PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

6 December 2001

(extract from Book 10)

Internet: www.parliament.vic.gov.au/downloadhansard

By authority of the Victorian Government Printer

The Governor

JOHN LANDY, AC, MBE

The Lieutenant-Governor

Lady SOUTHEY, AM

The Ministry

Premier and Minister for Multicultural Affairs	The Hon. S. P. Bracks, MP
Deputy Premier, Minister for Health and Minister for Planning	The Hon. J. W. Thwaites, MP
Minister for Industrial Relations and Minister assisting the Minister for Workcover	The Hon. M. M. Gould, MLC
Minister for Transport	The Hon. P. Batchelor, MP
Minister for Energy and Resources, Minister for Ports and Minister assisting the Minister for State and Regional Development	The Hon. C. C. Broad, MLC
Minister for State and Regional Development and Treasurer	The Hon. J. M. Brumby, MP
Minister for Local Government, Minister for Workcover and Minister assisting the Minister for Transport regarding Roads	The Hon. R. G. Cameron, MP
Minister for Community Services	The Hon. C. M. Campbell, MP
Minister for Education and Minister for the Arts	The Hon. M. E. Delahunty, MP
Minister for Environment and Conservation and Minister for Women's Affairs	The Hon. S. M. Garbutt, MP
Minister for Police and Emergency Services and Minister for Corrections	The Hon. A. Haermeyer, MP
Minister for Agriculture and Minister for Aboriginal Affairs	The Hon. K. G. Hamilton, MP
Attorney-General, Minister for Manufacturing Industry and Minister for Racing	The Hon. R. J. Hulls, MP
Minister for Post Compulsory Education, Training and Employment and Minister for Finance	The Hon. L. J. Kosky, MP
Minister for Sport and Recreation, Minister for Youth Affairs and Minister assisting the Minister for Planning	The Hon. J. M. Madden, MLC
Minister for Gaming, Minister for Major Projects and Tourism and Minister assisting the Premier on Multicultural Affairs	The Hon. J. Pandazopoulos, MP
Minister for Housing, Minister for Aged Care and Minister assisting the Minister for Health	The Hon. B. J. Pike, MP
Minister for Small Business and Minister for Consumer Affairs	The Hon. M. R. Thomson, MLC
Parliamentary Secretary of the Cabinet	The Hon. G. W. Jennings

Legislative Council Committees

Economic Development Committee — The Honourables R. A. Best, Andrea Coote G. R. Craige, Kaye Darveniza, N. B. Lucas, J. M. McQuilten and T. C. Theophanous.

Privileges Committee — The Honourables W. R. Baxter, D. McL. Davis, C. A. Furletti, M. M. Gould and G. W. Jennings.

Standing Orders Committee — The Honourables the President, G. B. Ashman, B. W. Bishop, G. W. Jennings, Jenny Mikakos, G. D. Romanes and K. M. Smith.

Joint Committees

Drugs and Crime Prevention Committee — (*Council*): The Honourables B. C. Boardman and S. M. Nguyen. (*Assembly*): Mr Cooper, Mr Jasper, Mr Lupton, Mr Mildenhall and Mr Wynne.

Environment and Natural Resources Committee — (*Council*): The Honourables R. F. Smith and E. G. Stoney. (*Assembly*): Mr Delahunty, Ms Duncan, Mrs Fyffe, Ms Lindell and Mr Seitz.

Family and Community Development Committee — (*Council*): The Honourables E. J. Powell, G. D. Romanes and J. W. G. Ross. (*Assembly*): Mr Hardman, Mr Lim, Mr Nardella and Mrs Peulich.

House Committee — (*Council*): The Honourables the President (*ex officio*), G. B. Ashman, R. A. Best, J. M. McQuilten, Jenny Mikakos and R. F. Smith. (*Assembly*): Mr Speaker (*ex officio*), Ms Beattie, Mr Kilgour, Ms McCall, Mr Rowe, Mr Savage and Mr Stensholt.

Law Reform Committee — (*Council*): The Honourables R. H. Bowden, D. G. Hadden and P. A. Katsambanis. (*Assembly*): Mr Languiller, Ms McCall, Mr Stensholt and Mr Thompson.

Library Committee — (*Council*): The Honourables the President, E. C. Carbines, M. T. Luckins, E. J. Powell and C. A. Strong. (*Assembly*): Mr Speaker, Ms Duncan, Mr Languiller, Mrs Peulich and Mr Seitz.

Printing Committee — (*Council*): The Honourables the President, Andrea Coote, Kaye Darveniza and E. J. Powell. (*Assembly*): Mr Speaker, Ms Gillett, Mr Nardella and Mr Richardson.

Public Accounts and Estimates Committee — (*Council*): The Honourables D. McL. Davis, R. M. Hallam, G. K. Rich-Phillips and T. C. Theophanous. (*Assembly*): Ms Barker, Mr Clark, Ms Davies, Mr Holding, Mr Loney and Mrs Maddigan.

Road Safety Committee — (*Council*): The Honourables Andrew Brideson and E. C. Carbines. (*Assembly*): Mr Kilgour, Mr Langdon, Mr Plowman, Mr Spry and Mr Trezise.

Scrutiny of Acts and Regulations Committee — (*Council*): The Honourables M. A. Birrell, Jenny Mikakos, O. P. Olexander and C. A. Strong. (*Assembly*): Ms Beattie, Mr Carli, Ms Gillett, Mr Maclellan and Mr Robinson.

Heads of Parliamentary Departments

Assembly — Clerk of the Parliaments and Clerk of the Legislative Assembly: Mr R. W. Purdey

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

Hansard — Chief Reporter: Ms C. J. Williams

Library — Librarian: Mr B. J. Davidson

Parliamentary Services — Manager: Mr M. L. Bromley

MEMBERS OF THE LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT — FIRST SESSION

President: The Hon. B. A. CHAMBERLAIN

Deputy President and Chairman of Committees: The Hon. B. W. BISHOP

Temporary Chairmen of Committees: The Honourables G. B. Ashman, R. A. Best, Kaye Darveniza, D. G. Hadden, Jenny Mikakos, R. F. Smith, E. G. Stoney and C. A. Strong

Leader of the Government:
The Hon. M. M. GOULD

Deputy Leader of the Government:
The Hon. G. W. JENNINGS

Leader of the Opposition:
The Hon. BILL FORWOOD from 13 September 2001
The Hon. M. A. BIRRELL to 13 September 2001

Deputy Leader of the Opposition:
The Hon. C. A. FURLETTI from 13 September 2001
The Hon. BILL FORWOOD to 13 September 2001

Leader of the National Party:
The Hon. P. R. HALL from 20 March 2001
The Hon. R. M. HALLAM to 20 March 2001

Deputy Leader of the National Party:
The Hon. E. J. POWELL from 20 March 2001
The Hon. P. R. HALL to 20 March 2001

Member	Province	Party	Member	Province	Party
Ashman, Hon. Gerald Barry	Koonung	LP	Hall, Hon. Peter Ronald	Gippsland	NP
Atkinson, Hon. Bruce Norman	Koonung	LP	Hallam, Hon. Roger Murray	Western	NP
Baxter, Hon. William Robert	North Eastern	NP	Jennings, Hon. Gavin Wayne	Melbourne	ALP
Best, Hon. Ronald Alexander	North Western	NP	Katsambanis, Hon. Peter Argyris	Monash	LP
Birrell, Hon. Mark Alexander	East Yarra	LP	Lucas, Hon. Neil Bedford, PSM	Eumemmerring	LP
Bishop, Hon. Barry Wilfred	North Western	NP	Luckins, Hon. Maree Therese	Waverley	LP
Boardman, Hon. Blair Cameron	Chelsea	LP	McQuilten, Hon. John Martin	Ballarat	ALP
Bowden, Hon. Ronald Henry	South Eastern	LP	Madden, Hon. Justin Mark	Doutta Galla	ALP
Brideson, Hon. Andrew Ronald	Waverley	LP	Mikakos, Hon. Jenny	Jika Jika	ALP
Broad, Hon. Candy Celeste	Melbourne North	ALP	Nguyen, Hon. Sang Minh	Melbourne West	ALP
Carbines, Hon. Elaine Cafferty	Geelong	ALP	Olexander, Hon. Andrew Phillip	Silvan	LP
Chamberlain, Hon. Bruce Anthony	Western	LP	Powell, Hon. Elizabeth Jeanette	North Eastern	NP
Coote, Hon. Andrea	Monash	LP	Rich-Phillips, Hon. Gordon Kenneth	Eumemmerring	LP
Cover, Hon. Ian James	Geelong	LP	Romanes, Hon. Glenyys Dorothy	Melbourne	ALP
Craige, Hon. Geoffrey Ronald	Central Highlands	LP	Ross, Hon. John William Gamaliel	Higinbotham	LP
Darveniza, Hon. Kaye	Melbourne West	ALP	Smith, Hon. Kenneth Maurice	South Eastern	LP
Davis, Hon. David McLean	East Yarra	LP	Smith, Hon. Robert Fredrick	Chelsea	ALP
Davis, Hon. Philip Rivers	Gippsland	LP	Smith, Hon. Wendy Irene	Silvan	LP
Forwood, Hon. Bill	Templestowe	LP	Stoney, Hon. Eadley Graeme	Central Highlands	LP
Furletti, Hon. Carlo Angelo	Templestowe	LP	Strong, Hon. Christopher Arthur	Higinbotham	LP
Gould, Hon. Monica Mary	Doutta Galla	ALP	Theophanous, Hon. Theo Charles	Jika Jika	ALP
Hadden, Hon. Dianne Gladys	Ballarat	ALP	Thomson, Hon. Marsha Rose	Melbourne North	ALP

