS (Monash) — Clause 20 simply makes the Planning and Environment Act and all planning schemes inapplicable for the purposes of the bill and for any development undertaken for the duration of the Commonwealth Games. The Planning and Environment Act and the planning schemes give significant protection to the public of Victoria in planning issues. Recently they have undergone significant review, particularly with the introduction of Rescode. Why was that planning process deemed inappropriate for planning the venues, the facilities and the village, which we are told will not be simply temporary and only for the Commonwealth Game but will be venues and facilities for the long-term benefit of Melburnians?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again, Mr Katsambanis, I am advised that the clause provides certainty in the delivery of the venues. That is one of the key criteria under which the bill has been introduced — that is, to ensure certainty in the delivery of those venues and to make sure that they are delivered on time for the games.

Hon. P. A. KATSAMBANIS (Monash) — Do I take it from the minister's answer that, in weighing up the considerations of certainty of delivery of the games

venues on time as against the proper operation of the planning process, the proper operation of the planning process and the planning schemes for good planning in Melbourne were a secondary consideration?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that again in order to deliver the venues in a timely manner the streamlining of the process through advisory committees was deemed appropriate — that is, because of their nature and the timeliness necessary for the delivery of the event.

Hon. P. A. KATSAMBANIS (Monash) — I will pursue this because it is very important to people who will be affected by any planning and development in their neighbourhoods. In relation to the games village in particular it is likely that surrounding neighbours will be affected. When considering any development in particular parts of Melbourne or regional Victoria, what consideration will the advisory committees that the minister will establish give and when he makes the final decision what consideration will he give to the existing rules that apply in current planning schemes?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for his question. No doubt the guidelines for those relevant advisory committees will relate to issues that have been mentioned, particularly in relation to the public amenity of those in the vicinity of any of the venues. That will be a consideration in any of the recommendations that flow from the advisory committees.

Hon. P. A. KATSAMBANIS (Monash) — The planning schemes set the standards the community expects for planning outcomes for their neighbourhoods so that people can live happily, peacefully and harmoniously. Is it likely or possible that in the development of any venue, and in particular the games village, which will be a site for long-term residential use for the people of Melbourne long after the games are over, the standards utilised in assessing the criteria for building or developing that site will be significantly different from the planning scheme that operates in the rest of the municipality or the local area surrounding wherever that games village may be?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that as part of the process for the development of any of these games venues and in order to streamline the process many of those issues which may normally be addressed through the Planning and Environment Act will be addressed in the project brief guidelines for any of the developments. I reinforce to Mr Katsambanis that from the outset the issues will

be significant and paramount. That will flow through the process, thereby streamlining the entire process from the beginning through consultation to delivery to ensure the games venues are delivered in a timely and effective manner.

Hon. P. A. KATSAMBANIS (Monash) — What role will local government in particular areas play within the framework the minister is envisaging? I ask this question specifically because in the normal course of events local councils are the responsible authority so far as planning schemes are concerned.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that considerable consultation will take place with local councils on local planning issues and other relevant matters that might relate to provision of these venues and the long-term infrastructure outcomes. They may relate to issues over and above just planning issues, and they may relate to broader issues well beyond the immediate locale in which those venues are located.

Sitting suspended 1.01 p.m. until 2.02 p.m.

Hon. P. A. KATSAMBANIS (Monash) — Before lunch we were talking about the involvement of local government in the processes envisaged within the structure of the bill. I ask the minister to explain what consultation he has had so far with specifically the City of Melbourne, particularly in relation to the proposed site of the village at Parkville.

Hon. J. M. Madden — I am happy to answer the question, but on a point of order, Mr Chairman, I have been fairly lenient in answering questions that relate to issues broader than the specific clauses. I ask honourable members to try to stick to relevant clauses.

Hon. R. A. Best — On the point of order, Mr Chairman, I could not hear what the minister said because of the audible noise behind me. I ask the minister to repeat the comment he made to the house.

Hon. J. M. Madden — On the point of order, Mr Chairman, prior to answering the question, I am happy to be lenient in answering the question, and I recognise the depth and breadth of questions on the clauses, but so that we can progress the matter more smoothly rather than wandering too far off each clause I request that honourable members bring their questions back to the bill if that is possible, Mr Chairman.

Hon. P. A. KATSAMBANIS — On the point of order, Mr Chairman, I picked up exactly where I left off at the break for lunch. We were discussing the application of the Planning and Environment Act and

planning schemes. Local councils are the responsible authorities for the administration of planning schemes. I was exploring that train of thought, and it is interesting that the minister has come into the house straight after lunch and said he does not want to continue.

The CHAIRMAN — Order! The honourable member cannot debate the issue on a point of order.

Hon. P. A. KATSAMBANIS — My point is that on this clause I am specifically talking about planning schemes and the involvement, or in this case the exclusion, of local government from the operation of planning schemes in respect of this bill.

Hon. R. M. Hallam — On the point of order, Mr Chairman, I hear exactly what the minister says, and I take it to heart. If he is concerned about the process of this committee can I suggest he rely upon his own advice? If the committee is to be rebuked for its meanderings I suggest to the minister that he be more concise in his responses.

The CHAIRMAN — Order! On the point of order, I think it is quite relevant to remind the house of the need for relevance with regard to discussions on each clause. Certainly on what I have heard of the questioning on clause 20, which is about planning and the relevance of local government to that, I rule that the questions are relevant.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Thank you for your ruling, Mr Chairman. Considerable discussions have taken place with appropriate local authorities about the three venues nominated in the bill. I advise that those discussions have been on a range of matters. They have also related to clauses in the act that relate to the relevant authority of those local councils.

Hon. P. A. KATSAMBANIS (Monash) — My question was specifically in relation to the Melbourne City Council. The minister would be aware that the Melbourne City Council has expressed its concerns and disappointment about the way issues relating to the games village have so far been handled. What action is the minister going to take to improve relations with the Melbourne City Council in the future, especially given that the council is going to be a very important stakeholder in delivering the games on time, as the minister said.

Hon. J. M. Madden — On a point of order, Mr Chairman, while I appreciate the nature of the question, I ask you to draw the honourable member back to the clause rather than extensions of the issues

surrounding the clause, and rather than progressing on the issue of particular stakeholders.

The CHAIRMAN — Order! On the point of order, I invite Mr Katsambanis, who I believe is being relevant to the clause, to restate his question.

Hon. P. A. KATSAMBANIS — I fail to understand what the minister is trying to get at, except trying to avoid answering the question. The question was quite direct. The Melbourne City Council has expressed significant disappointment in dealing with the minister, especially on the issue of the siting of the games village. I asked the minister what action he is going to take to improve relations and dealings with the City of Melbourne in the context of the advisory committee process and the conduct of the games generally.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — As I stated in the previous answer, considerable consultation has taken place and discussions have been held with relevant local authorities. I advise that the discussions continue through the offices of my department, and that they will continue to take place. My understanding is that there is a very sound working relationship with those local councils, in particular the City of Melbourne, and I would expect that situation to continue. Although the City of Melbourne may have concerns I do not believe there is significant criticism of the process to date.

Clause agreed to.

Clause 21

Hon. P. A. KATSAMBANIS (Monash) — Clause 21 deals with the fact that the Heritage Act will be overridden by the bill. I have had a number of representations made to me from organisations such as the Royal Park Protection Group and the Parkville Association about the significant heritage value of the buildings at the Parkville site, which is one of the three sites the government currently has short-listed for the games village site, its having at one stage been the only preferred site. In his contribution yesterday Mr Birrell also outlined the significant heritage value of those buildings at the site. The Heritage Act is the act by which heritage buildings are usually protected in Victoria.

I am advised by members of the Royal Park Protection Group that prior to the change of government they had met with officers of the then Department of State Development — now the Department of State and Regional Development — and with government representatives, and that they had been given

assurances that the heritage value of the buildings currently at the Parkville site would be respected.

Given that the minister is to suspend the operation of the Heritage Act insofar as it will relate to the Parkville site, if it is developed as the games village I seek an assurance from him that the heritage values of the buildings on the site will be fully protected for the enjoyment of all Victorians in the future.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I appreciate that the heritage-listed buildings on the Parkville site are of historic and heritage significance. While the bill precludes the Heritage Act of 1995, I am advised that as part of the project brief for the games village, should it be located at Parkville, heritage issues about the buildings should be recognised and treated accordingly as buildings of significance.

Hon. P. A. KATSAMBANIS (Monash) — What process is envisaged to be used in the project brief, as the minister put it, to ensure the appropriate heritage protections are delivered?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again I am advised that the development to take place for the games village will come from the project brief but, of course, potential commercial developers will nominate their solutions for those particular sites. As part of the project brief they are required to recognise and appreciate the significance of those particular buildings. That will be one of the significant criteria as part of the assessment of their proposals.

Clause agreed to.

Clause 22

Hon. P. A. KATSAMBANIS (Monash) — This clause has caused probably the most community concern, as it has been expressed to me. The clause suspends the operation of the Environment Effects Act when any works are being carried out on a venue, area or project for the Commonwealth Games. In my contribution yesterday I outlined how Sydney's Olympic Games came to be known as the green games. I ask the minister to outline to the house, given that he will have suspended a major piece of environment protection legislation from operation during the Commonwealth Games period, what specific action he intends to take to ensure that Melbourne's games are similarly viewed worldwide as the green Commonwealth Games.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I appreciate the question, but I am trying to understand its relevance in relation to the clause. I appreciate the questioning about the suspension of the Environment Effects Act, but in no way does the clause relate to the green games. I can understand the point made by Mr Katsambanis, but I cannot understand how it relates to the clause. The clause does not relate specifically to any other policy proposal or outcome associated with the Commonwealth Games.

Hon. P. A. KATSAMBANIS (Monash) — I am incredulous at that answer. I must put on the record that the minister is starting to deliberately obfuscate so as to avoid answering the legitimate concerns of the opposition and the Victorian public. I will pursue the issue. I intended to ask the question up front, but I will pursue the question incrementally, if the minister wishes it that way.

Through the bill the minister will suspend the application of the Environment Effects Act. What procedure, process or guidelines does the minister envisage putting in place to replace the operation of the Environment Effects Act on all projects and venues under the Commonwealth Games Arrangements Bill?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for bringing his question into line with the relevant clause. I appreciate the fact that he has aligned it with the clause the committee is discussing.

In relation to clause 22 and the following clauses that relate to the streamlining of processes on existing legislation — whether they be the Planning and Environment Act, the Heritage Act, the Environment Effects Act or the Coastal Management Act — all those acts are streamlined under this process.

Part of the process of streamlining those acts is what we have gone through in the early part of the legislation — that is, to have advisory committees that can make recommendations in relation to these matters, whether they be specific or generic projects across the range of projects or the delivery of the games per se in relation to any or all of those matters that would be contained around those themes.

I am talking about planning and environmental issues as well as heritage, environment effects and coastal management issues and the like, and anything else that I may request those advisory panels to consider or that they may wish to consider in line with the scheduling of those advisory committees.

Hon. P. A. KATSAMBANIS (Monash) — That answer will stand for a long time as a how-to guide on writing the next series of *Yes, Minister*. I have absolutely no idea what question the minister was trying to address; he certainly was not addressing my question. I will proceed slowly until I get the answers. Maybe the minister does not understand the question; if not, he should say so.

But please, Minister, don't try to pull the wool over my eyes or the eyes of the Victorian public by attempting to use those sorts of answers to specific and general questions. Don't take us as fools, because nobody in this place is a fool.

The minister intends to suspend the operation of the Environment Effects Act — a significant environmental protection. In his last answer — and I will use it to pick up on the minister — he talked about the generic advisory committees, which he started talking about yesterday. Does the minister intend setting up a specific committee to look at environmental concerns in relation to the Commonwealth Games as one of the generic advisory committees, as the minister described them?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised the answer is yes.

Hon. P. A. KATSAMBANIS (Monash) — Thank you, Minister.

Hon. I. J. Cover — We need more of those answers.

Hon. J. M. Madden — You should make your questions more specific.

The CHAIRMAN — Order!

Hon. P. A. KATSAMBANIS — When is the committee likely to be established?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I have already described the range of issues the committees may well address. I have also identified some of the issues they will address, and it is expected they will be formed some time in the future, at a date to be determined.

Hon. P. A. KATSAMBANIS (Monash) — I understand the minister will establish an advisory committee to deal with environmental issues for the games generally — a generic committee, as the minister described it — to look at the big picture issues. But the minister cannot tell the committee when that will be established, is that right?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am in agreement that we will be setting up such an advisory committee and are working through the relevant dates. I cannot give a definitive date, but I expect it would be in the not-too-distant future.

Hon. P. A. KATSAMBANIS (Monash) — Given that we have four and a half years between now and the conduct of the Commonwealth Games, I take it that the not-too-far-distant future is some time in that four and a half years. Is the minister able to narrow it down a bit further? Is it likely to be this year, next year, in 2003 or in 2004?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised I should expect that to be established sooner rather than later. I would expect that to take place probably at some stage in the next year.

Hon. P. A. KATSAMBANIS (Monash) — Is it envisaged that this committee will have support for applying environmentally sustainable design principles to the development of games venues and games projects, and specifically to the games village?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Although the terms of those advisory committees are yet to be defined they will be asked to consider a range of issues. I also reinforce that in relation to the venues — and members of the house, particularly from the opposition, have been very keen to quote the Sydney experience — the Sydney experience was the development of new venues for virtually most of the Olympic Games. In our circumstances in the vast majority of cases we have existing venues. There will be only a number of new venues, which have been highlighted in this legislation, and those new venues will be developed accordingly.

Hon. G. R. Craigie — Answer the question, Justin!

The CHAIRMAN — Order!

Hon. J. M. MADDEN — As part of those specific venues, issues relating to sustainability will be part of the terms of those advisory panels.

Hon. P. A. KATSAMBANIS (Monash) — To follow on from there, the minister talked about the terms of environmental sustainability being part of the terms of the advisory panels, as he calls them — the advisory committees — for those particular specific projects. I take it that although there will be an environment advisory committee generally, issues of environmentally sustainable design that attach to specific projects will be dealt with within the advisory

committee for those specific projects rather than by his generic environment advisory committee.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the extent of those terms is yet to be defined, and no doubt there will be some crossover between those issues, but it is anticipated hopefully that those issues will not be duplicated within those processes.

Hon. P. A. KATSAMBANIS (Monash) — In the reply previous to the last one the minister talked about the Sydney games and how there was a need to build most of the venues from scratch, and that is true. In Melbourne the most significant venue or project that appears to need to be built from scratch is the village itself. The minister talked about learning directly from the experiences of Sydney. I note that even the Premier has acknowledged that we should learn from the experiences of Sydney.

On the back cover of a book called *The Collaborative Games* written by Tony Webb in 2001, Steve Bracks, Premier of Victoria, says:

I encourage all those who will be involved in planning the Melbourne Commonwealth Games in 2006 to learn from the Sydney experience recounted in this book.

So far as developing the games village and environmental sustainability are concerned, for the Sydney Olympic Games specific principles were enumerated in the principal act and were supplemented by a specific state environment planning policy. In the quote I have just read the Victorian Premier asks us to learn from the Sydney experience.