CONTENTS

Thursday, 6 December 2001

The PRESIDENT (Hon. B. A. Chamberlain) took the chair at 10.02 a.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

Yallourn Energy: dispute

Hon. BILL FORWOOD (Templestowe) — I refer the Minister for Industrial Relations to the Yallourn Energy dispute threatening Victoria's power supply this summer and to her Pontius Pilate approach in saying 'It is not for the government to take sides', and I ask: who will represent the people of Victoria in this dispute?

Hon. M. M. GOULD (Minister for Industrial Relations) — As I clearly indicated to the house yesterday, this dispute between Yallourn Energy and the unions is before the Australian Industrial Relations Commission. The government has indicated to the parties that it will not be taking sides; it will not be supporting the union's application or the employer in the action. The government will take action, if necessary, because of a threat to supply, but all the advice it has been given at this point in time is that there is no such threat.

Consumer affairs: credit debt

Hon. JENNY MIKAKOS (Jika Jika) — My question is to the Minister for Consumer Affairs. Given the recent reports in relation to consumer debt, will the minister outline to the house what action the Bracks government has taken to try to protect Victorian consumers from falling into the credit trap?

Hon. M. R. THOMSON (Minister for Consumer Affairs) — Yesterday Dun and Bradstreet released figures which show that there has been a 30 per cent increase in personal bankruptcies over the past 12 months; household debt has reached $72 billion; and credit card debt is up 20 per cent to $18.9 billion — a 100 per cent increase since January 1998!

We in the Bracks government have been active in trying to create an environment where consumers can be informed about their best options in relation to credit, and yesterday the house passed the second-hand dealers and pawnbrokers legislation. We raised the issue of payday lending nationally. On 10 December we will see the implementation of payday lending legislation.

Arising from the round-table meeting of consumer groups and financial institutions with the Minister for Consumer Affairs in New South Wales that I attended, a draft report was prepared by the New South Wales government for the uniform consumer credit code management committee. The report has been submitted to the Ministerial Council on Consumer Affairs to look at the recommendations coming out of that paper, which is now out for consultation. Also developed at the ministerial council level are amendments to the consumer credit code to introduce mandatory comparison rates for fixed-term consumer credit products. This was an election commitment of the Bracks government.

We will continue to raise these issues at a national level. Unfortunately we are having a bit of difficulty trying to work out who will be the federal minister responsible for these issues because it was not clear in the ministerial divisions given by the Howard government.

Of concern is the level of credit that is still applied to credit cards. We have seen in less than 12 months since January a 2 per cent cut in interest rates, but that has not been reflected in the interest rates charged on credit cards. The interest rates on credit cards are still 15 per cent or more and they have not changed a great deal in line with the rates that have dropped in other areas. We call on the banks to be more honest in the credit charge for credit cards and to ensure that they reflect the changing interest rates on other products and the official drop in rates that have occurred. It is also important that we educate consumers on how to use credit wisely so as not to overextend themselves.

In the house earlier this week I announced our Christmas credit campaign with consumers. This is occurring around shopping centres in Victoria. Unfortunately I did not bring the Christmas cards in at the time, but I have them with me now, and I wish all honourable members a safe and financially secure Christmas.

Electricity: supply

Hon. PHILIP DAVIS (Gippsland) — My question is to the Minister for Energy and Resources. Last summer the first knowledge that the public had of electricity blackouts was when traffic lights went out at intersections. In the case of the next blackout will the minister ensure that the public is fully advised prior to the damage occurring?

Hon. C. C. BROAD (Minister for Energy and Resources) — The opposition has a hide coming in here professing to care about Victoria's electricity

supplies. This, from a shadow minister who was a member of a government — —

Hon. Philip Davis — Three strikes and you're out, Candy!

The PRESIDENT — Order! Mr Davis has asked the minister a question. Obviously he expects to — —

Hon. R. F. Smith — He keeps interjecting!

The PRESIDENT — Order! I am just about to tell him that! As I was about to say before I was rudely interrupted, Mr Davis asked a question. He has to expect the minister to be able to answer the question in a way that can be heard by the house, so I ask both sides to keep out of it.

Hon. C. C. BROAD — This, from someone who was a parliamentary secretary in a government which cared about nothing except selling off Victoria's power supply, despite the fact that it knew the supply was tightening, and we know that it knew — —

Honourable members interjecting.

The PRESIDENT — Order! I cannot hear the minister. There may be other questions that are going to follow which require this information to be heard. I ask the house to settle down and allow the minister to answer the question.

Hon. C. C. BROAD — It did nothing about encouraging further investment in generation. In contrast, I am happy to tell you, this government has facilitated more than 1000 megawatts in new generation in this state, some of which has already been commissioned, which demonstrates the shadow minister's ignorance.

Hon. Philip Davis — Where? Not 1 megawatt. Nothing comes on line before the end of summer. You are being misleading.

The PRESIDENT — Order!

Hon. T. C. Theophanous interjected.

The PRESIDENT — Order! You keep out of it too. I am trying to get the house to settle down so we can have an orderly question time where the questions are asked and the answers given. If the minister got more directly to answering the question that was asked, she may not get the reaction she is getting now. I am just giving a bit of advice if members want a reasonably quiet question time.

Hon. C. C. BROAD — Thank you for the editorial, Mr President.

To continue with my answer, this government has done a great deal to secure electricity supplies for Victorians, not only for this summer but into the future. I will be very pleased to again chair a meeting of electricity ministers in Melbourne as a result of — —

Hon. Bill Forwood — On a point of order, Mr President, the minister is clearly debating the question. The question that was posed was: will the people of Victoria know this time before the lights go out — it was not about the generator capacity throughout the state. I ask you, Mr President, to tell the minister not to debate the question and get back to the answer.

The PRESIDENT — Order! The question asked was pretty narrow in its scope. It was, as has been said before, about whether there would be some forewarning to the public of Victoria if it is likely to face some sort of breakdown or brownout. I do not believe the minister has addressed that question as yet.

Hon. C. C. BROAD — Yes, I have indicated to the house this week already that there is no threat to Victoria's power supplies, and I am indicating now that this government has taken a whole series of actions in terms of securing supply through interconnects, through new generation, through demand management and through a whole series of measures.

Hon. Philip Davis — You won't warn the public, will you? You will let your union mates turn the lights out again and you will give no warning at all.

Hon. C. C. BROAD — Through that statement by the opposition, it has just demonstrated again that it is not interested in security of supply for Victorians. Opposition members are only interested in very tawdry political point scoring.

Industrial Relations Victoria: web site

Hon. G. D. ROMANES (Melbourne) — I ask the Minister for Industrial Relations to advise the house as to how Industrial Relations Victoria is using the Internet to make information available to help overcome the information void created by the Kennett government.

Hon. M. M. GOULD (Minister for Industrial Relations) — Sadly it is correct that the former Kennett government abolished important industrial relations advice services. That was particularly shameful given that the key to good industrial relations practices is

having a good understanding of the basic ground rules, as well as of each other's point of view. Industrial Relations Victoria is therefore working to restore some services in this area. IRV is an important source of advice to employers and employees about their employment rights and responsibilities, as well as cooperative workplace practices.

An important way of providing such information is via the IRV web site. In addition to the information already available on the site a new range of electronic material in the form of fact sheets was recently put on. At present 24 detailed specific-topic fact sheets are on the site and this is to be expanded further in the new year. The fact sheets cover a wide range of topics relating to minimum terms and conditions of employment, guidelines on hiring employees and effective employment practices. Employers are starved of this information and the government is responding to a request from them. After years of Victoria facing a black hole in this sort of information under the Kennett government, this government has now allowed access to it at the click of a finger so that employers can gain an understanding of what is required in the working environment.

IRV is committed to restoring a positive industrial relations climate in the state, and providing accessible information is an important way of achieving it.

Boating: licences

Hon. B. W. BISHOP (North Western) — My question is directed to the Minister for Ports, and, may I say, boats. During debate on the Marine (Hire and Drive Vessels) Bill earlier this week, members of the National Party were strenuously arguing against the imposition of a licence on operators of small recreational boats, and at one stage our assertion that it would cost more to become a licensed boat operator than a licensed car driver was challenged by the minister. Will the minister now concede that a 10-year licence to drive a car in Victoria costs $133 whereas the new equivalent licence to drive a boat will cost $250? How is she going to convince our many thousands of weekend small boat owners that such a fee structure is warranted or fair?

Hon. C. C. BROAD (Minister for Ports) — I am more than happy to provide the National Party with the comparisons prepared by the Marine Board of Victoria, which are somewhat different to the calculations the National Party has done. Notwithstanding that, it is disappointing that the National Party cannot see its way clear to support this very important initiative of the Bracks government to improve boating safety for all Victorians and to ensure that Victorians not only enjoy themselves but are able to do so in a safe manner.

The government believes that this initiative will greatly improve boating safety in the state. It is long overdue, and it is only as a result of the Bracks government that Victoria is finally coming into line with boat operator licensing laws which will now exist in all states except Western Australia. The government believes that this is a very significant achievement for improving safety in the state.

Swimming pools: industry conference

Hon. T. C. THEOPHANOUS (Jika Jika) — Will the Minister for Sport and Recreation inform the house of the role that Victoria is playing in demonstrating leadership in the aquatic industry and how the Bracks government is contributing to this success?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I welcome the honourable member's question. This morning I had the good fortune of officially opening Aquacon, the national aquatic industry conference, at the Melbourne Sports and Aquatic Centre. The conference has attracted about 250 participants, many of whom are from interstate and overseas as well as many locals. The last conference of this type was held in 1992. This means we are able to bring the aquatic industry together and appreciate the contribution it makes to Victoria, not only in terms of community benefit and linkages and increasing the ability to enhance participation in recreation in Victoria but also to ensure that it is an economic sector in the state that contributes substantially.

Some of the figures are incredibly impressive. Apparently there are currently 1900 persons employed in the industry and in the order of 1500 of those are full time. The estimated capital value of facilities around the state, including public and private infrastructure, is $1.7 billion and the total attendance at such aquatic facilities is in the order of 61 million. That is in this state alone. That complements what the government continues to do in industry support and leadership, particularly in this sector, while enhancing grassroots participation and involvement.

Honourable members interjecting.

Hon. J. M. MADDEN — I reinforce some of these issues to the opposition. Members opposite should take some interest in this because many of these facilities are in their constituencies. The government has spent $6.7 million on new aquatic facilities in Swan Hill, Warrnambool and Wangaratta. They are all currently under construction. The government has allocated

$3.3 million for upgrading existing facilities in rural and regional Victoria and $7 million to new aquatic facilities in metropolitan Melbourne, including newly opened pools in the cities of Casey and Monash. In addition, the government has allocated $4 million to the redevelopment of aquatic facilities in Melbourne. This funding complements the government's commitment of $2.2 million to a safer and improved aquatic program.

This investment reinforces that not only is Victoria the sporting state of Australia but in real terms it is the aquatic state. The government is enhancing in many ways a sector of this state which has grown over many years — and it will continue to do so.

Honourable members interjecting.

Hon. J. M. MADDEN — I appreciate that opposition members are not listening now and they did not listen in government either. I reinforce that the government will continue to grow the whole of the state, unlike the previous government.

Electricity: supply

Hon. BILL FORWOOD (Templestowe) — I again refer the Minister for Industrial Relations to the threat to Victoria's power supplies this summer. Is it not a fact that the greatest threat to our power is not the weather but the behaviour of rogue unions that thumb their noses at the minister?

Hon. T. C. Theophanous — That is the dumbest question I have heard you ask.

Hon. M. M. GOULD (Minister for Industrial Relations) — Poor memory, Mr Theophanous, I think there have been one or two others. The government has clearly indicated its position with respect to this matter. The issue is before the Australian Industrial Relations Commission. The government has indicated to the parties involved that it will act decisively if any legally protected action they take shows any threat to the supply. The government will act.

The unions are taking legally protected action as they are entitled to do under the Workplace Relations Act. That is unfortunate because it is a conflict-based piece of legislation. If the opposition had bothered to support the government's Fair Employment Bill, that would have given this state some powers and then there might have been a different position.

The government has said to the employers and to the unions that they need to sit down around the table and negotiate this enterprise agreement, as it has been going on for too long. This government will act if there is a threat, but based on all the advice it has, there is no threat to supply.

Boating: safety programs

Hon. R. F. SMITH (Chelsea) — With the summer boating season now upon us, will the Minister for Ports advise the house of further activities by the Bracks government to promote marine safety?

Hon. C. C. BROAD (Minister for Ports) — To further develop a theme started by the Minister for Sport and Recreation earlier in question time, I am very pleased to advise the house that the Bracks government has initiated the first ever Boating Safety Week, which runs from 1 December to 8 December. This initiative is designed to raise awareness of safe boating practices and to reduce the number of accidents and fatalities which, sadly, occur on our waterways each year.

The activities available to the public as part of Boating Safety Week cover all facets of recreational boating, whether it be yachting, canoeing, powerboating or small-craft fishing. Interested Victorians can attend a workshop on basic sailing safety, view safety displays and attend an introduction to safe canoeing, and they can even take their boats along to one of the many locations around Victoria where boating safety checks are being conducted. Although Boating Safety Week runs officially between 1 and 8 December, boating safety events organised by the Marine Board of Victoria will continue to run well into mid-December.

As the International Year of Volunteers draws to a conclusion, I would like to thank a number of organisations, including the Australian Volunteer Coast Guard, the Volunteer Marine Rescue Service in Mornington, the Royal Volunteer Coastal Patrol and Canoe Victoria, which are assisting the marine board in the conduct of these events during Boating Safety Week. The marine board can provide more information on all these activities to interested Victorians.

This initiative by the Bracks government demonstrates that it is delivering on its vision of a safer Victoria, which includes improving marine safety across the whole of the state for all Victorians.

Yallourn Energy: dispute

Hon. PHILIP DAVIS (Gippsland) — I refer the Minister for Industrial Relations to the real threat to summer power supplies. On Monday the minister convened discussions with Yallourn Energy and the power unions. Will she confirm that the talks failed because she left after only 30 minutes?

Hon. M. M. GOULD (Minister for Industrial Relations) — The honourable member has been sitting over there on the other side of the house reading through *Daily Hansard*. If he had continued to read through the question that one of his colleagues asked last night during the adjournment debate, he would have seen that I corrected the amount of time I spent at that meeting.

I met with the employers and the unions for a period of time, and then I left the parties to continue their negotiations. The employers and the unions sat down and negotiated for some time after I left. My officers were there, and I advised the parties that I would be in my office if they wanted to discuss further matters with me — which they did!

Legislative Council: cooperation

Hon. E. C. CARBINES (Geelong) — Will the Minister for Industrial Relations advise the house of how the Bracks government's industrial relations goals are being promoted in the Legislative Council of Victoria?

Hon. M. M. GOULD (Minister for Industrial Relations) — On the last sitting day of this year I thought I would give a report to the house on how I believe this house has taken on some of the Bracks government's industrial relations practices.

Honourable members have heard me talk about cooperative workplaces and high performance. In that regard I would like to thank the leaders of the opposition parties for their part in the cooperative work practices that have taken place over the year in this high-performing workplace that we operate in.

Honourable members interjecting.

The PRESIDENT — Order! Last days are always like this, unfortunately. I suggest that members of the house should not interfere with the normal operation of the house. Having said that, I ask the minister to continue.

Hon. M. M. GOULD — I thank you, Mr President, for your ruling in chastising the Honourable Ken Smith for his flicking off the light switch.

Along with my colleagues on this side of the house I have worked cooperatively in trying to have a high-performing Legislative Council. We have certainly worked hard to get through the legislative program.

Unfortunately the Bracks government's goal of creating a fairer and more balanced industrial relations environment was not taken up by the opposition. We did not quite get it right, but we have been working on it. I guess that is no surprise.

The opposition, particularly on the back benches, has been working hard on trying to create an environment that is fair in this place, although sometimes ministers have had to work very hard to answer some of the silly questions from the other side. But all in all, it has been a good time. When there has been a dispute we have turned to you, Mr President, as the honest broker to come up with a resolution to the differences between the parties.

So I am pleased to report to the house during question time on the last sitting day of this year that the Council is taking up the government's view of working cooperatively and in a positive way to achieve good things for the whole of the state.

QUESTIONS ON NOTICE

Answers

Hon. M. M. GOULD (Minister for Industrial Relations) — I have answers to the following questions on notice: 2149–52, 2311–12, 2363–5, 2402, 2404–5, 2407, 2410, 2416–26, 2428–30 and 2435–8.