The Premier is partly responsible for planning the Melbourne Commonwealth Games and the Minister for Sport and Recreation is vitally responsible for it. Having called on us to learn from the Sydney experience why did this government, led by the Premier, choose not to follow the Sydney model in building the one piece of infrastructure that, as was the case in Sydney, has to be built from scratch?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — That is a fairly lengthy question, and I ask Mr Katsambanis to repeat the last phrase. I am not sure where he wants me to go in my answer to the last part of the question.

Hon. P. A. KATSAMBANIS (Monash) — We are focusing on environmental sustainability of the development and the fact that the minister and the Premier have talked about learning from Sydney. Sydney had very specific and strict environmental

criteria built into the principal act, the Olympic Co-ordination Authority Act, and those specific environmental criteria were supplemented with a specific state environment planning policy 'No. 38: Olympic Games and related projects'. The minister talked about learning from Sydney. The Premier says we should use Sydney as a model. In building the Commonwealth Games village why have they chosen to deviate so far from the Sydney example and not build specific environment protections into this principal legislation?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — There are a number of things to learn from Sydney. What has been learnt from Sydney is the minimum legislative framework required for the delivery of the games. We are not duplicating that legislative framework, but we have learnt from the Sydney experience about the appropriate use of legislative mechanisms; hence this piece of legislation is part of that. We believe the advisory panels will serve as a better way of delivering many of those environmental issues and facilitating consultation with the community as to where the priorities should lie on environmental issues rather than our assuming we have all the answers and setting benchmarks that are unachievable. The panels are also a better way of determining where the best benchmarks should lie, what is achievable and what will deliver an appropriate legacy in relation to the state investment in those areas.

Hon. P. A. KATSAMBANIS (Monash) — Thank you, Minister. The reason we are pursuing this is that the legislative framework that has been created gives the minister almost unfettered power. Although he can mouth platitudes about involving the community the legislation is a skeleton that allows him to do anything he wants, whenever he wants, and that is why we are seeking assurances. The minister has come a little bit of the way and has talked about creating this environmental committee. We will hold the minister to that and will look for that to be created.

The important thing is that the public of Victoria wants to know what framework the minister will be using. He has unfettered power under this bill. He does not have to do any of this at all if he does not want to. We accept what he says in good faith, but we need some answers. This will be a major undertaking. The taxpayers of Victoria will have to put in a lot of money and take a lot of risk, and they want to know that the major interests of this state will be looked after.

In regard to public consultation the minister says he will be using the committee framework. That is fine, but specifically in relation to the games village and the

principles of environmentally sustainable development will it be written into the advisory committee's brief that one of its criteria for assessing the suitability of a planned development will be the environmental sustainability of the development?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — If I have understood the honourable member's question appropriately, advisory committees may be established, but certainly the project brief for the games village will no doubt be seeking best environmental practice for the building process. That would be part of the project brief. Also there will be issues that must be considered and agreed as to what is best environmental practice. No doubt the review processes will determine what is and what is not best practice in those areas.

The honourable member would appreciate that a range of groups that label themselves as environmental groups have different focuses and different understandings of what is best practice, and that is where an advisory committee with the relevant expertise can draw together a range of views to formulate a view which is uniform and considered appropriate in determining best practice environmental standards.

Hon. P. A. KATSAMBANIS (Monash) — Given this wonderful consultation and consideration of the wide range of views and the final deliberations of the advisory committees leading to a series of recommendations to the minister on environmental standards, can the minister give an assurance that he will accept those recommendations and not use his reserve power in this legislation to override such recommendations?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I appreciate the honourable member's point of view. I would also expect that issues will be considered by cabinet which I cannot today necessarily guarantee. Many of those issues may proceed through the cabinet process and will have to be considered accordingly.

Hon. P. A. KATSAMBANIS (Monash) — I am thoroughly befuddled by that answer. The minister is responsible and he must carry the can. The minister has unfettered power to make decisions. The advisory committee reports to the minister, makes its recommendations and the minister chooses to accept or not to accept them. I do not care what is behind his decision, whether he stands up on his own, jumps up and down or talks to a couple or a whole host of his

mates. Whether formally or informally, the minister has to make the decision.

Given the suspension of the Environmental Effects Act, when there is this wonderful considered process and the minister takes into account all the views and assesses what is right and wrong and gets a series of recommendations on environmental aspects, particularly on the games village, from his advisory committee will he accept them?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — As I have mentioned previously, I will respond accordingly to the recommendations of the advisory committees, and those determinations will be made public. I have not seen any of those recommendations and I can make no guarantees on any recommendations I have not yet seen.

Hon. P. A. KATSAMBANIS (Monash) — Given that answer and the framework we are dealing with in this legislation, is not the consultation and advisory committee structure a complete sham?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I understand where the honourable member is trying to direct the line of questioning. I have made it plain in this forum that we will make public the recommendations of those advisory committees and respond to them in a public manner. That determination will be made public and considered accordingly. At all times those decisions will be made in the best interests of the Victorian public.

I find it astounding to hear that level of criticism of the process which is extraordinarily transparent compared with the methods of the previous government. I feel I have been frank and open in explaining the legislation. While answers have been lengthy, I feel that I have given a substantial level of detail rather than referring to one-word answers in this place. I have given lengthy answers to try to assist honourable members with an understanding of the bill. No doubt if the line of questioning is trying to attract criticism of the legislation, which has been fully supported by the Liberal and National parties, I can give very short answers that will make it unclear, which will not assist this process.

Clause agreed to; clauses 23 and 24 agreed to.

Clause 25

Hon. P. A. KATSAMBANIS (Monash) — Given that the operation of the Building Act is varied in clause 25, what protection will there be that a building will not be of a substandard quality?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Clause 25 enables the minister administering the Building Act 1993 to be clear that, despite anything to the contrary in that act, the secretary or any other person or body specified by order published in the *Government Gazette* in accordance with the terms and conditions of that order is to carry out the administration and enforcement in relation to all or part of the Commonwealth Games Act or any of the provisions of that act and the regulations.

Subclause (2) provides that any reference to a council or a relevant building surveyor or municipal building surveyor is a reference to the secretary or the relevant person or body specified in an order under this section in relation to the Building Act 1993 and regulations.

Hon. P. A. KATSAMBANIS (Monash) — In the longest possible form, the minister has repeated my question. Given that the operation of the Building Act is varied by this clause, what protection will Victorians have that building standards will be of the highest levels and not be substandard? The minister said in response that the Building Act will be varied in the way that clause 25 says it will be. He repeated my question. Will the minister answer my question?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — My advice is that the terms of reference of the advisory committee will ensure compliance with the relevant regulations under the Building Act.

Clause agreed to; clauses 26 to 30 agreed to.

Clause 31

Hon. R. A. BEST (North Western) — Clause 31 refers to the surrender of interest in unreserved Crown land, and states:

- (1) The Minister may recommend to the Governor in Council that —
 - (a) the interests (if any) in any Crown land; and
 - (b) the prescribed contractual rights (if any) relating to any Crown land —

which is part of a Commonwealth Games venue be surrendered to the Crown or extinguished.

Does any such recommendation override any native title claim?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that does not override any existing native title claim.

Hon. R. A. BEST (North Western) — Do the interests specified in subsection (1)(a) specifically exclude native title?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I repeat that I am advised that the bill does not exclude native title.

Hon. R. A. BEST (North Western) — Given that the Wellsford Forest site is subject to a native title claim, what structure of tenure will the minister undertake to ensure the Victorian Rifle Association is afforded the necessary security to invest in the on-site facilities appropriate to a world-class event?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I recognise where Mr Best is going with his line of questioning and I understand his motive in trying to guarantee security of tenure for the relevant groups at the Wellsford Forest shooting range. Again, without having seen the most recent correspondence from those stakeholders, I am happy to investigate the issue. I cannot make any guarantees today but I can guarantee that I will pursue the issue to ensure that the best possible Commonwealth Games venue is available at Wellsford Forest for shooting and that there is a lasting legacy for the relevant communities and stakeholders.

Hon. R. A. BEST (North Western) — Will the minister consider a long-term lease?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — While I cannot make any guarantees, I am happy to consider that as part of the investigation of those issues.

Hon. R. A. BEST (North Western) — Is a long-term lease necessarily deleted as an option because there is a native title claim?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I do not believe I can make a comment about that at this time, but I reiterate I can neither include or exclude that as a potential option. However, I am happy to pursue that and to look at the most recent correspondence from the appropriate stakeholders to see if there is some way we can facilitate an outcome for all the relevant stakeholders, recognising there is a sensitive issue, and to ensure that the best possible outcome is available.

Clause agreed to.

Clause 32

Hon. P. A. KATSAMBANIS (Monash) — Clause 32 is about acquisition by agreement. Subsection (2) states that any land acquired by that sort of process will be deemed to be unalienated land of the Crown, which gives rise to an interesting legal conundrum. Following Mr Best's line of questioning in clause 31, there may well be land that may not ever have been capable of being subject to a native title claim but through the operation of clause 32, once becoming unalienated land of the Crown, could then become subject to a native title claim. Has the government examined the land it is considering acquiring by such a process to ensure wherever possible that that scenario is unlikely to eventuate?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised the answer is yes.

Hon. P. A. KATSAMBANIS (Monash) — Further, should such claims arise, has the government considered what sort of process would be undertaken to expedite the settlement of the claims so that the project and therefore the games are not unnecessarily delayed?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised it would have to be by agreement between the parties.

Hon. P. A. KATSAMBANIS (Monash) — That gives rise to a whole series of interesting questions, but putting the question as directly as possible, I assume the government still has guidelines as to how it deals with native title claims: is it likely to deviate from those guidelines to expedite the settlement of any claims that arise to ensure the Commonwealth Games go ahead on time?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised we would adhere to those guidelines.

Clause agreed to.

Clause 33

Hon. P. A. KATSAMBANIS (Monash) — Clause 33 relates to compulsory acquisition and gives the secretary the power to compulsorily acquire land. It is a pretty commonplace power with these sorts of developments. What private land is contemplated to be so compulsorily acquired under this sort of process?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the organising committee will identify the extent of the venues and I will be made aware of such issues on the basis of that

advice from Melbourne 2006. At this time I cannot nominate any particular land-holdings that would come under this consideration.

Hon. P. A. KATSAMBANIS (Monash) — I am astounded. A few minutes ago in answer to questions on clause 32 the minister told me that the government had contemplated all aspects of land acquisition and determined that once that land reverts from its current title to unalienated land of the Crown the government did not contemplate any native title claims arising. That indicated to me that the government had gone through a process of consideration of land that it is likely to acquire or potentially acquire.

In answer to the next set of questions on the next clause the minister said the government was awaiting advice from Melbourne 2006 as to what land it should or should not acquire. In light of his recent answers I ask the minister to examine those answers and clarify whether his answer to clause 32 was correct or not.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I still stand by that answer. I am advised the major land acquisitions relate to the major projects articulated in this legislation. It is not expected that there will be any other land acquisitions for any of the other venues other than the overlay that is required for the very short term in and around the games in relation to fencing and the like.

Hon. P. A. KATSAMBANIS (Monash) — I take it the overlay the minister refers to is the temporary extra space required around game venues. Is it envisaged that the government will acquire that space by agreement for a short time, or through compulsory acquisition of title to the land?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that we would expect that would be through agreement, but if that cannot be the case it may be otherwise.

Hon. P. A. KATSAMBANIS (Monash) — The minister has told me in answer to the series of questions regarding clause 33 that he still does not know the extent of land the government will have to acquire, be it by compulsory acquisition or acquisition by agreement. The minister is waiting on advice from Melbourne 2006 so far as the needs of the major projects are concerned. Insofar as the temporary land is concerned he may or may not have to use compulsory acquisition. In any way, shape or form the answer is that the power has been stuck in here just in case it needs to be used. That is fine, I have no problem with that, but the minister should not tell the committee in answering

questions about clause 32 that the government knows there will not be any native title claims on any land that reverts to becoming unalienated land of the Crown as a result of the process used when the government does not know the extent of the land it may need to acquire.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that in relation to the acquisition of land they are metropolitan circumstances as identified in the three major projects. In relation to any other overlays regarding games venues, we have a clear understanding of the types of venues they are. The only other issue is the extent of access required for the overlay and I am advised that those are issues that we understand would not require consideration of native title issues other than potentially the one nominated by the Honourable Ron Best. In the vast majority of cases the venues are in urban or metropolitan settings or the like and as such would not require access to enormous amounts of land whose ownership is not known or is in dispute.

Clause agreed to; clauses 34 to 36 agreed to.

Clause 37

Hon. P. A. KATSAMBANIS (Monash) — Clause 37 gives the minister powers of entry and possession of land either surrendered or acquired. I realise the minister wants the committee to stick directly to the clause, but if the committee looks at both clause 37 and clause 40, which takes away the operation of the Residential Tenancies Act, it will speed up the process. I know it is highly unlikely that any residential land is likely to be acquired in this process, but if residential land is to be acquired and if the protections of the Residential Tenancies Act are suspended, and the minister is responsible for operating the act, will he use his discretion to be slightly more lenient than the strict criteria for entry and possession if he is about to evict a family out of a home rather than a public corporation, or a public service enterprise with desks and so on out onto the street.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that we will know well in advance the sort of locations we are likely to acquire should that be the case. I give a guarantee to the committee that the government will not be evicting families from their houses.

Clause agreed to; clauses 38 to 44 agreed to.

Clause 45

Hon. I. J. COVER (Geelong) — Clause 45 relates to the temporary closure of roads. As the committee has

been working through the bill we have heard on a number of occasions when the minister has been unable to give a definitive answer about venues and when they may be determined as Commonwealth Games venues and other issues where it is either too early or too difficult to say. That may well be the minister's response in this case, but we are talking about the fact that the minister may temporarily close a road to traffic if he considers it necessary to do so so that work on the project or neighbouring land can be carried out. My first question in relation to the clause is whether any roads have been identified at this stage that will be the subject of the provision.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that at this point in time it has not been determined which specific, if any, road closures will need to take place. However, there will be some events that take place because of their nature on existing roads. I expect to receive advice about where those road-type events will occur, the access required and for what periods of time that access is required. I would expect that to be delivered to me through my department in consultation with Melbourne 2006 and also after having relevant discussions not only with government agencies but also relevant local authorities regarding access to those roads.

Hon. I. J. COVER (Geelong) — In part of the answer the minister referred to road closures associated with events. The clause refers to projects. I was referring to projects which we determine to be the three major projects covered by the bill. I fully expect there will be road closures with events in 2006 but we are in the project phase at the moment and in talking about projects the minister also mentioned consulting with relevant local authorities. If I can be presumptuous, I assume a relevant local authority is a local council, which may be some comfort to the Municipal Association of Victoria whose letter I referred to yesterday and again earlier in committee. The MAV wrote to me indicating that it believed clause 45 would be more practicable if consultation took place with the relevant council rather than the Minister for Local Government, as mentioned in subsection (2)(b). In mentioning local authorities does the minister mean that he will consult with local councils in line with the MAV position?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised the answer is yes.

Clause agreed to.

Clause 46

Hon. P. A. KATSAMBANIS (Monash) — Clause 46 gives the government through the Treasurer the power to execute guarantees in respect of projects. What guarantees are currently envisaged to be required to be given in respect of any Commonwealth Games projects?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that it is expected the Treasurer's guarantee will relate to the MCG redevelopment.