Hon. C. A. FURLETTI (Templestowe) — Mr President, I seek again, as I did on Tuesday, an answer from the Leader of the Government in relation to question on notice 2339, which I directed to the Premier in his capacity as Minister for Multicultural Affairs. I still have not received an answer. I wonder whether the Minister for Industrial Relations could at least indicate when I can expect an answer.

Hon. M. M. GOULD (Minister for Industrial Relations) — As I indicated to the house, I have taken up the matter with the Premier's office and have asked for a reply. I will follow it up again. I have chased it each day. I have been trying to get it from the office but I have not got it yet. I will follow it up again and get an answer to the honourable member as soon as possible.

Hon. Bill Forwood — On a point of order, Mr President, on the issue raised by the Leader of the Government, I appreciate that she is trying to accommodate the rules of the house: in the event that she gets the answer today, we would be happy to have it tabled later in the day. In the event that she does not get the answer I am sure Mr Furletti would like to

receive a letter which indicates the answer, and the answer could be tabled later when the house sits again.

Hon. M. M. GOULD — Further on the point of order, I am happy to accommodate the Leader of the Opposition. If I get the answer today I will take up the offer to present it to the house. If not I will ensure there is a letter of response to the honourable member.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — Questions 2213, 2251 and 2252 standing in my name and directed to the Minister for Industrial Relations for answer on behalf of the Premier have been on the notice paper now for almost 80 days. I have written to the minister and raised this matter before, and I request an explanation of when I can expect an answer. Like the Leader of the Opposition, if an answer cannot be provided today I would be happy to receive an answer in writing during the break.

Hon. M. M. GOULD (Minister for Industrial Relations) — I take on board the honourable member's request, and again I indicate that I have been following that up with the Premier, and if an answer is received today I will arrange to have it tabled. If not, I will arrange to have a letter sent to the honourable member.

PETITION

Fruit bats: control

Hon. BILL FORWOOD (Templestowe) presented a petition from certain citizens of Victoria praying that the Minister for Environment and Conservation takes note of their opposition to the relocation of flying foxes, otherwise known as bats, from the Royal Botanic Gardens to Horseshoe Bend in Wilson Reserve, Ivanhoe and reconsiders plans to migrate and breed flying foxes in Ivanhoe. (156 signatures)

Laid on table.

LIQUOR CONTROL REFORM (PROHIBITED PRODUCTS) BILL

Second reading

Debate resumed from 4 December; motion of Hon. M. R. THOMSON (Minister for Small Business).

Hon. KAYE DARVENIZA (Melbourne West) — I am pleased to rise and speak in support of the bill, which addresses a number of important issues. It addresses the availability of alcohol-based essence and products being introduced onto the Victorian liquor market which present an unacceptable risk to the community because of their potential to be misused or abused, particularly by young people. I am pleased to say this bill is not opposed by the opposition and will be supported through the house.

Consultation has played an important role in the preparation of this bill, as it has with other bills that have been introduced by the government. We believe that a full consultative process is very important. There has been ongoing consultation with the Victoria Police, whose job it is to enforce the liquor laws. Unfortunately its members also have to deal with the aftermath of alcohol abuse. That could involve accidents that have occurred because of alcohol consumption or unfortunate incidents resulting in injuries, even death, which are attributed to the consumption of alcohol. There has also been consultation with the Australian Hotels Association of Victoria, the Liquor Stores Association of Victoria and the Distilled Spirits Industry Council of Australia.

I refer to clause 7, which inserts a proposed division 1A dealing with the prohibition of the retail sale of high-alcohol food essence in large containers — that is, 375 millilitre containers. These products have been found to represent a cheap and potentially dangerous source of alcohol which can lead to abuse and potential misuse, particularly by young people.

Proposed section 118A restricts the sale of food essence that contains high quantities of alcohol and also sets out penalties if an offence is committed. The maximum penalty is $3000. Supermarkets and other retail outlets where you would expect to be able to buy food essence are still able to sell alcoholic food essence in small quantities. Lemon essence can be sold in containers up to 100 millilitres and all other essences can be sold in containers up to a maximum of 50 millilitres.

The Honourable Carlo Furletti yesterday spoke about the tragic death of Mr Leigh Clark, a teenager who died in unfortunate circumstances. It was found that consumption of alcoholic food essence was a contributing factor to his death. The fact that he died in such tragic circumstances has been one of the factors leading to the government amending the legislation.

Proposed section 118B provides a head of power for the making of regulations. This gives the minister the authority to recommend the making of regulations that may be used to prohibit other potentially dangerous alcoholic products which might from time to time emerge on the market and pose a dangerous threat. The sorts of regulations that could be considered necessary by the minister are those around products which are

high in alcohol and which are presented and designed to be used in a way that could lead to rapid consumption.

Alcoholic icy poles, milk-based ice-cream-type products and products consumed from small satchels, spray packs and so on are targeted towards the younger generation. The products are made to look attractive to young consumers and are marketed in a way that encourages excessive and rapid consumption. That means young people are drinking too much alcohol too quickly, which can lead to dangerous and life-threatening situations.

The act is deficient in that the minister does not have the power to intervene to make regulations to ban alcoholic products from sale where the minister believes and where it is clearly apparent that the products may be unacceptable to community standards because they are designed to encourage the misuse and even abuse of alcohol.

While the government acknowledges the commitment by the mainstream liquor suppliers in Australia to reasonable and responsible packaging and marketing, marginal suppliers and importers often do not comply with mainstream industry standards. Those importers and suppliers will need to pay attention — and they will need to continue paying attention — to the regulation-making powers in the bill.

Wide regulation-making powers are necessary to ensure that the suppliers of dangerous products cannot avoid detection simply by changing names, labels or packaging. The bill provides that the minister may recommend the making of regulations only when it is clearly in the interests of the community. The making of such regulations will be subject to a rigorous regulatory impact statement process, which will also involve extensive community and industry consultation. It will ensure that there is a tightly targeted approach to any regulations that are made. The government has also provided that such regulations may be disallowed by either house of Parliament, and Mr Furletti gave more details of that in his contribution yesterday.

In conclusion, the bill will have a big impact on the liquor industry. It will result in increased community safety and protection, particularly for young people, who, through the marketing of a whole range of products, are encouraged to rapidly drink or consume excessive quantities of alcohol, which is harmful. So the bill will add or give particular protection and safeguards to the young.

This bill deserves the support of all honourable members, and I commend it to the house.

Hon. W. R. BAXTER (North Eastern) — The National Party does not oppose this bill, but I feel I should note that it really is a sad commentary on the state we seem to have reached in our society that we have to be introducing this sort of legislation to control the consumption of substances which were never intended to be consumed as alcoholic drinks. They are in fact components of food products. It saddens me that we are now in a situation where these substances are being used by a number of people in the community — presumably mainly young people — as a source of alcohol consumption. To a degree I suppose this bill is a knee-jerk reaction in response to an unfortunate incident which has recently been considered by the coroner.

I suppose I have to ask myself what is happening to our society that young people are excessively imbibing alcohol by this means. What is happening to our education system? Where is the parental guidance and the parental example that would demonstrate to young people that alcohol consumption by these means is utterly inappropriate and dangerous? I have to ask myself: what can be the attraction of imbibing these substances with the apparent sole purpose of becoming extremely intoxicated in the shortest possible time? I ask myself: what is the pleasure in that, and why would people want to do it?

Why do we have among our young this apparent total inability to withstand peer pressure: that just because a colleague or a friend engages in binge drinking by whatever means, I should, too? I do not know whether I had a different upbringing, or I am of a different character or different personality, but I have never felt any sort of compelling need to cave in to peer pressure, to be one of the mob or group, to be one that just follows along and is led like a sheep. But, regrettably, there seems to be a significant proportion of the community who are so disposed. It seems to be an increasing proportion of people in the community that are unable to make their own decisions for their own welfare and wellbeing, that are in fact prepared to engage in high-risk behaviour, because somehow or other that gives them a feeling of belonging to and being part of the culture.

I really think that we as leaders of the community have to turn our minds to what is going wrong in our education system and our family life that we are not empowering our young people to make their own decisions to choose to live a healthy lifestyle and behave in a responsible and safe manner rather than succumbing to the dictates, encouragement and goading of some young people who want to be the leaders of the pack and who simply want to engage in high-risk

behaviour and take the pack along with them. I do not know the answer, but I have pondered over it quite a bit. I am concerned that we appear to have far too many young people who are prepared to just go along with things without taking their own decisions and saying, 'Hang on a minute, this is not in my interests at all'. We have to look at where we are falling down in our education system. The mob mentality rules, and people who want to take an independent stance are sometimes shouted down and belittled because they are prepared to show a bit of self-discipline.

A lot of the time it comes down to self-discipline. I could not help but interject during question time earlier today when the minister was answering a dorothy dixer about credit card debt. Much of that is simply due to a lack of self-discipline by people who cannot resist impulse buying, which is so easy to do on a credit card. Why should the rest of the community be blamed for their utter lack of self-discipline and their utter inability to resist the admonitions of clever marketers?