Hon. P. A. KATSAMBANIS (Monash) — Although the minister may not have a finalised position, what is the nature of that guarantee likely to be?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I ask the honourable member to clarify his question.

Hon. P. A. KATSAMBANIS (Monash) — The minister told us there would be a guarantee in relation to the Melbourne Cricket Ground. What will be the nature of that guarantee? There are all sorts of guarantees. It could be the performance of the building contract or a guarantee to expedite the planning. It could be a guarantee as to the financial underpinning of the project very similar to the sort of guarantee that was given by the former Cain government in relation to the building of the Great Southern Stand. Guarantees can be of all sorts in nature. I ask the minister as the person responsible for the administration of the bill what is the guarantee being contemplated to be offered in relation to the Melbourne Cricket Ground?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that an understanding of that clause is that the Treasurer may execute a financial guarantee in relation to those venues.

Hon. P. A. KATSAMBANIS (Monash) — Will the minister advise the house as to what extent, for what duration of time and under what terms and conditions that guarantee is likely to be executed?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Not only do I not have those details with me at present, but many of them are still being resolved within Treasury, and I would expect the Treasurer would ensure responsibility for that.

Hon. P. A. KATSAMBANIS (Monash) — Will the minister advise honourable members whether when it is finalised that information will be made public to

Victorian taxpayers or whether it will be cloaked in some sort of commercial in confidence type of arrangements?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that at this time I cannot clarify that position because it is still being determined and those issues are not fully known.

Hon. P. A. KATSAMBANIS (Monash) — I find that a difficult answer to accept on the face of it —

Hon. M. M. Gould — Bad luck!

Hon. P. A. KATSAMBANIS — The leader of the government might well sit there and say, 'Bad luck'. I wish she would say that to the public of Victoria. This government when in opposition used to make the greatest song and dance of all time about openness and transparency and it turned the concept of commercial in confidence into a dirty word in the public sphere. Today it continues to ignore the fact that it made those comments. It reveals its chameleon nature because having come to the Treasury benches it has automatically jettisoned all that rhetoric and instead adopted a position which says, 'We are not going to tell you that, it is open to negotiation between the parties'.

I ask the minister once and for all whether his comments today bury that concept of openness and accountability when it comes to this government.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I believe I have answered that question. I find the honourable member's remarks extraordinary. The legislation is about transparency and process and the government will ensure that is the case.

In relation to issues surrounding the Melbourne Cricket Ground redevelopment, quite a number of parties are making commitments to that agreement. Again the Treasurer will execute a financial guarantee to that agreement, and no doubt the parties to it may have qualifications on which information is to be accessed, but that is still to be determined.

Hon. I. J. COVER (Geelong) — To put it in simple terms, when the MCG redevelopment is all organised, the plans are in place, the tender has been let, the contracts have been signed and there is a final bottom line figure, is that the point at which the Treasurer undertakes a guarantee of the amount which is on the bottom line of the contract for the redevelopment?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — My understanding is that those issues are still being determined at this time.

Hon. I. J. COVER (Geelong) — Is there any indication when they might be finally determined?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The process is under way and I would expect it would be completed very shortly.

Hon. P. A. KATSAMBANIS (Monash) — The minister is playing with the public's money and he is being reticent in revealing the extent of the commitment. I understand that in many cases he might not know the final extent of the financial guarantee expected of the government, but can he at least indicate what length of time is being contemplated for the duration of the existence of the guarantee?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am informed that the final details of the tenancy agreement which underpins the duration of the need for a guarantee are still being determined. It is part of an agreement between the Melbourne Cricket Club and the relevant tenants, and that process is still under way at this time.

Hon. P. A. KATSAMBANIS (Monash) — To help enlighten us and the public of Victoria, is this a tenancy agreement with the Victorian Cricket Association, the Australian Football League, both or some other parties?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The tenancy agreement is between the Melbourne Cricket Club and the other users of the facility, but primarily the Australian Football League.

Hon. P. A. KATSAMBANIS (Monash) — So, in effect, the government is sitting back waiting for a tenancy agreement to determine the financial standing of the Melbourne Cricket Club (MCC) to raise the finance, based on its projected income. Is the guarantee the government is contemplating a shortfall of projected revenue or requirements of financiers between the tenancy agreements and the total value of the financing package required, or is the government contemplating providing an overarching guarantee over the whole performance of the finance contract?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that it is the government's understanding at this point in time that that financial guarantee relates to the building project. There are elements of the tenancy agreement and business planning in relation to the MCC which are still being worked through with Treasury in relation to the operation of the business plan. Those are the issues which are being considered. But the Treasurer's guarantee relates to the financial guarantee of the building project.

Hon. P. A. KATSAMBANIS (Monash) — Other than under the guarantee, is the government committing any other funds to the building project, which is the redevelopment of the stands at the MCG?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — It is my understanding that the government is providing the financial guarantee, and while the business planning is being worked through in the greatest detail with Treasury, the contribution will be limited. It is my understanding that contribution will be limited to a financial guarantee for the building project and, unless advised otherwise, that is still the government's understanding.

Hon. P. A. KATSAMBANIS (Monash) — Will the cost of the guarantee be charged to consolidated revenue or to the Commonwealth Games budget?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — It is my advice that those issues are still being determined within Treasury.

Hon. P. A. KATSAMBANIS (Monash) — Is there a Commonwealth Games budget?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — My advice is that at this point in time there is an indicative budget. Issues relating to that budget are being scoped to determine them within government. That budget will not be completed in its entirety until after the Manchester games in 2002.

Hon. I. J. COVER (Geelong) — That leads us to ask the question then about the MCG advisory committee which was talked about earlier and which is already in place. No doubt, as we learnt earlier — —

The CHAIRMAN — Order! Mr Cover must speak on clause 46.

Hon. I. J. COVER — The minister has just introduced the issue of the budget and the way in which the money for the guarantee is allocated, and he has indicated it is still being determined. In respect of the advisory committee which is already doing work on the MCG redevelopment for which the government will give a guarantee, I am seeking to find out whether the guarantee covers the cost of the work the advisory committee is doing already or whether that is coming from the Commonwealth Games budget or some other source.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the funding for the advisory committee is coming from an advance on the Commonwealth Games budget.

Hon. R. A. BEST (North Western) — Given that the minister has indicated earlier that he will establish a number of advisory committees towards the end of this year and early next year, where will the allocations for those fees come from?

The CHAIRMAN — Order! I do not believe the question is relevant — I suppose it has some relevance in relation to the guarantee, so yes, I think it has relevance, and I invite the minister to comment on it.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that currently the funding of those advisory committees is coming from my departmental budget, and the normal process with the advisory committees is that the developers reimburse the cost to government for those advisory committees.

Hon. BILL FORWOOD (Templestowe) — I want to go back half a step: in relation to the guarantee for the MCG, I take it that the guarantee will cover the full cost of the project?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — My advice is that it is expected it will cover the full cost of the project, and the finalised scope of the project is still being determined within Treasury on the basis of the reviewing of the detail of the business plan.

Hon. R. A. BEST (North Western) — Just so that I can clear up my point: as there is no budgetary line item for the Commonwealth Games within the minister's portfolio area, is he telling the committee that any costs incurred in establishment or in payment of fees to advisory committees will be drawn down on his budget and then there will be a reallocation in future years?

The CHAIRMAN — Order! That question is outside of clause 46, which talks about the guarantees, Mr Best.

Clause agreed to.

Clause 47

Hon. P. A. KATSAMBANIS (Monash) — Clause 47, specifically subclause (2), provides for the restoration of temporary venues so that after they have been used for the Commonwealth Games they will be restored before being handed back, as happens with the grand prix. It is interesting to note that in subclause (2) there is a difference between Crown land and other — I guess private — land. Private land must be handed back in:

... a condition reasonably comparable to its condition immediately before it became a temporary venue.

So it has to be restored to as close as possible to its ordinary condition. However, for Crown land the condition is that determined jointly by the Minister for Sport and Recreation, the minister administering the Land Act and the minister administering the Crown Land (Reserves) Act before the project order was made.

That gives particular concern to constituents of mine because Albert Park is Crown land and the Melbourne Sports and Aquatic Centre is located there. I dare say that some of the temporary venues that will be required will be on parkland. The public understand that, but they want their park returned in the best condition possible. If it is good enough for private land to be handed back in a condition reasonably comparable to its condition immediately before it became a temporary venue why is not good enough for Crown land to be handed back in such a condition?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that clause relates to improving the land as it exists when the works are undertaken.

Hon. P. A. KATSAMBANIS (Monash) — I take it that any land at Albert Park will be given back in at least the same condition in which it was handed over, and there is a little carrot that at some stage it might come back in even better condition?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is correct.

Hon. I. J. COVER (Geelong) — There is just one other little point about the restoration of temporary venues or designated access areas that needs clarification. We know that the Commonwealth Games will conclude on 26 March 2006 and that the Commonwealth Games Arrangements Act sunsets on 31 December of that year, so there will still be nine months between the completion of the games and the sunset of the act to restore the temporary venues or designated access areas to their original condition or to a condition reasonably comparable to their condition beforehand. You never know, there might be an issue at one of the venues that delays it being restored.

I am interested to know what might happen if the act had sunsetted and the venues had not been restored as set out in the act. Would people just throw their hands up and say, 'We don't have to worry about it any more because the legislation doesn't apply any longer'?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that we would expect all those works to be conducted prior to the date in the sunset clause. I also indicate a significant issue in the

difference between this bill and previous acts relating to events that may have come before this house in the years prior to the government coming into office — that is, there is also the ability to seek compensation through the normal court processes. There is no section 85 statement and therefore if a party is aggrieved about any of the matters it is possible for them to seek compensation through the normal court processes.

Clause agreed to; clauses 48 to 53 agreed to.

Clause 54

Hon. P. A. KATSAMBANIS (Monash) — Clause 54 deals with interference with activities. I know the minister wants us to stick strictly with a clause-by-clause scenario, but if we consider the power to remove offenders as provided by clause 56 in conjunction with this clause it might help the minister to answer the question in a wider context. I take it that the minister's department has given full consideration to the operation of the provisions and is certain that they are powerful enough to deal with circumstances such as needing to deal with one individual in particular, whom I will not dignify by naming in this place but who has become known as a serial offender in trying to disrupt activities of major importance and whom the large majority of the Australian public generally consider to be a total hindrance and nuisance. I call on the minister to assure the house that these provisions will be adequate to deal with persons such as that individual, if the need arises.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is the case.

Clause agreed to; clauses 55 to 57 agreed to.

Clause 58

Hon. P. A. KATSAMBANIS (Monash) — Clause 58 is the expiry clause and is dated 31 December 2006. I have no problem at all with sunseting legislation; the less useless or redundant legislation we have on the statute books the better. Because it gives the minister so much power I welcome the fact that the bill has a sunset clause. Given that the games are not likely to conclude until 31 March and there will be a lot of issues to deal with in wrapping everything up, is the expiry date not rather ambitious?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that is not the case, but again it should be appreciated that the framework of the bill relates to those three specific venues, and of course additional aspects. Should it be the case that that needs to be extended — again if there are additions to this

legislation in one form or another — there is potential for that, but I would need to receive advice that that was a requirement or was necessary.

Hon. P. A. KATSAMBANIS (Monash) — On the point that currently the framework of the bill relates to three specific projects, the minister has told us repeatedly — in briefings, in the second-reading speech and in the committee stage yesterday and today — that it is intended to build on this framework by amendment of one unique piece of legislation to deal with the Commonwealth Games. That will be in contrast with what happened in Sydney, where the government brought in one bill after another so that in the end there were three acts, I think. It is not right to say that come December 2006 the framework of the bill will be dealing with just those three projects, is it?

I will not belabour this point but the date seems a bit ambitious. Can the minister confirm that in December 2006 the act will deal with a lot more than just those three projects, and will he give consideration to establishing a later expiry date?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the other components of the bill that are likely to appear in future will relate to issues such as security and potentially issues such as marketing and other initiatives related to those aspects. Whilst I do not have any of those details here and could not relate any details about what may potentially be complementary to this legislation, I believe 31 December 2006 is appropriate. Should it be found that that is ambitious — at this time I do not believe it is — and other legislative amendments show an extension is required in relation to those issues, no doubt that will be given the fullest consideration.

Clause agreed to; clauses 59 to 65 agreed to.

Clause 66

Hon. ANDREA COOTE (Monash) — I have some concerns with schedule 2 of the bill. I have a great deal of difficulty with the proximity of the inclusion in schedule 2. I know the area extremely well because it is in my electorate, but I must say that the inclusion is extremely confusing. I ask the minister to point out in detail where the Distance Education Centre is, where Canterbury Road is and where the Melbourne Sports and Aquatic Centre is in relation to this inclusion. I do not think the schedule is detailed enough. I have a problem with it, and I know the area.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I have in the house an enlarged version of that map, which I am happy to provide to the

honourable member. Perhaps that would assist the honourable member in understanding the map, but for the sake of the debate, if you are looking directly at the map you can see Albert Road at the top of the page. To the left-hand lower side of the page where it says 'Public park reserve' is where the railway line sits. So if the honourable member can imagine Albert Road at the top and the railway reserve on the left that might allow her to appreciate the layout. On the right boundary of the diagram is, I believe, the existing roadway that runs alongside the Melbourne Sports and Aquatic Centre precinct. To again assist the honourable member, the corner where Albert Road and the public reserve meet is the area where the Distance Education Centre is located. If the honourable member requires further detail I am happy to provide that to her at a later date.

Hon. ANDREA COOTE (Monash) — I appreciate that offer and I will take it up. I thank the minister.

Hon. I. J. COVER (Geelong) — Is the land delineated on schedule 2 with the lines through it, which is designated 16F with an area of 5200 square metres, the land on which the Distance Education Centre is located?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Yes.

Hon. I. J. COVER (Geelong) — Given that there will be an expansion of the Melbourne Sports and Aquatic Centre to include a second swimming pool, and I presume taking in this area designated on schedule 2, I ask the minister if there are any trees on that land marked as 16F?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — My understanding is there are no trees of any significance on that area. There may well be some shrubbery or some trees, but my understanding is there are no trees of significance with regard to the potential works on that site.

Hon. I. J. COVER (Geelong) — The Commonwealth Games Arrangements Bill at page 2 lists a range of definitions, yet sadly one of the definitions not there is a definition of 'significant trees'. The minister has brought into the committee stage the use of the term 'significant' in relation to trees that may be in that area designated under schedule 2 and I would be interested to get a definition from the minister as to what he regards as significant trees.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for his request for a qualification, and I am happy to assist him. I am advised that there are no substantial trees, but there

is the potential to have any of the trees relocated if others consider them to be substantial or significant.

Hon. I. J. COVER (Geelong) — I asked the minister for a definition of 'significant trees' and they then became substantial! In either case I still do not know whether I or anyone else in the house got a clear definition of what the minister regards as a significant or substantial tree. We also discovered there are some relocatable trees, which adds further intrigue to this development at Albert Park. We all know about previous developments at Albert Park that involved trees, and I will not put any other title on them or use anything adjectival — that is a descriptive word, Minister!