I am really concerned that we have a society that seems to be so lacking in self-discipline. We have to grab hold of things and encourage people to exercise much more self-discipline in their daily lives, whether it be in relation to the inappropriate use of alcohol or credit or driving a motor vehicle. This community is going in the opposite direction from what it ought to be in terms of self-discipline.

Governments cannot fix every problem; it is up to the people themselves — and we have another example here. Nevertheless, we have a problem. Some young people are abusing these substances apparently because they are cheap and because imbibing the stuff gets them to a state of mind and body that they see as buying them some kudos among their colleagues. What could be enjoyable about downing a pint or two of vanilla essence, Mr Acting President? Nothing at all! But it is going on, and we need to do something about it. To that extent, I am prepared to go along with this legislation because it will, to a degree, restrict the availability of this product to people who use it inappropriately.

I am pleased that the minister in another place has acted upon the opposition's suggestion that the regulation-making powers be subject to disallowance by either house. Obviously that is a good safeguard, and I am happy to support that change.

Rushing in regulations is no panacea for every problem that may arise from time to time. We have to be very careful that we do not give a forbidden-fruit image to alcohol. One only has to look at the reforms that have taken place in the liquor industry over the past 30 years. When you look back on it, 6 o'clock closing was disastrous because it gave alcohol that forbidden-fruit image in the eyes of some people. The hotel opening hours we now have are much more capable of leading to the responsible use of alcohol. I am not one who wants to lock the liquor cabinet — I do not want to give alcohol that sort of forbidden-fruit image — but in this example for the time being a regulation of this sort seems to be the only answer.

The long-term answer is better education of the community about the use of alcohol and particularly about the dangers of using alcohol substitutes, which is how I would class these essences, because they are not produced as alcohol for consumption in the normal sense of the word. They are alcoholic substances for an entirely different purpose, and it is inappropriate that they be consumed as a beverage. Therefore I am prepared to support the legislation.

Hon. G. B. ASHMAN (Koonung) — Originally the Liberal Party's position on this bill was not to oppose it, but given the amendment that was passed by the Assembly, and although it is not our formal position, I think the party's position would now be one of support for the measure.

The purpose of the legislation is simple and clear: it is to prohibit the sale of some alcohol-based food essences and additives — products that are used for purposes that were not the original intent. It will prohibit the sale of those essences in certain containers but not for wholesale sale to food processors and like businesses. The retail sale of the essences will be restricted to 100-millilitre bottles for vanilla and 50-millilitre bottles for all other essences. As has been explained, a 100-millilitre bottle of vanilla essence will probably last for 12 months for the user in the home kitchen, so the size of the container available at retail will not have any impact on domestic consumption or use of essence.

The real issue being addressed is the sale of 375-millilitre bottles for the price of not much more than a large bottle of Coke. It is being sold, as we understand it, in three main products — Old Mule, which is imported from New Zealand and has a whisky flavour; melon, which obviously has a melon flavour; and brandy which comes out as a Hoyts essence. They are being purchased as an alcohol substitute not only by young people but by people who have an alcohol addiction. The products are harmful because many have an alcohol content close to double that of a bottle of Scotch — we are told that the alcohol content by volume of some of those products is 80 per cent. Alcohol is required in the products as a carrier for the

essence because cooking requires a carrier that will not add flavour and will cook off — which is certainly the case with alcohol, so it is indeed the ideal carrier. I am told that in the industry no alternative carrier is available that will perform to a satisfactory level, so the option of varying the composition of the product is not available.

As has been mentioned, the bill proposes providing the minister with new regulatory powers to prohibit certain products. During the discussion stage we noted that the relevant clause is extremely broad. It was explained to us at the briefing that it needs to be broad because the range of products containing alcohol being introduced to the market is also broad. Not just drinks but also icy poles will be covered by this legislation. The suggestion has been made that alcoholic-based fruit, ice-cream, chocolates and a range of other sweets can be introduced into the market. The opposition believes the minister should control the retailing of these products, and that view is also vigorously supported by retailers and the Liquor Stores Association, who recognise the problems that essence products present. Supermarket operators with whom I have spoken tell me that on a daily basis they see young people purchasing essence products and are aware of the damage it is doing to them.

As Mr Baxter pointed out, these youths need some care and counselling; generally they have problems in their lives from which they are seeking to gain relief. They turn to these drinks as a substitute for family support. As a community, we need to address the issues that lead people towards addiction to these products and to other drugs, rather than necessarily prohibition of the product. Having said that, the opposition does not suggest for one second that it is not appropriate to prohibit the product. These measures will remove one of the crutches people use and it is important that we do that. It is also important to address the underlying problems of people who are dependent on the product.

Essence products may be replaced by other products. There is a concern that less reputable importers may turn to other products as a substitute. Were essences to be on the shelves of liquor stores they would require different labelling provisions and require the alcohol content and the number of standard drinks to be included in the labelling. I am advised that a 375 millilitre bottle of essence is the equivalent of 25 standard drinks. I am not sure how young people drink these essences. I found them extremely strong and not particularly pleasant. I am not sure whether the young people dilute the essence or drink from the bottle. It is not a pleasant drink, so price is clearly the driver. If the bottles were being sold out of liquor outlets as alcoholic drinks the price would probably be tenfold what it is today.

As I said at the outset, the opposition had concerns about the regulation-making powers. It asked the government to examine the disallowance provision so regulations could be reviewed by Parliament, but the shadow minister was not as enthusiastic about this as some of us thought he could have been.

We then pointed out to him that under these regulations the minister could prohibit the sale of his favourite grappa. Apparently one of the Clerks has a rather keen taste for French wines, and these regulations could ban French liquor. Using that argument, we persuaded the shadow minister to talk to the government about these provisions. If you had an extreme minister — and we acknowledge that the present minister is not — the regulations are so broad that the state could move to total prohibition. There would not be many people in this chamber who would support that. If a disallowance clause came into use under those circumstances a number of us would need to make pecuniary interest statements.

Having stated those few words, I advise that the Liberal Party does not oppose this legislation and with this amendment I think the real position is one of support.

Hon. K. M. SMITH (South Eastern) — The Liberal Party does not oppose this bill, but I will talk on a couple of issues. The minister's department put this together on the basis of the report that came from the coroner's hearing into the death of Leigh Douglas Clark, a 15-year-old boy who had been given vodka essence at a party. A friend's mother had stupidly gone and bought this stuff for the kids to drink. I am surprised that further charges did not arise as a result of the inquest into the boy's death.

I find it difficult to believe these products have been on liquor store shelves for a fair period of time. The larger bottles of essences were put there because of legislation passed by the previous government. I thought that would have made it acceptable and that young people would not be able to get at them because they were in liquor stores. However, when a boy's mother can go in and buy three bottles, one has to wonder what it is all about; the negligence of one person has probably caused the death of a young fellow. That is most unacceptable.

When the liquor people briefed us on this bill, they brought in a large number of essences of different flavours and tastes, which are meant to go into homemade cakes, ice-creams or whatever, and which

are freely available to people from liquor stores where they can be legally bought. It was an eye-opener for me because I was not aware that these products were on liquor store shelves, although I knew that vanilla and other essences contained in small bottles could be purchased from supermarkets and other stores. However, over time these essences have been put on liquor store shelves.

I find it hard to understand why there is a need for such legislation. During our briefing we were told that there was a problem in the Frankston and Mount Eliza area with young people who had been drinking these types of essences. I spoke to local police who said they did not know of any problems associated with the essence or that there was excessive use of it by young people. They were not aware that it was a problem. I visited a number of supermarkets and liquor stores in the area and spoke to proprietors about the situation. Huge numbers of bottles of this stuff were not being taken off the liquor store shelves.

Mr Baxter talked about the excesses of people, and people have to be big enough and smart enough to make decisions for themselves. Do we have to legislate for every weakness in people's personalities, whether it is credit cards or buying different types of essences? We have had one problem, and it is terribly unfortunate in that it brought about the death of a young person, but we are bringing in legislation that may stop further deaths in the future. However, from what I have been able to learn, the consumption of essence is not a huge problem — in fact, it is not even a small problem. The police and liquor store owners do not believe it is a problem.

The 375 millilitre bottle of essence is the equivalent of half a bottle of Scotch or other alcoholic drink, which is the equivalent of up to 22 standard alcoholic drinks. That is a huge amount of alcohol, and I believe we should be looking at why a group of young people — and this young boy who died was in a group of young people — would want to get themselves boozed in as short a period of time as they can to the extent that they are zonked out for the night. It is not as if they are having a great time, that they are even capable of standing up and having a dance or standing up at a bar and having a drink, because they are so smashed out of their brains that they cannot even stand up! We have to ask why that situation is occurring.