The CHAIRMAN — Order! Mr Cover!

Hon. J. M. Madden — On the point of order — —

Hon. I. J. COVER — There has not been a point of order!

Hon. J. M. Madden — On a point of order, Mr Chairman, I ask you to call the member to speak to the bill.

Hon. I. J. COVER — On the point of order, Mr Chairman, throughout this committee stage any one of us, including me, could have called points of order on the minister about getting to the point of his answers, and at clause 66 he is asking us to get to the point of the question. Thank goodness we did not ask him to be more specific about some of the answers!

The CHAIRMAN — Order! On the point of order, Mr Cover should just proceed.

Hon. I. J. COVER — I will save you making a ruling, Mr Chairman.

The CHAIRMAN — Order! I already have.

Hon. I. J. COVER — The minister has clearly indicated that some trees are significant, some are substantial and some are relocatable. A number of people regard every tree as being significant or substantial and I therefore seek an undertaking from the minister as to whether these trees are going to be removed from the area marked on schedule 2.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for his question. If it assists the honourable member I can complement those remarks about significant and substantial trees by saying mature trees. That may assist the honourable member. I hope that does not confuse

him with regard to what trees might look like, but my understanding is there are no significant, substantial or mature trees, and should relevant stakeholders — —

Hon. I. J. Cover — On a point of order, Mr Chairman, I feel that the minister is not taking my question seriously. Let the record show that the minister just proceeded to laugh at a very serious issue and did not proceed to answer the question.

The CHAIRMAN — Order! On the point of order, I am sure the minister is treating this issue with the greatest respect.

Hon. J. M. MADDEN — Thank you, Mr Chairman. I say to the house committee that this is why we have advisory committees — to give us advice on issues like trees!

Hon. P. A. KATSAMBANIS (Monash) — Continuing on in the vein of my colleague I have an equally serious issue to raise which comes up regularly at Albert Park because the area is used for significant sporting events.

I refer to the issue of other park users being excluded from using the facilities of the park for a period of time to coincide with major events, be they major swimming events, the grand prix or the like.

I know the minister, quite rightly, is unable to say now for what period of time the reserve will be required and what part of the reserve will be required for the Commonwealth Games, but on behalf of park users who are in the main constituents of mine will the minister give the committee an assurance that park users will be advised at least 12 months before the event whether they are likely to be required to vacate the premises and not use the sporting fields during the Commonwealth Games, and for any intervening period in the lead-up to and at the conclusion of the Commonwealth Games so that they may make appropriate arrangements?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am happy to give that undertaking.

Clause agreed to; clause 67 agreed to.

Postponed clause 9

Hon. R. M. HALLAM (Western) — It was at my suggestion that clause 9 was postponed to give the minister the opportunity to take advice. The committee was discussing the conditions and circumstances under which the Governor in Council may at any time remove a member of the advisory committee from office. There

was a great deal of discussion across the chamber about the circumstances that may prevail at that time.

In the course of his responses the minister said he would rely upon standard procedures employed by the Department of Infrastructure. At one stage he suggested to the Honourable Peter Katsambanis that he should address his question to the Department of Infrastructure — but I know he was being frivolous!

I invite the minister to report to the committee on his inquiries about the standard procedures. Will he report to the committee what the standard procedures are?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am happy to respond to Mr Hallam's request. I am advised that the removal of members under this clause is a standard provision that is required by government. Persons appointed are expected to agree to these provisions as a matter of accepting appointment.

I am also advised the committee's responsibility is clearly outlined in the terms of reference and government guidelines for the appointment of members to boards and committees. The Department of Infrastructure is responsible for servicing the committee and as such will advise the minister if a committee member acts outside the intent of the terms of reference and guidelines for members.

Should a member be deemed to have breached the requirements of their appointment I as the minister on advice from the department would consider options for counselling the member and only as a last resort would I consider recommending to the Governor their removal.

Hon. R. M. HALLAM (Western) — I thank the minister for his response.

Clause agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I move:

That this bill be now read a third time.

I thank honourable members from all sides of the house for their substantial contributions to debate on the bill.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

ESSENTIAL SERVICES COMMISSION BILL

Second reading

Debate resumed from 9 October; motion of

Hon. C. C. BROAD (Minister for Energy and Resources).

Hon. PHILIP DAVIS (Gippsland) — I am delighted to join the debate on the Essential Services Commission Bill. I hope to make a constructive contribution to what will obviously be an important debate because clearly upon reflection on representations made to the Liberal opposition the community has many concerns about the bill. At the outset, although we will not oppose the bill a number of significant matters need to be canvassed during the course of the debate.

My perspective of the bill is aimed at matters affecting the energy and ports portfolios. However, the substance remains. The bill is before the house because of the political opportunism and expediency displayed by the then opposition, the Australian Labor Party, in the lead-up to the 1999 election and for some time before that in trying to undermine the obvious benefits of utility reform in Victoria and in conducting a concerted campaign to confuse consumers of essential services — electricity and gas, but particularly electricity — about the benefits of reform.

The Liberal and National parties in coalition went into the 1992 election with a commitment to improve the competitiveness of Victoria's utilities. An arduous task was undertaken in both a legislative and regulatory sense but also through a community and political process of developing a structure for the state's utilities that would give advantages to consumers, attract investment in energy infrastructure and especially ensure that the value of the utilities could be exposed to the market and as such released through a privatisation program that probably has been the envy of the world in the way it was implemented. The then Treasurer, the Honourable Alan Stockdale, needs to be given great credit for his approach.

Hon. M. M. Gould interjected.

Hon. PHILIP DAVIS — I hear the interjection from the Leader of the Government who is puffing out her cheeks about the sale of Victorian energy assets.

The primary reason that the then government had to embark on that privatisation program was of course the debt burden which had been left to it by the outgoing discredited ALP government. While members of the present Labor government continue to deny any responsibility for that the reality is that the high-taxing, big-spending approach of the 1980s is being revisited upon this state as we consider these matters of import. It is the case that from 1982 to 1992 the ALP took Victoria's debt from \$11 billion to \$32 billion, with a deficit-funded budget of \$2.5 billion at the end of its term in office.

The comments I wish to make on this legislation will not be very wide of talking about the bill, but I think we need to put some matters in context. The structure of the energy industry, especially the electricity industry which we have in this state today, is a testament to the legacy left by the coalition government in 1999. Although, as I said, much play was made by the ALP of the difficulties in the electorate in a political sense it is clear after its having been in government for a bit over two years that that rhetoric, point scoring and opportunism have come to naught. What do we see in the legislation now before the house? We see that it is a pale shadow of what was promised by the government when in opposition. What were the commitments the ALP made? It certainly made great play of a number of matters and took issue with security of supply, reliability and price.

Let us be clear about what it is that Victorians look for in utilities. What do customers look for? They look for a secure and reliable supply at a price which is satisfactory in terms of relativities — and a competitive price. Under the monopoly structures of the previous state-owned enterprise process — that is, the former State Electricity Commission — Victorians really had no say about any of those matters. They had to accept what was delivered by way of service standards and prices.

The Labor policy which is attempted to be reflected in this legislation was contained in the 'Brighter ideas — Labor's vision for energy' policy statement. At page 2 it states:

This document outlines Labor's proposal to strengthen regulation of the energy industry through the establishment of an essential services commission.

Further, it says:

Privatisation has seen the number of blackouts increase by 32 per cent. And compared with 1995 — the year when the electricity companies were privatised — unplanned minutes off supply have increased by 10 per cent.

The policy went on to talk about security of supply, regulatory supervision of production and generation facilities.

One would think the policy document would reflect what we would see in this place in legislation, but notwithstanding more than two years of this process of building up towards legislating, and may I say an exhaustive consultation process that has involved huge amounts of public and private resources in terms of the submissions made to it — firstly with the consultation paper which was released back in August last year, subsequently with the exposure draft document on which further submissions were made in July of this year and then eventually with the legislation introduced into the house — during which a significant effort has been made by stakeholders in the utilities to make their views known, I think to a large extent they have been ignored by the government.

Two things are clear: one is that the government had no intention of having a serious consultation in any event, and more importantly the other is that the government itself has clearly demonstrated in its legislation a recognition of the wrong-headedness of the approach which was proposed to be taken in the ALP policy of 1999.

It is useful to reflect on some of the realities. Of course the ALP made much play of the impact of disaggregation and privatisation upon customers and tried to make the case — which as I said was summarised in the policy document — that there had been a decrease in reliability to the average consumer. It also tried to make the case that there had been an increase in cost of electricity to the average consumer, and by that I mean particularly residential customers.

Let us deal just with price. As I said, the critical issues that the purchasers of an essential service really look for are quality and price. What do we know about price? Honourable members who can be bothered doing their homework and reading their usual correspondence can refer to the recent report of the Office of the Regulator-General, *Electricity Distribution Businesses — Comparative Performance Report for the Calendar Year 2000*, published in August this year. It is useful to turn to part 5 on affordability, prices and charges. I shall read just one excerpt:

Residential customers saw a 21 per cent real reduction in price from July 1994 to June 2000 ...

Given a 21 per cent real reduction in price over that period for the government to be making play, as it has been doing in government and as it did when in opposition, of the issue of disaggregation and privatisation being detrimental to the interests of consumers in terms of price simply shows how stupid, ignorant or treacherous it has been.

Hon. R. M. Hallam — Or all three.

An Honourable Member — Tell us exactly which one.

Hon. PHILIP DAVIS — If provoked, I will. When it comes to the issue of reliability a new concept is being introduced into the argument about supply in this state. We now have sort of smoke-and-mirrors discussions about reliability and separate discussions about security of supply. Obviously the government is concerned to deal only with what it calls reliability, which as I perceive it is basically blaming the distribution companies for every malfunction the government can possibly find to create a scapegoat for its own deficiencies.

I again refer to the report to which I just alluded. I think it is useful to quote the summary provided by the Regulator-General about that report. The summary on reliability in the extract from the media release attached to the report states:

The key measure of reliability — average minutes off supply — was 157 minutes ...

That is for last year, 2000, and I think it is a useful figure to quote.

It further states:

This is significantly better than the results for 1995–98, which averaged 206 minutes off supply.

That is astounding. Further:

The frequency of momentary interruptions fell 8 per cent ...

The 2000 result does not include interruptions due to load shedding resulting from shortages of generation in February and November, which resulted in a further 26 minutes off supply.

That is 26 minutes off supply compared with the 157 minutes average time off supply which was a consequence of an unscheduled maintenance in that period. I find that remarkable. It is due to the inept handling of the power disputes of February and November 2000 when this state for the first time in

17 years suffered extensive blackouts entirely due to the lack of capacity of the government to demonstrate the appropriate leadership to resolve the issues which were threatening supply at that time, and to the fact that we were not only having blackouts but at the same time exporting power interstate because decisions could not be made by the government to reconnect supply in Victoria.

It is evident that, notwithstanding the claims that are made by the ALP, and have been over long periods — indeed now for nearly 10 years — of the failure of benefits to accrue to consumers on utility reform, the ALP has been unable to sustain a case. The legislation is a reflection of the fact that the government is not proposing to deal with the real issues. It threatened to give the new Essential Services Commission new stringent powers of intervention. Those powers deal with the principal cause of interruption to electricity supply in the state. The cause of interruption to supply to customers which resulted in 26 minutes off supply in the year 2000 — that is, industrial relations conflicts — has not been dealt with in this bill.

It is clear that the government is distancing itself from a responsibility to deal with what it determines to be security of supply issues rather than simply dealing, as it is choosing to, with matters which it alludes to as reliability matters — that is, dealing with poles and wires and the regulated assets which already come within the control and purview of the Office of the Regulator-General.

What does the bill seek to achieve? It replaces the Office of the Regulator-General with an Essential Services Commission. In the sense of delivering on a government policy commitment one can say that if you change the name of another body, as is generally the preference of the government, then you have achieved your principal policy objective — you have changed the name.

As well as a considerable cost being added to regulation in this state, not only to the public purse but also in the layer of regulation which will be required to be dealt with by industry and the costs ultimately passed on to consumers, as inevitably they will be, there will be a higher cost to Victorians as a result of the legislation.

The bill defines an essential service as a service provided by the electricity, gas, ports, grain handling, rail and water industries and any other industry prescribed by regulation. It provides that by order in council the government may declare such an industry other than the electricity, gas, railway or tram industries to be a regulated industry, and prescribes the prices,

goods and services of that industry which may be regulated. That is another great raft of the regulatory bureaucratic agenda.

The bill also provides for the government rather than the Essential Services Commission to decide, after an ESC inquiry, whether a particular grain handling facility or port service is to be regulated or should cease to be regulated. It requires licensing of port and grain handling bodies and payment of licensing fees and the imposition of a licence surcharge on water entities under the Water Industry Act.

The reach of the legislation in a regulatory scheme is significant. We must keep in context what this regulation means. It is the case that clearly utilities must operate within a national framework. The principal issues that affect the viability of most of our utilities, particularly power energy utilities, are matters that are determined at a national level and by national agreement. The role of the state is important, but it has to mesh effectively with national agreements. It is clear that we must consider the relationship of Victorian industries in that national context.

I turn specifically to the national electricity market, which operates on the basis, at least notionally, of an interconnect. Although most of the development of the interconnects is being frustrated by a lack of incentive for that investment, it is important that that issue be dealt with promptly. There is a need to recognise that the interconnected national grid supplies some 7.7 million Australians. Those Australians live in the states that are connected within the grid, which are Queensland, New South Wales, Victoria, the Australian Capital Territory and South Australia.

Approximately \$8 billion of energy is traded through the national electricity market each year. Within that context Victoria comprises about 30 per cent of that national market. Brown coal, the predominant fuel type for electricity generated in Victoria, comprises about 31 per cent of the national market generation output. The issue of most interest to the government is the price-sensitive market, and the electorate-sensitive market is residential customers as opposed to industrial and commercial customers because the government has a small interest in providing commercially competitive electricity to our industrial and commercial stakeholders. The government's predominant interest is to clearly and deliberately focus on the benefits to the sensitive voting public.

Hon. R. M. Hallam — That's a bit cynical!

Hon. PHILIP DAVIS — It may sound cynical, Mr Hallam, but in my view the government's actions speak louder than its words. When one considers the size of the various sectors, it is important to note that residential customers make up only 27 per cent of the total value of the national market.

It is important to have a competitive environment where all the stakeholders at the customer end have a fair crack at it, but the government's emphasis on the regulatory approach is not in the interests of achieving and developing an adequate national electricity market component within Victoria. It is focused clearly toward delivering a controlled outcome for the government in terms of its constituency and those people it thinks it is beholden to primarily, rather than the national interest or the Victorian interest in maximising the economic benefit to the state. It shortens long-term objectives.

Hon. T. C. Theophanous — What are you talking about? Do you know what you are saying?

Hon. PHILIP DAVIS — For Mr Theophanous to intercede in any commentary in this place on energy issues would be the height of abuse of the chamber given the patience of all members of the then government who were subjected to hours and hours of droning when he was the opposition spokesman in this place.

Hon. T. C. Theophanous — They were quality speeches; that is why we are in government!

Hon. PHILIP DAVIS — It may be a matter of the number of votes being inversely proportional to the quality, because I suspect those speeches did not influence anybody in the house.

It is important to reflect on what stakeholders have to say about the general approach taken by the government. I refer to the minister's second-reading speech where she said, in part:

Key features of the Essential Services Commission to ensure it delivers on this goal include:

...

more effective regulatory oversight over reliability of supply of essential services as they affect Victoria.

In terms of the approach the government has taken, the fact that it talks about oversight of the reliability of supply again highlights the issue I alluded to. The government is dealing with poles and wires rather than the issues of substance. As I said before, the issues of substance are the ability to control, in a management sense, the interruptions which have occurred twice under the watch of the present Minister for Energy and

Resources and which have caused blackouts in the state.

Significant commentaries on the legislation have been made by the various stakeholders. I refer to some in particular and to the attitude of those who provide the services which are requisite to ensure that the energy markets operate viably. These are the corporate entities in their own right or the industry organisations who represent them and their approach to investment. The Australian Council for Infrastructure Development (Auscid) made the following point in correspondence with the Liberal Party:

While elements of the ESC legislation may provide marginal improvements for investors over the current regulatory system in Victoria, the proposed ESC legislation does little to give confidence to investors that they will be treated fairly under the new regulatory regime. As a result the government can expect investment in regulated assets to be restricted compared with the situation which would prevail if true, light-handed incentive regulation were provided.

In particular Auscid is extremely concerned that the objectives of the ESC are skewed toward short-term consumer interests at the expense of the need to encourage legitimate investment and at the lack of merit appeals. This is likely to lead to short-term consumer-focused regulatory decisions at the expense of investment with the result that services will degrade in the long run.

Auscid urges the government to review the objectives of the ESC to re-balance the legitimate needs of consumers and investors and to ensure that the ESC is required to assess the interests of consumers in the long run.

It is of concern to me to have had discussions with Auscid about this issue. Auscid's real concern is the potential for investment to dry up.

In recent times the Minister for Energy and Resources has made great play in this place about the claims being made that the state government has attracted, facilitated or otherwise encouraged investment in 1000 megawatts of generation capacity. The reality is, as honourable members know, that less than 450 megawatts of capacity is presently under construction and that is at risk of not proceeding on the basis of industrial disruption and other matters, including growling green frogs.

Hon. C. C. Broad — That is not quite right; growling grass frogs.

Hon. PHILIP DAVIS — The green growling frog.

Hon. Andrea Coote — Get it right; it is the growling grass frog!

Hon. PHILIP DAVIS — Thank you. We know it is a frog! There have been delays because of the growling

grass frog and other industrial disruption, including green bans because the Electrical Trades Union (ETU) would like to build a few windmills. Even that has been put at risk.

Victoria is attractive to investors in peak-load generation as a consequence of the industry structure, which was the legacy of the previous government. The market has a demonstrated capacity to attract investment, and the market has yielded some prospective investors, such as the biggest electricity generator in the world, AES Transpower. AGL is trying to get past growling green frogs.

Hon. C. C. Broad — You still haven't got it right.

Hon. PHILIP DAVIS — I am sorry; they are growling grass frogs. Edison Mission is trying to overcome some problem with asbestos. The company was also subjected to industrial delay as a consequence of aspirations by the ETU. My point is simply that the industry structure that has been inherited by the government has had the capacity to facilitate and attract, as a consequence of the market forces, investment in new peak-load capacity.

It is clear that the government in its own right has not made any contribution whatever to the attraction of that investment. Indeed, the investment is being frustrated by a lack of facilitation by the government in dealing with the issues which are causing the delays in the projects proceeding.

Clearly the role of the government is inevitably and necessarily to ensure that when the market works as effectively as it has shown it is capable of doing, and when supply and demand movements reflect a potential return and profit capacity for the private sector, the investment will be made. Of course, we are talking about investment in the unregulated aspect of the electricity industry — generation. The role of the government must be to facilitate and ensure that investment proceeds without hindrance, in this case to guarantee peak summer load demand.

It is clearly the case that the Australian Council for Infrastructure Development, which represents and speaks for major infrastructure investors in Australia, is concerned about the government's approach to this legislation. It is concerned that the regulated assets and industries for which the government has principal oversight responsibility — that is, those industries determined to be monopolies, either natural monopolies and recognised as such or deemed to be under this legislation, and seemingly any industry can be deemed

to be a regulated essential service — will continue to attract investment in these regulated assets.

Indeed, it is a global marketplace, and not just a global marketplace, because there are options in other states, particularly with regulated assets, and I have no doubt that Auscid's concerns are real because I have discussed them at some length.

To support that view Origin Energy has made representations to the Liberal opposition and set out clearly the concerns regarding the same issue. My concern about this general approach of the government, as Auscid has pointed out, is confirmed and extended by Origin Energy, which states:

Origin is concerned that the ESC bill will magnify regulatory oversight in the Victorian energy market in a manner that may constrain the development of effective retail competition for small energy consumers. In particular the bill contains imprecise terminology, which allows broad interpretation of its intent ...

Origin requires a more precise definition of the meaning of 'regulated industry' and 'regulated service'...

This terminology suggests that the ESC will exercise regulatory oversight in relation to network services and associated monopoly businesses, which Origin considers appropriate. However, it is not made clear in your second reading or in the ESC Act, that energy retailing, trading and other competitive elements of energy provision are excluded from such oversight ... The ESC bill is currently open to interpretation as to what constitutes a regulated business or entity.

That commentary from Origin takes us a step further in a sense because what it is saying quite clearly is that there is an issue of what can only be described as sovereign risk because it fears it is prospectively at risk of being regulated, notwithstanding there are aspects of the energy industry that do not fall within the definition of a natural monopoly and ought not be caught up in the breadth of this proposed legislation.

I have received representations along similar lines from Loy Yang Power. Its submission states:

Unfortunately, the disturbing underlying theme of the proposal paper appears to be an overwhelming desire by government to exercise direct control over those utilities deemed 'essential', even though they might have been privatised and now directly linked to a wider, national, marketplace in competition with other private companies and commercialised government-owned companies.

Again we are seeing this general theme from industry about the risk to industry of the heavy hand of regulation. This problem is highlighted by the issues to do with determining the primary objectives of the act. It is useful for the house to reflect on the fact that there is a difference between the principal and secondary

objectives of the act which cause some confusion and concern in the minds of those who would invest in our utility infrastructure in this state.

I turn to some correspondence from Envestra, which states:

... we believe a key policy issue remains to be settled, this being the stated primary objective of the ESC, which is:

the protection of Victorian consumers with regard to the price, quality and reliability of essential services.

This reflects only a part of the generally accepted objective of independent pricing and access regulation. Despite the Treasurer's statement that the 'government is aiming to deliver better outcomes for all stakeholders' ... we believe this primary objective discourages the ESC from taking an even-handed approach in pricing regulation, specifically in relation to the following subordinate objective:

to facilitate efficiency in the regulated industries and the incentive for efficient long-term investment.

It is generally recognised that a utility's assets represent long-term investments, and that regulatory decisions may have short-term price impacts but long-term impacts on infrastructure investment. We understand the current proposal to mean (and cannot see that it could be interpreted otherwise) that the primary objective will be undertaken with less regard for the subordinate objective. This is a potentially dangerous path to follow, as has been highlighted by the recent report by the Productivity Commission. The protection of consumers with regard to price can only be achieved by giving equal consideration to long-term investment in the services being provided. As has been demonstrated by events in California, infrastructure investment is an important part of regulatory price determinations.

That summarises a fundamental flaw in the government's approach in the legislation. It sets out very succinctly the point I made at the outset, which is what I described as the political overlay of the approach to this matter of regulating the monopoly and essential services against achieving long-term outcomes for industry and the benefit of consumers in the long term.

There is absolutely no doubt that short-term expediency and political positioning of the government in intervening in the regulatory mechanisms to have a direct impact on price to a residential customer, for example, will be advantageous to the government if it takes that course in a political sense.

However, it has a long-term detrimental impact on the community as a whole and certainly on the long-term potential for achieving increased investment and therefore ensuring the longer term price declines. When thinking about investment in industry it is always useful to think about how we can maximise that investment so that a significant and reliable supply can be assured.

I am conscious that while I have a number of other issues I wish to go through we will be having a committee stage on the bill and others wish to speak. I therefore do not want to take too much longer, but in summing up I will make some additional remarks that need to be made in the second-reading debate.

It is clear that there are issues that will come out in the committee stage about the government's intent in relation to undertaking education campaigns. Clause 10(f) deals specifically with the matter of education campaigns and seems to be ambiguous in how they will apply. What level of government intercession will there be? Will there be an opportunity for government to run campaigns which are overtly political under the guise of education campaigns through the Essential Services Commission? How will these so-called education campaigns be conducted and funded, at whose discretion will it be done and at whose cost? Will the costs of the so-called education campaigns be borne by the industries that under the legislation will now be obliged to fund the operation of the ESC? Will those businesses have any rights of appeal against the costs being imposed on them? The legislation shows that the answer is pretty clear — that is, it is unlikely.

It is useful to reiterate that there is a role for government to facilitate within the concept of allowing the market to operate rather than to intervene and try to regulate the market. One of the issues that has arisen — although it is not contained specifically in the bill it is clearly referred to in the second-reading speech — is the action being taken by the minister's colleague the Minister for Small Business to establish a consumer advocacy centre. The opportunities for consumer advocacy ought to rest primarily with retailers in a competitive environment where the competitive retailer must reflect what consumers wish to achieve as outcomes — that is, a retailer will be the primary advocate for the group of consumers they are trying to target within the context of an energy market. No doubt there will be retailers who will be boutique operators and who will go after markets which have a capacity to attract consumers who are not major customers in terms of supply volume, and those retailers will be the advocates for ensuring that the group of customers they are targeting has its needs met.

I am curious — and regrettably there will not be any answers from the committee stage on this — to understand how it is that the advocacy centre being set in place will add significant value to the capacity of customers to ensure they get an outcome by choosing their retail operator.

Hon. C. C. Broad — You don't think consumers should have an independent voice?

Hon. PHILIP DAVIS — I think it is quite clear that a consumer who has choice certainly has an opportunity to advocate for themselves. The problem we have at the moment is that consumers do not have choice because the minister has let the opportunity slip for full retail competition in the electricity market by a full year, and according to the Regulator-General it is slipping away further into the distance. It is clear from the Regulator-General's comments on Tuesday that the target date is no longer January, it is some time in the year 2002. I suggest to the minister that the biggest problem for consumers is not the lack of a consumer advocate but the lack of freedom to choose which retailer they will take supply from.

We will undoubtedly hear much about the detail of the operation of the bill in the committee stage, but it is clear that there is going to be a considerable increase in cost. The costs to industry of operating the Office of the Regulator-General have increased from about \$4.5 million to \$13.5 million this year as a result of the implementation of the ESC legislation. There is no question that the costs passed on to industry will eventually be passed through to customers in some form. It is a pity the government has not recognised its responsibility for co-funding what are the obligations of government and not putting all of those costs on industry, as is proposed.

Without further ado, while I have flagged that I have concerns about this bill I will not seek to delay its passage but look forward to some responsive answers to specific questions during the committee stage.

Hon. T. C. THEOPHANOUS (Jika Jika) — It is with some satisfaction that I rise to support the legislation, because the establishment of an Essential Services Commission was an election promise of the previous opposition, the current government. I had something to do with the establishment of the policy in opposition contained in the document we used entitled *Securing the Future*, which had the name of the former State Electricity Commission printed on it in bold type. That was our original policy in which we indicated, even back then, the need to have a strong and appropriate regulatory body in the electricity industry. It is a matter of history that the Labor Party opposed the privatisation of the electricity and the gas industries in this state. It was not just, as some honourable members on the opposite side want to try to suggest, a simple ideological objection.

Hon. Bill Forwood — Of course we would suggest that.

Hon. T. C. THEOPHANOUS — It has been suggested. The objection of the Labor Party was that the goals being set were not being achieved. Mr Hallam would remember the role I played under the previous government in relation to bringing 40 per cent equity and management by Mission Energy to Loy Yang B, that major electricity business. It was not simply the issues around the privatisation of the electricity industry, it was also a question of proper regulation, of protecting consumers and of ensuring appropriate available supply in the future. In the rush to privatisation under the previous government those goals were forgone and what we got was simply an attempt to sell as soon as possible for whatever price could be achieved without regard to the need for significant regulatory and customer-protection frameworks and the need to ensure investment and supply into the future. Those issues were left to be considered at a later date.

The current government was left with a considerable amount of work to do in order to achieve those goals. In add to those goals not only the economic ones in securing investment in the industry, the consumer ones in protecting consumers into the future and the competitive ones in ensuring a competitive framework that would allow the industry to proceed and to grow, but also the environmental factors. The previous government had completely abandoned any pretence at wanting to take into account environmental aspects of the production and supply of electricity in this state. It had completely abolished the demand-management strategy under the previous regime and had failed to replace it with any attempt at all to ensure the environment was protected.

When the current government came to power we faced a monumental task of putting together environmental factors, regulatory factors, economic factors and investment factors, and providing a competitive framework which would be to the benefit of consumers. I congratulate the Minister for Energy and Resources because she was faced with a significant task and has diligently gone about putting together a very good piece of legislation which delivers on the pre-election commitments of the Bracks government.

Despite the negative comments of Mr Davis the bill does deliver a significant new structure — that is, the Essential Services Commission (ESC). It does so in a way that will improve the regulatory framework in this state in electricity and gas and potentially further down the track in water as well. It does so in a way that

protects consumers and the environment, and it will facilitate further investment in electricity in this state.

As I have said, it is important that essential services are regulated under a framework that ensures that the interests of private suppliers are aligned with those of consumers, taking account of broader environmental and social objectives. As the major economic regulator of utility services in this state, the ESC will play a key role in achieving that. It will be established formally on 1 January 2002, with its primary objective being to protect the long-term interests of Victorian consumers with regard to price, quality and reliability of essential services. On many of those issues it differs significantly from its predecessor, the Office of the Regulator-General (ORG).

It is important to say at this point that I noticed that in his contribution Mr Davis attempted to suggest that the Australian Council for Infrastructure Development, or Auscid, had criticised the initiative. As usual he got it wrong. Given the forms of the house I am reluctant to say that he not only got it wrong but that he deliberately misled the house.

Hon. R. M. Hallam — Notwithstanding your reluctance, you will still say it!

Hon. T. C. THEOPHANOUS — It is the same thing if I allow the facts to speak for themselves, Mr Hallam.

Hon. Philip Davis — The facts were in the letter that was read into *Hansard*, you fool!

Hon. T. C. THEOPHANOUS — Perhaps you'd like to listen to those parts of the letter that you might not like, Mr Davis. This is what the letter of 22 August 2001 headed 'Cautious support for new regulator' says:

This is a positive and progressive move and will ensure that a much fairer system of regulation is introduced. By enshrining in the legislation the need to consider impacts on investment, the Victorian government has recognised that excessive emphasis on price controls can be a major deterrent for infrastructure investors and that ultimately, this is bad for consumers ...

Mr Davis was not keen to read out sections of the letter such as the one I have just read, or what Auscid said in the final paragraph:

Overall, we see the new regime as a significant improvement over the existing one, but feel there is still room for further improvement.