I suppose such behaviour could be put in the same basket of why do young kids want to stick needles in their arms, go to dances and take ecstasy tablets, or snort cocaine? Why? They are the sorts of questions we should be seeking answers to rather than putting legislation like this in place. Perhaps my friend Mr Boardman, being a former policeman, may be able to answer some of these questions when he has the opportunity. I am sure that as chairman of the Drugs and Crime Prevention Committee he would have questioned a number of people on this issue, and I look forward to his contribution to the debate.

The bill is a small bill and contains only 10 clauses. However, I was concerned, as was Mr Ashman, that the position would be as is stated in proposed section 118B(1):

> The Governor in Council, on the recommendation of the Minister, may make regulations prohibiting the supply of any class of liquor.

The minister could have recommended regulation and there would have been no opportunity for the Parliament to say, 'No, because you have not given any reasons; you have not given us enough factual evidence as to why you should be banning any class of liquor'. It gave the minister ultimate power. It made us think about inserting a disallowance clause. To the minister's credit — and it is not often I give the minister credit — she has allowed the disallowance clause to go in.

When we were in opposition some years ago, before the great years of the Kennett government, we would often put disallowance clauses in — in fact we did in most pieces of legislation that were put in place — not because we did not trust the minister, but often there are things written in legislation that are not enacted for maybe 5, 10, 15 or 20 years — they just sit there. Some of the young smarties who often give advice to ministers and governments will look through the legislation and say, 'Hey, listen did you know that you can make regulations prohibiting the supply of any class of liquor? We do not like a particular brand and we do not think the people should be allowed to drink Scotch. As the minister, you can prohibit the people without being accountable to anybody by taking that liquor off the market'. Any minister in their right-thinking mind would not do it, but then again some good reason can always be given for that happening.

So I say again that I am pleased there is a disallowance clause in the bill. If these sorts of regulations are put in place I am pleased that the Parliament of Victoria is in the position of being able to take some action to stop the excesses of a minister out of control.

Hon. M. R. Thomson interjected.

Hon. K. M. SMITH — It could happen, Minister, so don't shake your head as if it is not going to happen.

I have complimented you already, don't make me change my mind.

One other thing that was raised in the discussion with the people from the liquor licensing commission was the fact that the manufacturers, particularly Hoyts, had not been advised about the impending bill. In fact there had been no discussion with them, and I would have thought that was advisable. The government could have advised Hoyts that if it were to sell this essence to people for them to put in cakes or ice-creams there were good reasons for them using much smaller bottles, as they do with vanilla essence — it is in the supermarkets in smaller bottles without any restrictions despite having the same alcoholic content.

The opposition does not oppose the bill, but I find it unfortunate that this type of legislation has to go through the house because of the excesses of one child who unfortunately died. One has to feel great sorrow for the parents of that child.

Hon. N. B. LUCAS (Eumemmerring) — I wish to make a short contribution on the Liquor Control Reform (Prohibited Products) Bill. When I was a young lad we had two regular visitors to our house: one was the milkman to collect his money and the other was the Rawleigh man. I can recall watching my mother looking at the products the Rawleigh man provided to our household. For those who are a lot younger than me, he used to have a big box of condiments and all sorts of things that women used for cooking and other household tasks. He also sold vanilla essence. I recall my mother used to feel sorry that he had come all the way to our door when she did not want to buy anything, so she often bought a small bottle of vanilla essence.

As a young and quite naive lad I never thought vanilla essence contained alcohol. It is a sad fact that the youth of today know what is contained in these products. I suppose they are more ingenious or there is more information around now about what is in a product and what is not. Young people are now using these flavourings to indulge in the abuse and misuse of alcohol. It is a scientific fact that alcohol is used to carry the flavour in these products.

During the briefing on this bill we were shown a number of bottles of various substances and my hair — what is left of it — stood on end when I saw the percentage alcohol content of some of them. One that was mentioned by earlier speakers is the Hoyts imitation brandy, which has an alcohol content of 76.7 per cent. The fact that young people can buy such a product for $3.50, either illegally by pretending they are over 18 or by having somebody over that age buy it for them, and obtain what is equal to 25 standard drinks is just extraordinary. There need to be controls and that is what this bill is about.

The regulatory power contained in the bill is certainly worth while. In South Africa they are putting alcohol into milk and icy poles, and we had a situation with icy poles a few years ago. The latest products are spray cans containing substances that have an alcoholic content. Who knows what is coming next? I suppose that is the reason for the regulation. The Liberal Party's suggestion, which was taken up by the government, to have a clause included in the bill to allow either house of Parliament to disallow a regulation will mean that a minister who takes the issue too far at any stage and tries to regulate against something inappropriately will be brought to task, so to speak, by either house of Parliament. It is good that the government has agreed to that change.

Like Mr Baxter I wonder why these situations occur in our community. Mr Baxter's thoughtful contribution today was supported by the Honourable Ken Smith, who also asked why these things happen. I suppose they result from the breaking down of family life and the reduction in the social standards, self-discipline and commonsense in people of all ages, not just young people. It all results in the irresponsible use of alcohol. I support the regulating power that the minister will now have.

We live in a society where everything has been made easier and where all the alcohol laws are broader. You can get alcohol just about anywhere. A few years ago I saw a shop in Canberra that indicated on its door all of the hours it was open. It seemed to me that it was open all day, every day, and all night. Underneath those hours a sign stated, 'If these hours are not adequate, here is the phone number for Alcoholics Anonymous'. There is such an open opportunity for people now to obtain alcohol.

When you look at what is happening in the area of food additives, which are necessary and needed in food manufacturing, you realise that it is a shame that we have to bring in legislation such as this. The Honourable Cameron Boardman heads up the Drugs and Crime Prevention Committee, which in June presented a report on its inquiry into public drunkenness. Studies such as that are worth while, and we can learn from the research. I hope all of us will do our bit, and hopefully this bill will improve the situation in relation to food additives.

Hon. B. C. BOARDMAN (Chelsea) — On behalf of the Drugs and Crime Prevention Committee I thank

the Honourable Neil Lucas for his contribution. I appreciate his comments and those made by other honourable members, including the Honourable Ken Smith, on the committee's report entitled *Inquiry into Public Drunkenness*, which was tabled earlier this year.

It is opportune that I comment about the research, and in particular the findings in this report. I trust that the Minister for Small Business, who is the minister responsible for overseeing the Liquor Control Reform Act and generally regulating the liquor industry, is familiar with the report.

A number of important findings and recommendations in the report address this issue. Quite clearly the vexed and complex question of why the demand for alcohol and alcohol-related products among young people is at a relatively high level is difficult to answer. The level of research relating to this subject has been limited in recent times, although it is increasing.

The committee embarked on an extensive inquiry to identify demographic issues and ascertain consumption rates among young people to determine if there were any patterns or similarities — that is, whether alcohol consumption among young people is prone to certain geographic or demographic locations, and what environmental or contributing factors make this situation as difficult as it is to ascertain. Most of the research has been conducted by Professor Margaret Hamilton from the Turning Point Alcohol and Drug Centre. She argues quite clearly that the research is limited and that a lot more work needs to be done.

Our findings ascertained that only 15 per cent of young males aged 15 to 17 years say they have not had a drink. That compares with 11 per cent for females. When you think that there is only a very small percentage of young people in the 15 to 17 age bracket who state that they have not had a drink, you realise that it is an issue that requires significant attention. That justifies regulations such as this, which will limit and prohibit the sale of alcohol-based products that are attractive to young people. More than half the respondent group — that is, 15 to 17-year-olds — reported that they had consumed more than 10 drinks in their life. There was no difference in that behaviour between boys and girls.

The research indicates that during the most recent drinking occasion prior to taking part in the interviews that were conducted across Australia 42 per cent of males compared with 34 per cent of females consumed the equivalent of five or more drinks, and 32 per cent of males compared to 24 per cent of females consumed seven or more drinks. Given that the average consumption rate is between three and four standard drinks, it is extraordinary that this research is showing that young people are consuming at a level that is far in excess of the average per capita levels. That gives way to binge drinking, and this Parliament and ultimately the government have a responsibility to implement measures that certainly address those issues.

Ninety-four per cent of 18 to 24-year-olds reported that they consumed alcohol, which probably comes as no great surprise to honourable members. But among 18 to 24-year-olds, 51 per cent of males consumed 5 or more standard drinks at the last drinking occasion and 30 per cent consumed 10 or more drinks. The research on females reported that 36 per cent drank 5 or more drinks and 15 per cent drank 10 or more drinks during their last drinking occasion.

I make this point because it seems that particularly among young people alcohol consumption far in excess of the per capita average is quite prevalent. Taylor and Carroll conducted research on the statewide consumption of alcohol patterns. Page 319 of the committee's report refers to some of those findings and the reasons that increase young people's drinking. It states:

> … the greater range of alcoholic drinks now available, the increased number of outlets for alcoholic beverage sales, and the greater ease with which more cash for drinking can be accessed from automatic teller machines or EFTPOS facilities.