In case Mr Davis does not understand, the words 'see the new regime as a significant improvement over the existing one' mean simply that in the view of Auscid

what the government is putting in place is better than what the previous government had in place. It is a very simple statement. To come in here and try to pretend that somehow Auscid was not supportive just shows how far Mr Davis is prepared to go to grasp at straws.

Hon. Philip Davis — Are you reading from a letter from Auscid?

Hon. T. C. THEOPHANOUS — I am.

Hon. Philip Davis — You're not reading from the letter I read from.

Hon. T. C. THEOPHANOUS — If Mr Davis comes in here and tries to purport that Auscid has a particular position, he should have gone to the news release — —

Hon. Philip Davis — Oh, you're reading from a news release?

Hon. T. C. THEOPHANOUS — Put out by Auscid.

Hon. Philip Davis — I read from a letter.

Hon. T. C. THEOPHANOUS — I would have thought the news release reflects the position of Auscid.

Hon. Philip Davis — Have you been deliberately defaming me on the basis of reading from something which you claimed to be a letter?

Hon. T. C. THEOPHANOUS — I do not need to defame you, Mr Davis, you do a good enough job yourself!

Hon. Philip Davis — On a point of order, Mr Acting President, I take exception to Mr Theophanous's having come in here and recited some comments about me misrepresenting Auscid, an important organisation. He told the house that I had been misrepresenting Auscid and said that he read from a letter when in fact he was reading from a different document entirely. He claimed to be reading from the letter which I quoted and which is now in *Hansard*. I take objection to Mr Theophanous's accusing me of misrepresenting Auscid.

Hon. T. C. THEOPHANOUS — On the point of order, Mr Acting President, the point I made was that in my view Mr Davis had selectively read from a letter from Auscid, and that having selectively read from that letter he tried to establish the case that Auscid was not supportive of the government's establishment of the Essential Services Commission. I was reading from a news release put out by Auscid, which was their public

position and which clearly states that in fact they consider the establishment of the Essential Services Commission an improvement on the system of the previous government. There is no point of order because I am not suggesting — —

Hon. Philip Davis — Let him rule on it!

Hon. T. C. THEOPHANOUS — I am putting my argument.

The ACTING PRESIDENT

(Hon. G. B. Ashman) — Order! Mr Theophanous is starting to debate the issue now.

Hon. T. C. THEOPHANOUS — Mr Acting President, all I am saying is that I do not have any problem with the fact that Mr Davis read from a different letter. All I am saying is that he selectively read from that letter to create an impression which was not true.

Hon. Philip Davis — On the point of order, Mr Acting President, in his comments Mr Theophanous made out a case that he was reading from the letter of 22 August. He tried to make out that in fact he was reading from the document from which I quoted. He was clearly misrepresenting himself and the facts.

The ACTING PRESIDENT

(Hon. G. B. Ashman) — Order! I have heard sufficient to make a ruling. What we have is a matter that is contentious and the subject of vigorous debate, but there is not a point of order. Mr Davis has made his point on the record through his point of order.

Hon. T. C. THEOPHANOUS — Thank you, Mr Acting President, for your ruling.

I quote further from the Auscid news release, because it is important to put on the record exactly what is Auscid's position, given a ham-fisted attempt by Mr Davis to try to pretend that somehow its position was different. As I said, Auscid concludes the news release of 22 August by saying:

Overall, we see the new regime as a significant improvement over the existing one, but feel there is still room for further improvement.

That is a reasonable comment for such an organisation to make. The critical factor is that the organisation is saying what the government is proposing and putting into effect through the legislation is a significant improvement on what was put in place by the previous government.

Hon. R. M. Hallam — Is that what they are saying?

Hon. T. C. THEOPHANOUS — They say 'a significant improvement over the existing one'. I do not know how much clearer it has to be for you, Mr Hallam. I understood you were taking credit for establishing the old Office of the Regulator-General, so I presume that unless you are saying you did not do that, obviously what Auscid is saying is that the new proposal is better than yours. A letter from Auscid says the following:

By encouraging private sector investment, the government will be well placed to deliver ongoing improvement and expansion of the state's infrastructure. The new regulatory regime complements the government's Partnerships Victoria policy, which seeks to encourage public-private partnerships in major developments.

We have endorsement from Auscid, with some qualifications in terms of saying there is always room for further improvement. But certainly it is saying that it is a significant improvement on the system established under the previous government.

I wish to debunk one of the other issues that was raised by the Honourable Philip Davis, and that was his suggestion that the Essential Services Commission was simply the Office of the Regulator-General rebadged in some way, and that it was not significantly different. Nothing could be further from the truth. In fact, the ESC has a range of additional requirements. It is being put in place to ensure high-quality, reliable and safe provision of electricity, gas and potentially water for all Victorians. It represents an important change in the regulatory framework for utility industries in Victoria. It builds on the strength of the existing regulatory framework of the ORG, but proposes substantial improvements to ensure all Victorians benefit from a regulation system that will be world class.

For example, it will ensure a structure with multiple decision-makers and a multiplicity of commissioners, and that is part of its democratic framework. Its jurisdiction will be expanded to include economic regulation of the water industry from 2003. It will have an enhanced role in relation to reliability of supply. ESC legislation will incorporate enhanced accountability arrangements, including longer time lines for hearing appeals, and more transparent reporting requirements.

An important change is that it will be able to enter into a memoranda of understanding to be developed between it and the newly established ombudsman sectors and other specialist regulators to provide a greater focus on integrated decision making and result in the achievement of much more of what the government is seeking. It could be summed up in the

triple-bottom-line approach to outcomes that the government is concerned about.

The new commission will ensure that the government goals in relation to broader regional, social and environmental objectives are considered, and will be required to have regard to relevant health, safety and environmental and social legislation. So, while ensuring that the health, safety and environmental regulators retain their specialist focus, the ESC will be required to consult with them through the process I described of the memoranda of understanding.

Reciprocal obligations will be imposed on other Victorian regulators and agencies to ensure this outcome occurs. The government will require the commission to develop a charter of consultation and regulatory practice. This charter will not only ensure that the commission embraces a consultative and inclusive approach to regulation but also that this approach is presented in a fully transparent and accessible manner. Health and safety will be major considerations, as will environmental issues.

The ESC will also have functions with regard to the securing of supply. It builds on the strengths of the Regulator-General, but features substantial improvements to improve the reliability of utility supplies. The commission will have enhanced powers in that regard consistent with its regulatory monitoring and reporting responsibility. It will be able to utilise its knowledge and expertise to service standards and reliability issues to provide informal advice to government on supply reliability issues. This will be important advice to ensure reliability of supply in the future.

At the direction of the minister the ESC will also undertake formal inquiries into the reliability of supply issues. The role will complement rather than duplicate the activities of the National Electricity Market Management Company (Nemmo), the National Electricity Code Administrator, and the Department of Natural Resources and Environment. It is a complementary role in ensuring the reliability of supply. The government will retain strong powers given to it through the emergency supply provisions in the Electricity Industry Act to guarantee reliability beyond that if that is necessary.

The ESC will be independent and will involve all stakeholders. It will subsume the Office of the Regulator-General. It will comprise a commission structure consisting of a chairperson and additional commissioners, and it will adopt a collegiate approach to its decision-making process. It will be transparent in

its decision making with greater scope for stakeholder involvement in appeals processes and have longer time lines for hearing appeals. It is the government's intention that the current Regulator-General, Dr Tamblyn, will be appointed as the inaugural chair of the ESC and that two additional commissioners will be appointed from 1 January 2002.

The government recognises that the interests of all present and future consumers are best served through regulatory arrangements that promote an optimal environment for investment and essential utility infrastructure. In achieving this objective the ESC will be required to have regard to a range of objectives, including to facilitate efficiency in the regulated industries and incentive for efficient long-term investment; to facilitate the financial viability of regulated industries; to ensure that the misuse of monopoly or non-transitory market power is prevented; to facilitate effective competition and promote competitive market conduct; to ensure that regulatory decision making has regard to the environmental, health, safety and social legislation applying to the regulated industry; to ensure that users and consumers, including low-income or vulnerable customers, benefit from the gains from competition and efficiency; and to promote consistency in regulation between states and on a national basis.

The government's approach is to provide the focus to establish a new body which will have those objectives and be able to achieve them. The government believes the ESC will have a significant long-term effect in protecting consumers and the environment, in ensuring reliability of supply and bringing about effective competition to the benefit of consumers in the electricity and gas industries.

The whole government approach has been one of transparency and of a consultative body with the requirement to publish a charter of consultation and regulatory practice so that the ESC will be open and transparent. A number of government initiatives will help to ensure consumers' interests are protected, including the establishment of the Energy and Water Ombudsman Victoria office, which will serve as a one-stop shop to resolve complaints and disputes about the provision of essential utility services. The Consumer Utilities Advocacy Centre will be established on 1 January 2002 and will advocate on issues of concern to particularly disadvantaged consumers.

I will conclude my contribution to the debate by emphasising that the ESC is an important initiative of the government. Its establishment is an election

commitment and one that I have had a long association with. I am, therefore, very pleased to see the initiative come before the house.

It is absolutely imperative that we get this right. It may be possible to attempt to score political points over the legislation, but the production of electricity in Victoria is a major issue in the way it affects our economy and how the production of electricity in Victoria is handled, with its impact on the environment and the impact of brown coal on greenhouse emissions, in addition to the need to have an effective distribution network that covers the whole state. That applies also to gas. I am pleased that the minister, in conjunction with the initiatives she has taken, is also attempting to bring about a framework that will allow an extension of natural gas to other areas of Victoria.

Through the bill a very important set of regulatory structures and frameworks will be established in the Essential Services Commission to allow not just Victorian consumers but Victorian businesses to enjoy access to cheap electricity, because they will suffer without an efficient and effective electricity industry in this state.

I hope the bill is passed without opposition from the parties opposite because it will be important in delivering to Victorians an efficient, reliable electricity industry that takes account of the interests of consumers and the environment and is able to deliver cheap and reliable electricity in the interests of the state.

Debate adjourned on motion of Hon. R. M. HALLAM (Western).

Debate adjourned until next day.

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

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. M. R. THOMSON (Minister for Small Business).

ROMAN CATHOLIC TRUSTS (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. M. R. THOMSON (Minister for Small Business).

ADJOURNMENT

Hon. M. M. GOULD (Minister for Industrial Relations) — I move:

That the house do now adjourn.

Planning: Wandong development

Hon. G. R. CRAIGE (Central Highlands) — My question is for the Minister for Energy and Resources, representing the Minister for Environment and Conservation in another place. It relates to the Sunnyglen development at Wandong.

On 26 October 2000 the regional manager of the Department of Natural Resources and Environment (DNRE), Port Phillip region, wrote to the planning officer of the Shire of Mitchell and stated in respect of a planning application that:

The department notes that the subject land is included in an erosion management overlay and partly within a vegetation protection overlay.

... the department requests that further information be provided including a flora and fauna assessment and steps be taken to address erosion issues.

The flora and fauna assessment should include —

a list of the species of native flora and fauna found on the site;

the location of native flora species on the site;

the measures to be taken to protect any flora and fauna values identified;

how the application will meet Victoria's biodiversity strategy, the Victorian draft native vegetation framework and the draft regional vegetation plan (Port Phillip).

The assessment should be undertaken by a suitably qualified botanist or a consultant.

On 14 November 2000 the same regional manager wrote a further letter to the town planner of the Shire of Mitchell and stated that:

The department has considered the application and has no objection to the proposal and recommends the following —

that the proposed subdivision accords with the provisions of the minister's direction for rural residential development.

The Wandong–Heathcote Junction Community Group received a document from the DNRE through a

freedom of information request. It was the copy of a post-it sticker which states:

Please find enclosed a copy of all information sent to NRE regarding subdivision. We do not have an assessment report.

It was signed by Emile. On 26 June 2001 and 19 July 2001 the Wandong–Healthcote Junction Community Group wrote to the DNRE. One of the people they wrote to was a Mr Emile Kyriacou, the same name that appears on this. Two reports on the environmental issues were carried out; one by Ben Kenyon, an arborist from Tree Tactics, and the second by David Laurie, a botanist, who identified areas of high conservation value. I ask the minister to conduct an urgent inquiry into whether a flora and fauna assessment was carried out in accordance with the letter from the DNRE of 26 October 2000.

Snowy River

Hon. R. M. HALLAM (Western) — I address my comment to the Minister for Energy and Resources. I again go to the issue of the government's specific commitments regarding increased environmental flows in the Snowy River and in particular to the minister's statement in the chamber last night that those environmental flows will be secured as soon as the necessary agreements are in place. Given the minister's acknowledgment that we still do not have any increased flows — indeed that we still do not have the agreements needed to secure those flows — I ask the minister what the government spent the \$40 million on last financial year?

Tourism: Geelong

Hon. E. C. CARBINES (Geelong) — I raise a matter with the Minister for Sport and Recreation in his capacity as the representative of the Minister for Major Projects and Tourism in the other place.

I have received a letter from Roger Grant, the executive director of Geelong Otway Tourism, who is writing about the impact of the Ansett collapse and the United States of America terrorist attacks on the tourism industry in the Geelong Otway region. Mr Grant writes:

As you can appreciate it has been an uncertain time for the region's tourism industry...

Geelong accommodation operators, particularly the major hotels, have been significantly impacted by the reduction in and cancellation of conferences. Conferences have been either postponed or numbers have significantly reduced as a direct result of both the Ansett and international situations. It is estimated that to date over 1500 bed nights have been lost to Geelong-based accommodation operators since the crisis commenced.

To put this in some perspective in 2000, conferences generated 43 300 room nights from 9930 participants, which generated \$4.6 million into the local economy.

Whilst it can't be said that the impact to date is disastrous it still remains a body blow to the industry and may only be the start of further declines.

Other sectors of the industry impacted immediately include tour and transport operators.

Tour operators that are active in the international market and pick up and drop off in Melbourne report that two-thirds of their bookings have been cancelled and that the phones have stopped or slowed down indicating poor future booking prospects.

Airport transfer operators have also indicated that bookings are down 25 per cent compared to the same time last year.

Accordingly in drawing this important matter to his attention I ask the minister what action he can take to assist the tourism industry in the Geelong Otway region in this time of uncertainty.

Victorian Multicultural Commission: grants

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I raise with the Minister for Industrial Relations a matter for the attention of the Minister for Multicultural Affairs. Along with a lot of other honourable members in this place I have supported the Victorian Multicultural Commission's grants program to assist local multicultural groups in my electorate to obtain funds for various development programs. On 18 July this year an article appeared in the *Springvale–Dandenong Leader* announcing that \$30 000 had been granted under the VMC program for local multicultural groups. It goes on to quote the Dandenong Labor member, the Honourable John Pandazopoulos, announcing these grants to local groups in the Dandenong–Springvale area.

Hon. T. C. Theophanous — Do you support multiculturalism?

Hon. G. K. RICH-PHILLIPS — I certainly do, Mr Theophanous, and I support the multicultural groups in my electorate — and that is the point.

Following the appearance of this article in the newspaper my office contacted the VMC in order to secure a list of the grants which had been made to organisations in my electorate. I was told by the VMC that this list of grants, which had been given to the Labor member for Dandenong and to other Labor members, would not be made available to me, and that if I wanted to get a list of grants that had been given out in my electorate in response to applications that I had supported I would have to wait for the VMC's annual

report to be released. This is from the government that promotes itself as open and accountable. It releases the outcome of grants applications to Labor members but does not release the outcome of grants applications to the rest of the members of Parliament.

I ask that in future the Premier in his capacity as Minister for Multicultural Affairs ensure that when this information is released it is made available to all members of Parliament.

Farm forestry grants

Hon. B. W. BISHOP (North Western) — My question is directed to the Minister for Energy and Resources, representing the Minister for Environment and Conservation in the other place. This issue concerns farm forestry grants or, more to the point, the lack of them. It is interesting to note the growth in interest in farm forestry that now exists throughout rural Victoria. I remember some time ago opening a farm forestry field day at Wycheproof, which generated interest and was really well attended. We have had other days at places like Glenloth, near Wycheproof, where farm forestry was a major subject of discussion.

Farm forestry has certainly got a lot of airplay lately and people are starting to take it up in order to manage salinity, reduce water tables and generally improve the country environment. Although market carbon credits are still some time off, it is an issue that plays a part in future planning for farm forestry. No doubt some farmers are keen to set up farm forestry lots but, as I understand it, have no real financial encouragement to proceed from either the state or the federal government.

My request to the Minister for Environment and Conservation is that she consider a program to assist farmers to establish farm forestry lots.

Aged care: north-western suburbs

Hon. G. D. ROMANES (Melbourne) — The matter I raise for the attention of the Minister for Small Business, who is the representative of the Minister for Aged Care in the other place, relates to residential aged care bed shortfalls. The Australian Bureau of Statistics figures for 2001 show that two of the worst affected regions in Victoria are in the north-west of Melbourne and in the electorate of Melbourne Province.

The City of Moonee Valley has a nursing home bed shortfall of 104 beds and a hostel bed shortfall of 37 beds. The City of Moreland has a nursing home bed shortfall of 86 beds and a hostel bed shortfall of 11 beds. The Howard government's aged care policies have left Victoria with an aged care bed shortfall of

5000 beds overall — these are commonwealth figures. This places great stress on hospitals such as the Royal Melbourne and St Vincent's, which are having problems placing older patients who no longer need hospital care but who desperately need a commonwealth aged care place.

In July 2001 a Department of Human Services survey found that in Melbourne's 12 major hospitals more than 400 people were assessed as needing an aged care place, yet there are not-for-profit agencies ready to operate additional nursing home beds if only the commonwealth would grant the licences. I give as an example Dousta Galla Aged Services in the Kensington-Flemington area, which has developed a proposal that could have 90 additional acute transition care beds up and running within weeks. Yet the federal minister claims that the states, with the exception of South Australia and the Australian Capital Territory, have been slow in responding to needs.

I ask the following question: given the shortage of nursing home beds in the western and northern suburbs and the effect on older persons and their families as a result, and given the federal government's refusal to act on Victoria's 5000-bed deficit, will the Minister for Aged Care outline what action the Victorian government can take to progress initiatives such as that proposed by Dousta Galla Aged Services with the federal government to improve aged care accommodation and support options for the elderly in Melbourne's north-west?

Scooters: regulation

Hon. ANDREA COOTE (Monash) — I raise a matter for the attention of the Minister for Consumer Affairs. I am very concerned to see a plethora of motorised scooters again appearing in Beaconsfield Parade. They have no lights and their riders have no helmets. Last year before the summer I asked a question about this problem and what the minister was going to do about it.

Nothing seems to have been done about motorised scooter standards, and I ask the minister again, now that we have had a year, what she and the Victorian government will do to implement standards for the use of motorised scooters, the wearing of helmets by riders and the installation of lights on those machines.

Financial counselling: funding

Hon. E. J. POWELL (North Eastern) — I raise an issue with the Minister for Industrial Relations,

representing the Premier, who is responsible for the Community Support Fund (CSF).

I received a letter from the Shepparton and Benalla Debt Counselling Service signed by financial counsellor Mr Bernie Stratton. Mr Stratton is asking me to support him in the need for extra financial counselling funding. He refers to a state Australian Labor Party's election commitment to increasing the availability of financial counsellors, and more funds are needed to fully implement that commitment.

The service at the Shepparton region is very busy: in fact there is about a four-week waiting period, and there are some problems because of that. Some of the people incurring those debts think that because they are on waiting lists the creditors are holding off, but they are not.

The issues the service deals with include debtor harassment; stress to clients and families from indebtedness; disconnection from gas, water and the phone, and, of course, eviction of people from their homes. The Community Support Fund provides funds to some Victorian financial counselling services, but the CSF services are funded only until June 2002 so they are at risk because in 12 months they could be terminated. The counselling service is finding that because people's circumstances change — they could lose their job, their hours could be cut back, things such as divorce and businesses going bad occur — and because there are not many counsellors in country Victoria, vulnerable low-income earners need to see a financial counsellor as soon as possible.

I ask the Premier to ensure the continuation of financial counselling programs after 2002 and to expand this much-needed program, particularly in country Victoria.

Minister for Transport: conduct

Hon. N. B. LUCAS (Eumemmerring) — I wish to raise a matter with the Minister for Industrial Relations, representing the Premier. It relates to the administration and financial management of a state government department.

In April this year the Labor federal member for McMillan, Christian Zahra, arranged a function in the township of Bunyip in my electorate. Mr Zahra issued the invitations and placed public notices in the township, and RSVPs were directed to his office. On the day of the function, 12 April 2001, Mr Zahra acted as master of ceremonies, welcomed those present, and introduced the guest speaker, who was the Minister for Transport. At the conclusion of the ceremony Mr Zahra

invited those present to the sausage sizzle which followed.

Each of these actions is confirmed and recorded on the minister's running sheet for the day, released to me under the Freedom of Information Act. Clearly the event was organised by Mr Zahra as part of his election campaign. He wrote to residents enrolled in the town personally inviting them to the function, and after the ceremony he arranged for the minister to send a further letter confirming his announcement regarding the rail crossing.

I am alarmed that my freedom of information request to the Department of Infrastructure has brought to light evidence of three payments made by the department in relation to Mr Zahra's event: \$500 for a tent, \$675 for catering, and \$530 for the hire of a public address system — a total of \$1705. The expenditure of these funds appears to be a gross misuse of public moneys, and it seems that the Minister for Transport has approved the use of taxpayers' funds for an election campaign stunt.

I have already written to the Auditor-General seeking his investigation into this matter, asking that Mr Zahra be required to reimburse the state of Victoria and requesting that the Minister for Transport be disciplined for participating in what appears to be a misuse of public funds. Accordingly, I ask the Premier to also investigate this matter — —

Hon. T. C. Theophanous — On a point of order, Mr President, I have been listening to what the honourable member has had to say. In his latest comment he accused a member in another place of misuse of funds, and I do not believe he can do that in the context of this adjournment debate. If he wishes to make such a substantive claim in relation to that member, he should do so by a substantive motion and not by way of attempting through the back door to make scurrilous allegations which cannot be addressed and cannot be defended by the government side.

I ask you, Mr President, to tell him to desist from making those claims, because I take exception personally to them. He should withdraw the comment about the Minister for Transport in the other place.

Hon. M. A. Birrell — On the point of order, Mr President, in this place an honourable member cannot take personal exception to a comment that was not made about him. It is not provided for in the standing orders, and the honourable member should know it. More substantially, Mr President, if you or your predecessors were required to call for the

withdrawal of comments about the misuse of public funds you would be constantly on your feet. It is the standard armoury of any member of Parliament, and would have fallen from the lips of Mr Theophanous thousands of times. He has always made that type of comment. We have never asked him to withdraw.

It would be completely inappropriate and unprecedented to require a member of Parliament to withdraw a comment about misuse of public funds when it is the standard tactic of every member of Parliament in this chamber.

The PRESIDENT — Order! On the point of order, as I understand it, the matter was set out by Mr Lucas in relation to a particular event to which people were invited, presumably by the federal member, Mr Zahra, at which the Minister for Transport was present. The minister indicated that material obtained under freedom of information legislation showed that certain costs associated with that event were paid by the state of Victoria.

The honourable member has asked that the matter be drawn to the attention of the Premier and that he be asked to investigate whether there has been a misuse, and the honourable member has also asked the Auditor-General for a similar investigation. That is a routine inquiry in this house. The matter has been referred to the Premier. I do not uphold the point of order.

Hon. N. B. LUCAS — Accordingly, I ask the Premier to also investigate this matter with a view to not only educating the Minister for Transport in relation to the responsibilities of public office, but also to ascertaining whether any other ministers have been guilty of similar conduct.

The PRESIDENT — Order! Only one matter can be raised.

Snowy River

Hon. E. G. STONEY (Central Highlands) — I refer the Minister for Energy and Resources to her response to my question earlier today and welcome her assurance that additional environmental flows to the Snowy River will be secured without affecting the present amount of water available for agriculture.

However, I still have concerns. Given that the total volume of water available from the Murray-Darling system is capped and given that the amount of savings required to be found in the system is proving increasingly difficult to identify and achieve, where are

the promised additional environmental flows for the Snowy River actually coming from?

War veterans: paupers funerals

Hon. R. H. BOWDEN (South Eastern) — I seek the assistance of the Minister for Industrial Relations representing the Premier in the other place. Several of my constituents have raised the following concern with a state focus. At the recent state conference of the Returned and Services League held in Melbourne, significant mention was made about occasions where war veterans and partners of veterans experience paupers funerals. The RSL is concerned about this sensitive issue and makes a financial contribution when it is made aware of the individual situations.

It is important that the state government consider an appropriate grant to avoid paupers funerals for Victorian veterans and partners in recognition of their sacrifice, which is understood. I ask the state government to contact the executive of the state branch of the RSL with the view to establishing a grant to avoid paupers funerals for some Victorian veterans and close family members.

Gas: Barwon Heads supply

Hon. I. J. COVER (Geelong) — I raise a matter with the Minister for Energy and Resources. Members on both sides of the house will be well aware of my keenness to see natural gas extended to Barwon Heads, which is a matter that has been raised on many occasions before, so they will understand my excitement when I saw on page 7 of yesterday's *Bellarine Echo* an article written by Darren McLean headed, 'Hopes up for Heads gas link'.

In the first paragraph of that article he reports that:

Hopes of securing a natural gas supply for Barwon Heads have been boosted by a change to state government legislation.

I thought to myself, 'We have been back here for a couple of weeks now but I don't recall seeing that legislation go through the house'.

Hon. E. C. Carbines — Last session!

Hon. I. J. COVER — By way of interjection, the other member for Geelong Province has got to the nub of the matter: it is legislation that went through in the last session, and the minister has this week announced it as new news to the people of Barwon Heads! Thank you for your help, Mrs Carbines.

Honourable members interjecting.

Hon. I. J. COVER — I would appreciate it if the Clerk would stop the clock. The article says:

According to energy and resources minister Candy Broad, the arrangements will provide new opportunities for extension of the gas network to regional communities and industries.

'This means new extensions of the gas network can proceed which otherwise may not have gone ahead, and more Victorians can enjoy the benefits of natural gas' ...

As has been pointed out by way of interjection, this was legislation that went through the house in May and I am keen to discover whether the minister was making these announcements to the local press in Geelong as if this were something new as opposed to just dressing up something as news from back in May.

Back in May the minister, her department and the Office of the Regulator-General said that this legislation made no difference to the opportunity for Barwon Heads to receive natural gas. Indeed, the issue in that legislation was not about competition as is expressed in this article but about how the Office of the Regulator-General would regard the capital expenditure by the gas company, in this case TXU.

I ask the minister to confirm whether or not the arrangements she referred to in the *Echo* yesterday are those that went through the house in May, whether there are some secret new arrangements that have been put in place which we have not been informed about, or whether she is just continuing to deceive the people of Barwon Heads.

Victorian youth development program

Hon. D. McL. DAVIS (East Yarra) — The matter I raise for the attention of the Minister for Youth Affairs concerns the funding for the Victorian youth development program. I note that the program was raised last night in the house by the Honourable Jeanette Powell in connection with a school in her electorate.

A school in my electorate, Canterbury Girls Secondary College, has expressed strong support for the program; it has taken decisions at school council level to expand the program and has had understandings with the government that it would be able to continue to progressively expand it. The program is very well supported by the school community, parents and so forth.

It is important to note that the Honourable Jeanette Powell drew the minister's attention to a memo, of which I also have a copy, that was sent out by Jennifer

Fraser, the director of the Office for Youth. The memo makes a very clear statement in bold type that:

Accordingly, there will be no application process for 2002 at this stage and it is unlikely any major expansion will occur next year.

I noted that the minister in his response to the Honourable Jeanette Powell last night made the point that he was in the process of considering access to and equitable distribution of the youth development program in the light of the youth strategy.

I seek the assistance of the minister in this matter. The series of events that have been put in place by the minister will interrupt the phased and planned expansions, which have been in place for some time, of these youth development programs at a number of schools. The program is widely supported both within the community and within Canterbury Girls Secondary College. It is important that schools such as Canterbury Girls Secondary College are able to take part in this particular program within the school curriculum and the school system.

The intervention by the minister and the department has significantly interrupted the program. I seek two things from the minister: firstly, that the current program will be allowed to continue; and secondly, the ability to guarantee the phased and planned expansion of the program at Canterbury Girls Secondary College.

Plenty River

Hon. C. A. FURLETTI (Templestowe) — I raise a matter with the Minister for Energy and Resources, who represents the Minister for Environment and Conservation in the other place. I am proud to have the Plenty River flow through a significant part of my electorate. Its walking and cycling paths are one of the hidden treasures of our state and are used extensively by residents as a reclusive haven where they can return to nature and experience some of the most peaceful surrounds in the metropolitan area. I commend the government and Yarra Water on the revegetation and clearing program they have initiated along the Plenty River. I inspected some of that work recently on a visit to the Heidelberg Golf Club, which is in my electorate and which I attended to present a Victorian flag — the golf was coincidental.

However, I have received a number of complaints and have had concerns expressed to me about the grave neglect of the government of its commitment to maintaining the cleanliness and integrity of the river and its surrounds. The backwaters, the still waters and the bends of the river, and in particular the overhanging

limbs and bushes, are generally littered with plastic containers, plastic bags, bottles and debris to such a degree that if it were on a suburban street it would not be tolerated. Will the minister undertake to commit adequate resources to ensure that the cleanliness of our rivers and valleys is maintained to an appropriate standard through the collection and removal of the rubbish which gathers in our rivers and streams?

Tipstar: revenue

Hon. B. C. BOARDMAN (Chelsea) — I refer the Minister for Sport and Recreation to his response this morning during question time to Mr Lucas's fine question concerning revenue guaranteed from the footy tipping competition for the 2001 Australian Football League season. The minister said he had not yet received advice as to the revenue generated by the competition. Will the minister now actively seek information regarding the advice, and bring that advice into the house and declare the full dollar amount involved as soon as it is available?

Peninsula Community Health Service

Hon. K. M. SMITH (South Eastern) — I refer the Minister for Industrial Relations as the representative of the Minister for Health in another place to certain irregularities in the Peninsula Community Health Service. The Mornington Peninsula has been blessed with this community health service over a long time. It has done great work for such a small service and is now a multi-site service offering great benefits to the people on the peninsula.