They are relevant points and go to the heart of what the Liquor Control Reform (Prohibited Products) Bill is trying to address — that is, the accessibility of alcohol and alcohol-related products.

I personally welcome the legislation as a positive step for two reasons. The first is because it reacts to a direct and tragic incident that needs an appropriate response. Thankfully this response is very appropriate in the circumstances. However, equally importantly it creates a regulatory environment that sends the clear message that if we are serious about trying to combat this prevailing problem, which is going to increase rather than subside, there has to be an appropriate regime that limits the sale of these attractive products.

It is not just the alcohol-based essences or the products that this bill directly addresses, but products that are seen to be more attractive to young people, such as icy poles, jellies and confectionery that contain alcohol. But it is not just alcohol. We cannot limit the discussion to one specific substance. There are substances that have not been researched fully as to their psychological, metabolic and physical effects, such as Echinacea,

caffeine and taurine, which are now becoming very popular and very much in vogue in products such as Red Bull and Black Stallion — these sports and energy drinks which are increasing in availability.

Hon. M. R. Thomson — And chocolate.

Hon. B. C. BOARDMAN — And chocolate as well, as the minister points out, that are increasing their attractiveness to young people because of clever and strategic marketing of their availability and possibilities.

Equally, in our report, the link between young people and alcohol-related violence cannot be talked down. It is disappointing that it seems to be on the rise, as is the level of young people who are unfortunately being incarcerated for alcohol-related offences. I encourage honourable members to read the report in detail, particularly the research that was subsequently obtained by the committee, because it creates a quite accurate picture in the context of what these types of debates formulate.

By way of a very brief interlude, I point out that the report makes very specific recommendations with regard to public education. It seems that one proactive measure that should be undertaken in order to address this issue is better education. I would like to read into *Hansard* recommendation 37, which states:

> Education programs should be developed within schools and the general community to inform young people, parents and other adults of the risks associated with alcohol consumption.

There are such programs in existence, mainly coordinated at a local level with the involvement of local councils and other groups that have responsibilities in this field, but we make this recommendation because we believe there is a responsibility of government in taking a whole-of-government approach to ensure that the education is systematic and appropriate in the circumstances, but importantly that it is being delivered to all students, and that young people have knowledge and access to information, not just as to how harmful these substances are but why it is necessary to regulate them and what sorts of treatment facilities and other rehabilitative options are available to them. I make that point quite strongly.

I want to conclude by saying that the government responded to the report of the Drugs and Crime Prevention Committee last week. I welcome the government's endorsement of the report in a general sense and I thank it for considering the recommendations. However, I stress that I am a little disappointed that the government did not go into greater detail with the recommendations. I understand the government states in relation to the response — and this is point 15 — that:

> We need time to properly consider the recommendations and their implications for Victoria.

That certainly endorses the committee's finding that it is a complex and vexed issue and one that requires careful and strategic consideration in order to identify the appropriate options that could provide solutions.

I welcome that finding and I place on the record that although we would have preferred direct responses to the recommendations and a more direct consideration by the government, it is important that the government sticks to its word — and I am sure it will do so because it is such an important issue — but the partnership it has established with the Department of Human Services and the Department of Justice and other areas of government to examine the recommendations in further detail needs to be taken and considered seriously, and the committee and I will monitor that process and hope that in the future we will receive a more detailed response to these recommendations that are essentially important.

Motion agreed to.

Read second time.

Third reading

Hon. M. R. THOMSON (Minister for Small Business) — By leave, I move:

> That this bill be now read a third time.

In doing so, I thank honourable members for their contributions to the debate, and although I know the opposition was not able to formally support this bill because it had not been to a party room meeting since the amendment had been put through, I acknowledge the support that came from individual members for the passing of this bill and I thank them very much.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

ENERGY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Debate resumed from 4 December; motion of Hon. C. C. BROAD (Minister for Energy and Resources).

Hon. PHILIP DAVIS (Gippsland) — I am pleased to get to my feet to speak to this legislation. The minister is arriving in the house at the moment, and that gives me the opportunity to take issue with a number of matters the minister has commented on in recent times, including this very day. Indeed, I was provoked as I looked at an article in the *Weekly Times* today that was published this week to find the minister reciting and repeating the misrepresentations, which she has done even today in the house at question time, when she asserted that the Bracks government had been responsible for the facilitation of an additional 1000 megawatts of generation capacity in the state. The reality is that not one additional megawatt has been generated from those projects to which she alludes; the reality is that she is misrepresenting herself to members of this house. I find it extraordinary that she would continue to do so.

The fact of the matter is that Victoria's electricity resources are compromised because of the failure of the Bracks government to do anything in regard to managing the industry. For more than two years now we have seen this government sit on its hands. We have seen blackouts and repeated threats of blackouts: we saw blackouts in February and November last year, and now there are threats of further blackouts. The Minister for Industrial Relations has entirely abrogated her responsibility for managing the issue. In fact she has deferred to Dean Mighell of the Electrical Trades Union (ETU), who has said that if there is a threat to supply then the power workers will go back to work. At least he has made that commitment. The minister has said she will sit on her hands and not involve herself in the dispute in any way.

The reality is that the government has absolutely refused to act in the public interest. It has indicated that it will not go with the company to the Australian Industrial Relations Commission to have this dispute resolved. The government needs to intervene to ensure that summer power supplies are not put at threat.

However, there is a threat to supply, because Yallourn Energy produces 1450 megawatts of power from its power station, which is equivalent to about 22 per cent of the state's power supply. A set of industrial bans has been placed on the operation of the Yallourn coal mine. Generators do not spin without fuel — that is, coal. If the maintenance workers in the Yallourn mine refuse to maintain the plant, it will not operate and therefore there will be no coal — and if there is no coal, the plant will shut down and it will take four days to recommission. When the whole system becomes idle there has to be a recommissioning of the dredging operation, the filling of coal bunkers, the re-establishment of conveying operations and fuelling, and the firing up the generators.

For the Minister for Industrial Relations and the Minister for Energy and Resources to say to this place and to the public that there is no threat to power supplies is the most extraordinary statement one can imagine being made. The government's continued inaction led to power blackouts in February 2000, which was the first time that had happened in Victoria for 17 years. The government had been warned of the risk, but because of its complete capture by the trade union movement it was unable to act.

That was repeated in November 2000 with the same set of issues at Yallourn, which again provoked a dispute that led to power blackouts. Again the government sat on its hands and took no action to pre-empt that situation. Indeed the only action the government seems prepared to take is if there is a risk to supply, when it acts to restrict consumption. In February last year the net result was that for some days Victoria was exporting power interstate while Victorians were operating under restricted supplies.

Like King Canute, the government has sat on its hands and said it can do nothing about the dispute that commenced on Monday, which clearly puts summer power supplies at risk, because it says there is no threat.

Hon. W. R. Baxter — Why don't they read the papers?

Hon. PHILIP DAVIS — I put it to you, Mr Baxter, that it is clear the government does not know which way is up. You cannot take out 22 per cent of the state's power generation capacity. Clearly the minister is unaware that 25 per cent of Loy Yang Power's generating capacity is out of service because of maintenance requirements. The much-claimed additional generation capacity to which the minister keeps alluding has not been constructed. Indeed Dean Mighell, the ETU and other power unions have threatened that the additional capacity will not be constructed because of the actions of the Minister for Industrial Relations in failing to manage, mismanaging or ignoring the current dispute.

There are further threats of delays to the construction of gas turbines and additional generating capacity for the projects referred to by the Minister for Energy and Resources, which have already been frustrated by green bans and planning processes. The largest of those is the 500-megawatt AES Transpower project at Stonehaven near Geelong. It does not appear that it will come online for commissioning before the middle of next year anyway.

Hon. C. C. Broad interjected.

Hon. PHILIP DAVIS — The minister is well aware of that, and for her to continue to come into this place and claim that the government has facilitated the availability of an additional 1000 megawatts of peak load power this summer is — —

Hon. C. C. Broad — That is a misrepresentation!

Hon. PHILIP DAVIS — The minister interjects; she is acknowledging that it will not be available this summer. If the minister is acknowledging that the additional peak load power, which she has been claiming in this place for weeks will be available to support peak load requirements this summer, will now not be available, she has been deliberately misleading this place — although the reality is that we all knew it. The minister has admitted that she has been misleading this place in respect — —

Hon. C. C. Broad — On a point of order, Mr President, I ask that the honourable member withdraw those comments. I take offence; I have not misled the house. There are processes which the honourable member can avail himself of if he believes I have misled the house. I believe that is not the case, and I ask him to withdraw.

Hon. PHILIP DAVIS — I withdraw. The fact is that the minister has come into this place and said that the government has facilitated 1000 megawatts of additional general capacity which she now admits will not be available this summer.