It was decided that a new system of appointments to the board would be adopted. Half were to be elected and half were to be appointed, which facilitated a quick reintroduction of the membership roll, which had not been there before, and certain members of the board quickly began manipulating the whole service, as they have done before, by signing up friends and relatives and all the sorts of people that they would normally have signed up.

One board member would usually organise a bus and go around and pick up all the people to go to the meeting, when they were elected of course. This is a brand-new system that has been put in place. That particular member courted the people, manipulated the system, and six people were nominated for five positions. They gave one another preferences, and the board has now been loaded up with Labor Party people who will ruin what has been an extremely good service. Apart from that, the board is now in the position of having all five members who are Labor Party stooges

led by Frank Thompson. We all know Frankie Thompson, the old watersider, who has been down on the peninsula for a long time. The other members are Carole Ford, Stuart Harridge, Sharon Donnelly and Alan McPhate.

An Honourable Member — What is your question?

Hon. K. M. SMITH — You wait until I get to it. Of the four people who were nominated by the minister, three of them are also Labor Party people. This has been a very good board offering a good service to the community for a long time. It concerns me that the Labor Party is now there and will manipulate it and take funds out for itself.

I ask that the Minister for Health investigate this gross manipulation and loading up of the service and ensure that he does a proper audit of the finances of the Peninsula Community Health Service given that it will now be manipulated by the Labor Party stooges led by Frank Thompson.

Responses

Hon. M. M. GOULD (Minister for Industrial Relations) — The Honourable Gordon Rich-Phillips raised a matter for me to refer to the Premier in his capacity of Minister for Multicultural Affairs, and I will ask him to respond in the usual manner.

The Honourable Jeanette Powell raised a matter for me to refer to the Premier about ongoing funding for financial counselling in the Shepparton area through the Community Support Fund. I will raise that with the Premier and ask him to respond in the usual manner.

The Honourable Neil Lucas raised a matter for the Premier, and I will ask him to respond if he so chooses.

The Honourable Ron Bowden directed to the attention of the Premier a matter that was raised at the state conference of the Returned and Services League about paupers funerals. I will raise that with the Premier and ask him to respond.

The Honourable Ken Smith raised a matter for the Minister for Health, and I will ask him to respond in the usual manner, if he so chooses.

Hon. C. C. BROAD (Minister for Energy and Resources) — The Honourable Geoff Craig requested that the Minister for Environment and Conservation investigate whether a flora and fauna assessment was carried out at Wandong, and I will refer that matter to the minister.

The Honourable Roger Hallam again raised the matter of Snowy River environmental flows. I suppose I should not be surprised by this continuing rearguard action in relation to the government's initiative in this area. I remind honourable members that the current federal Liberal–National government has supported this agreement to restore environment flows to the Snowy River, notwithstanding the position of the commonwealth environment minister, who regards the Snowy River as dead and any money spent on it as a waste of money.

The Victorian government will continue to ensure that this agreement is implemented. I am happy to indicate again to members opposite that until the commonwealth Snowy Hydro Corporatisation Act, which repeals the 1958 Snowy agreement, is proclaimed, flows cannot be restored to the Snowy River. However, this does not preclude the Victorian government continuing to work in the meantime to prepare for that event.

The \$40 million allocated in the 2000–01 budget for the restoration of environmental flows to the Snowy River remains dedicated to that purpose. In particular, it is dedicated to a commitment made to the joint government enterprise, when it is set up, and to the water-saving agreements necessary to secure environmental flows. That is what the funds will be spent on. They remain committed to that purpose.

The Honourable Barry Bishop raised for the attention of the Minister for Environment and Conservation that she consider a program to support farm forestry lots. I will refer that matter to the minister.

The Honourable Graeme Stoney also raised for the attention of the Minister for Environment and Conservation environmental flows for the Snowy River and asked where they are going to come from. If the Honourable Graeme Stoney has not understood by now the welter of information and material published by this government, by the commonwealth government and by the New South Wales government explaining that water savings projects will deliver the environmental flows to the Snowy River I am not sure what is going to help him understand how the agreement will be implemented. I refer him to an enormous amount of material that is on the public record explaining in great detail how the environmental flows will be delivered to the Snowy River.

The Honourable Ian Cover raised the matter of gas extensions. I can only conclude that the honourable member was not listening during question time when I explained it in some detail. I will not go through it all

again, but in short what I explained in question time was that legislation passed in the last sessional period of Parliament has allowed an order in council to be presented, which came into effect today, allowing for gas extensions to proceed in those instances where investors are able to secure an agreement which allows them to have an exclusive period in relation to retailing and or distribution to increase the commercial attractiveness of the investment. I refer the honourable member to *Hansard* for more detail.

The Honourable Carlo Furletti raised for the attention of the Minister for Environment and Conservation resources for a clean-up of the Plenty River and Victorian waterways. I will refer that matter to the minister.

Hon. M. R. THOMSON (Minister for Small Business) — The Honourable Glenyys Romanes raised for the attention of the Minister for Aged Care a matter concerning the shortfall of residential aged care beds in the north-western suburbs, the fact that there is a 5000 shortfall in Victoria and that the federal government has failed to fund that shortfall. The honourable member mentioned that Dousta Galla Aged Services had a capacity to place at least nine additional beds in a few weeks. She asked of the minister what action the state government can take in relation to that shortfall and what is occurring.

The Honourable Andrea Coote raised a matter relating to motorised scooters and safety. The safety standards for the construction of scooters is looked at by the National Standards Commission, which is supposed to be developing the national standards. I will pass on to the Minister for Transport those matters the honourable member raised regarding the wearing of helmets and the use of lights to ensure that is being dealt with in the area of road safety.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I will refer to the Minister for Major Projects and Tourism in the other place the question asked by the Honourable Elaine Carbines regarding Roger Grant from Geelong Otway Tourism and his concern about tourism in the Otway region, particularly the conference market.

In relation to the question by the Honourable David Davis regarding the Victorian youth development program and the request by the Canterbury Girls Secondary College, the program will certainly continue. Requests for clarification have been made by a number of groups. While I am not aware of the specific funding mix, I am happy to seek information from the department in relation to that application.

In relation to the question by the Honourable Cameron Boardman regarding the football tipping competition, I have no doubt that when the information is received by the Minister for Gaming and I have received that information from his department regarding the revenue I will be making a public announcement about the expenditure of that money.

An Honourable Member — When?

Hon. B. C. Boardman — No, we want the revenue.

Hon. J. M. MADDEN — When I am aware of and clear about the extent of the revenue from that competition.

Motion agreed to.

House adjourned 5.50 p.m.

QUESTIONS ON NOTICE

*Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Council.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.*

Tuesday, 9 October 2001

Aged Care: home-based services

1816. THE HON. J. W. G ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): In relation to home based services, what is the target output and expenditure for the Hospital in the Home program and post acute care, respectively, for 2001–02.

ANSWER:

The 2001-02 budget for Hospital in the Home is \$5M, and the target output is 101,000 bed days.

The 2001-02 budget for Post Acute Care Program is \$17.6M, and the target output is 28,000 clients.

Housing: commonwealth–state housing agreement

1838. THE HON. R. H. BOWDEN — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): Will the minister supply a copy of the last report Victoria lodged with the Commonwealth Government as a requirement under the provision of the commonwealth–state housing agreement.

ANSWER:

The most recent report prepared lodged with the Commonwealth Government as a requirement under the provision of the CSHA is attached.

[Report referred to in answer (32 pages) has been supplied to the honourable member and a copy tabled in the parliamentary library.]

Treasurer: ministerial staff

1994. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Treasurer): As at 30 May 2001, how many staff were employed by the Treasurer — (i) in the Treasurer’s office as Ministerial staff, what are their names and what is the cost; and (ii) on secondment from the Victoria Public Service, what are their names and what is the cost.

ANSWER:

I am informed that:

All staff working in my office are employed by the premier. Therefore, there are no Ministerial staff employed by me working in my office.

As at 30 May 2001, two members of staff working in my office were on secondment from the Victorian Public Service. The Member may wish to refer to the Budget Papers for details on expenditure.

Major Projects and Tourism: ministerial staff

2055. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Major Projects and Tourism): As at 30 May 2001, how many staff were employed by the Minister — (i) in the Minister's office as Ministerial staff, what are their names and what is the cost; and (ii) on secondment from the Victorian Public Service, what are their names and what is the cost.

ANSWER:

All staff working in my office are employed by the Premier. Therefore, there are no Ministerial staff employed by me working in my office. As at 30 May 2001, no staff working in my office were on secondment from the Victorian Public Service.

Attorney-General: ministerial staff

2057. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Small Business (for the Honourable the Attorney-General): As at 30 May 2001, how many staff were employed by the Attorney-General — (i) in the Attorney-General's office as Ministerial staff, what are their names and what is the cost; and (ii) on secondment from the Victorian Public Service, what are their names and what is the cost.

ANSWER:

All ministerial staff in my office are employed by the Premier. Therefore there are no Ministerial staff employed by me in my office.

The names of Ministerial staff are regularly made public in the Victorian Government Directory, as are relevant Departmental Liaison Officers on secondment from the Departments. The salary of individual staff members relates to the personal affairs of those individuals.

The Member may wish to refer to the Budget Papers for details on expenditure.

Aboriginal Affairs: ministerial staff

2062. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aboriginal Affairs): As at 30 May 2001, how many staff were employed by the Minister — (i) in the Minister's office as Ministerial staff, what are their names and what is the cost; and (ii) on secondment from the Victorian Public Service, what are their names and what is the cost.

ANSWER:

All staff working in my office are employed by the Premier. Therefore, there are no Ministerial staff employed by me working in my office.

As at 30 May 2001, no staff working in my office were on secondment from the Victorian Public Service.

The Member may wish to refer to the Budget Papers for details on expenditure.

Workcover: ministerial staff

2063. THE HON. D. McL. DAVIS — To ask the Honourable the Minister Assisting the Minister for WorkCover: As at 30 May 2001, how many staff were employed by the Minister — (i) in the Minister's office as Ministerial staff, what are their names and what is the cost; and (ii) on secondment from the Victorian Public Service, what are their names and what is the cost.

ANSWER:

All staff working in my office are employed by the Premier. Therefore, there are no Ministerial staff employed by me working in my office.

As at 30 May 2001, no staff working in my office were on secondment from the Victorian Public Service.

The Honourable Member may wish to refer to the Budget Papers for details on expenditure.

It is not considered appropriate that names of staff be provided.

Multicultural Affairs: ministerial staff

2067. THE HON. D. McL. DAVIS – To ask the Honourable the Minister for Industrial Relations (for the Honourable the Minister Assisting the Minister for Multicultural Affairs): As at 30 May 2001, how many staff were employed by the Minister — (i) in the Minister's office as Ministerial staff, what are their names and what is the cost; and (ii) on secondment from the Victorian Public Service, what are their names and what is the cost.

ANSWER:

I am advised:

All staff working in my office are employed by the Premier. Therefore, there are no Ministerial staff employed by me working in my office.

As at 30 May 2001, no staff working in my office were on secondment from the Victorian Public Service.

Treasurer: commonwealth–state financial relations

2110. THE HON. R. M. HALLAM — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Treasurer): In calculating and settling the quantum of transitional assistance due to Victoria under the guarantee contained in the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations that no State or Territory be worse off, did Treasury factor in the particular circumstances of the non-profit sector, and the substantial and predictable effect which the abolition of wholesale sales tax would have upon vehicle change-over costs for organisations such as Mallee Family Care.

ANSWER:

I am informed that:

In the negotiations between the Commonwealth, States and Territories prior to the signing by all jurisdictions of the *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations* (IGA) in mid-1999, the Commonwealth based its estimates of embedded tax savings on high level modelling.

Under the IGA, the Federal Government reduced grants to Victoria by \$100 million to reflect its estimates of embedded tax savings from goods and services purchased following the abolition of a number of taxes. This included embedded tax savings from State grants to charities.

Subsequent to the signing of the IGA, the Victorian Government raised with the Commonwealth the issue of the reduced used car prices after 1 July 2000 having an impact on the vehicle changeover costs for State government agencies and welfare agencies which receive State government support. However, the Commonwealth is not prepared to take this into account as an offset to its estimates of embedded tax savings.

Notwithstanding the refusal by the Commonwealth Government to provide any offset, the Bracks Government decided not to make any adjustment to grants in respect of charitable organisations and instead absorbed the costs (around \$12 million per annum) in respect of these organisations.

This decision by the State Government provided relief for welfare agencies like Mallee Family Care.

Premier: Geelong — community cabinet public opinion polling

2126. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to Geelong on 15 November 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Local area research is undertaken prior to Community Cabinet meetings to ascertain issues of local importance that are the responsibility of the State Government. The research is used by Cabinet to gain an understanding of local issues and to ensure that a balanced perspective can be given when responding to formal deputations and submissions relating to Ministerial portfolios.

In response to your questions 2126 through to 2138, please be advised that:

- Local area research was undertaken prior to the following Community Cabinet meetings: Whitehorse on 15/6/2000; Bendigo on 18/7/2000; Mildura on 24/8/2000; Sunbury on 4/9/2000; Ballarat on 27/11/2000; La Trobe Valley on 11/12/2000; Portland on 13/12/2000; Knox on 21/5/2001; Broadford & Seymour on 18/6/2001; and Ararat on 19/10/2000;
- No research was undertaken for the Community Cabinet meetings in Geelong on 15/11/1999, Casey (Narre Warren) on 28/2/2000; or Boroondara on 28/6/2001;
- The total cost of this research was \$183,887.58.

Premier: Casey — community cabinet public opinion polling

2127. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to the City of Casey on 28 February 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Whitehorse — community cabinet public opinion polling

2128. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to the City of Whitehorse on 15 June 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Bendigo — community cabinet public opinion polling

2129. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to Bendigo on 18 July 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Mildura — community cabinet public opinion polling

2130. THE HON. D. McL. DAVIS — To ask the Honourable the Leader of the Government (for the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to Mildura on 23 and 24 August 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Sunbury — community cabinet public opinion polling

2131. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to Sunbury on 4 September 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Ballarat — community cabinet public opinion polling

2132. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to Ballarat on 27 November 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Latrobe Valley — community cabinet public opinion polling

2133. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to the La Trobe Valley on 11 December 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Portland — community cabinet public opinion polling

2134. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to Portland on 13 December 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Knox — community cabinet public opinion polling

2135. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to Knox on 21 May 2001; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Broadford — community cabinet public opinion polling

2136. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to

Broadford and Seymour on 18 June 2001; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Boroondara — community cabinet public opinion polling

2137. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to the City of Boroondara on 28 June 2001; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken; and (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

Premier: Ararat — community cabinet public opinion polling

2138. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): Was polling, local area research, focus groups and/or other public opinion polling undertaken as part of the Community Cabinet process prior to the visit of the Community Cabinet to Ararat on 19 October 2000; if so — (i) what was the cost of the polling, local area research, focus groups and other public opinion polling undertaken and; (ii) by which company, organisation or person was it done.

ANSWER:

I am informed that:

Please refer to the response to question 2126