As a consequence of the minister's admission we now know that the government is prepared to misconstrue the total capacity of the Victorian generation sector. We know that with a reduction in the order of 25 per cent of the base load capacity in the Latrobe Valley — as is presently the case because of outages at Yallourn and Loy Yang — there is no peak load capacity. The minister has come in here today after six months of claiming that this capacity would be available for this summer and, I believe for the first time, has clearly admitted that the government has done nothing to protect the interests of Victoria's energy customers. Electricity consumers in this state cannot now feel confident that they will be able to turn their lights and airconditioners on. They cannot be satisfied that the demand which they have for electricity will be met. Why is that? It is because this government will not pre-empt the industrial action being taken by the power unions to maximise their leverage at the most critical time. I do not entertain the prospect of taking sides in such a debate. I acknowledge what the Minister for Industrial Relations has said about this ultimately being between the employer and the employees. I acknowledge that the fact of the matter is that that is the case but when this disputation reaches a level — as it has now — where we have three months of commitment by the power unions to disrupt the continued generation of electricity at Yallourn, the consequence of that will inevitably be there will be uncertainty in the Victorian electricity market. That uncertainty will translate itself into uncertainty among the community as a whole.

There is no doubt that the government has an obligation to intervene in this matter in the public interest and ensure that there is no industrial disputation in the period of peak demand for electricity in Victoria. It is the case clearly that this matter could be dealt with through the Australian Industrial Relations Commission processes if the government were prepared to act in the interests of the Victorian public. There is no doubt that that would be the best outcome. However, failing that, and given that the Minister for Industrial Relations has demonstrated her impotence in dealing with the trade union movement — she has failed in every respect to have any bearing on the outcome of any industrial dispute during her watch as minister — it is clear that although the expectation of the community would be that a Labor government in bed with the trade union movement would have some influence, would be able to assert some modicum of responsibility and would be able to ensure that the power unions acted in the public interest, this Minister for Industrial Relations has proved that she is an abject failure. Her response to the electricity industry crisis in this state has demonstrated that on three occasions — in February and November last year and again in December this year the industrial relations minister has proven to be a complete failure.

That leaves us with the emergency provisions in part 6 of the Electricity Industry Act. I have heard the Minister for Energy and Resources say in this place over recent days that there is no threat to power supplies and those emergency provisions can only be used if there is a threat. In case the minister has not seen a copy of her act recently — we should bear in mind that last year this house adopted a substitute electricity

industry act in lieu of the 1994 act — it contains essentially the same provisions as the old part 3.

Part 6 of the act provides for anticipation of a threat. If the minister does not understand what anticipation of a threat is, I point out that anticipation of a threat is a set of circumstances and parameters which clearly indicate that electricity supplies will not be continuous. Not being continuous means disrupted by the failure of the generation sector to operate unhindered by industrial relations. In case the Minister for Energy and Resources is not aware of this, the Governor in Council can proclaim part 6 provisions and, as the responsible minister, the Minister for Energy and Resources can direct that the unions desist from those actions.

If the minister is not prepared to do that in anticipation then she will be accountable to the people of Victoria for any power failure this summer. As the minister knows, there are three months of peak demand which cannot be predicted because, as she also knows, we do not control the ambient temperatures. However, we know that we can have an influence on the generation capacity in terms of managing the industrial relations circumstances.

It is quite clear to this house that although the minister continues to deny responsibility for any aspect of the energy industry which she finds embarrassing to deal with and continues to claim credit for the reform achievements of the previous government, that will not wash any longer. The minister is two years into this position and she has failed in her responsibility on two previous occasions. As I said in an earlier debate this morning, three strikes and she is out. Victorians will not stand for the lights going out three times under her watch, and if the lights go out this summer she will be responsible. Everybody will know it, as everybody in this place knows it.

I was interested to hear during question time today that one of the claims the minister made was that the Bracks government was responsible for facilitating additional generation capacity and that the Kennett government had failed to take any action in that regard. I remind the minister, because she has a very short memory, of a debate in this house only a couple of weeks ago about ministerial responsibility for her portfolio. In case the minister has forgotten I will remind her that I pointed out at that time that in one of the reports upon which she claims she relies — that is, advice from the independent National Electricity Market Management Company, or Nemmco, which has the coordinating role for the financial market — it was said in relation to reserve levels that:

> … adequate reserve levels are likely to exist in Victoria until the 2002–03 summer.

That comment was made in the annual statement of opportunities report dated March 1999. The addendum to that report, which was published in June 1999, reiterated that advice about the summer of 2002–03, stating that sustained adequacy levels would be maintained until then. I then went on to say that because that was the last advice given to the then coalition government before the change of government it was not an unreasonable thing for the previous government to be — as the current government has said — reliant on a competitive market to attract and drive investment. So there was no pressure on the previous government in terms of these matters.

However, the game changed. What happened following the change of government? The first advice from Nemmco to this government — and to the minister, who took no note of it — was the statement of opportunities for 2000 published in March of 2000. What did that advice say?

The DEPUTY PRESIDENT — Order! Mr Davis has had a wonderful time for about 20 minutes. Perhaps he might return to the bill.

Hon. PHILIP DAVIS — I will conclude this point so it does not leave people wondering what I was going to say. In March of 2000 the statement of opportunities said that a change was forecast:

> … due to the significant increase in forecast peak summer loads in South Australia. This brings forward the point at which both regions have insufficient reserves to meet the reliability panel minimum reserve levels to the summer of 2001–02. This represents an advancement of one to two years.

I will take your direction, Mr Deputy President, and return to the bill. The bill is about energy legislation and under the scope of the rules of this house I would have thought that the title of the bill would allow for a wide debate, therefore I will continue to make some general remarks before getting to the specifics of the bill.

The bill is entitled the Energy Legislation (Miscellaneous Amendments) Bill and its purpose is to clarify the regulatory framework for the electricity and gas industries. Its principal purposes are to provide complementary amendments to the Electricity Industry Act 2000 and the Gas Industry Act 2001 in relation to consumer safety net provisions and to streamline existing default contract provisions in both those acts. The bill also amends the supplier-of-last-resort provisions in both the Electricity Industry Act and the

Gas Industry Act and provides for technical amendments to the electricity cross-ownership restrictions as they apply to new generation facilities, the approval process applying to any retail gas market rules and the scope and operation of the cost-recovery power contained in the Gas Industry Act.

I should indicate that on the basis that this bill primarily deals with extending the customer safety net provisions in anticipation of full retail competition, the Liberal Party will not oppose the bill. However, I repeat that although the minister would like to claim some credit for implementation of full retail competition, the house needs to be reminded that this is occurring more than 12 months late. The implementation is a year behind schedule, as the minister acknowledged in her remarks.

Hon. C. A. Strong — It is a few years behind the original schedule.

Hon. PHILIP DAVIS — Yes. On the original schedule that was established the implementation is a year late. As a result of being a year late Victoria has seen a lack of competition, and the consequence of that is being seen in the form of pressures on prices. The minister has made the clear point in her remarks in media releases and elsewhere that she acknowledges that competition will put a discipline on prices, and I agree with that sentiment. So why is the minister a year late? She is a year late because she was asleep at the wheel in 2000, as was demonstrated by my observations earlier about industrial disruption to security of supply.

In relation to full retail competition it is important to note that there is now great speculation in the industry about sovereign risk. The reason there is speculation about sovereign risk is the capacity of the government to cap prices in a way similar to California and to repeat errors made there, where the capping of prices in the retail market ultimately led to a dysfunctional electricity market and to retailers going broke because they could not continue to provide electricity at a price below the cost of purchasing it from the wholesale market.

Clearly the electricity industry is concerned about the approach the government is taking to price setting, and so it should be given the recent comments the Premier made publicly on the several occasions at least that I heard him on radio when he clearly indicated that he either did not understand or did not really care about the proper processes to be observed in dealing with standing offer tariffs to be determined shortly. As I understand it the government will imminently make an announcement, unless it has already done so today and I have not heard it. The fact is that there is a fast-approaching deadline for the government to announce its response to retail prices determined under standing offer contracts, the result being that we are seeing a great uncertainty entering the electricity retailer marketplace.

Because of the exigencies of time and the enthusiasm for the house to deal with the business before it this day, and on the basis that many people have predicted certain outcomes about the time the house might get up this evening, I thought I might continue a bit longer. The reason for that is that this is a very important debate. I want to make the following point. This bill is about extending the regulatory framework in terms of safety net provisions, and although it is set in that context there are other relevant matters.

The competitive market and the protection of customers depends substantially on there being an effective marketplace. It is truly my belief that the way this government has dealt with and mismanaged the electricity industry over the past two years means that consumers will be disadvantaged by a consequence of neglect — that is, that we have not seen proactive management by this government to ensure that there is a fully effective contestable market and that it is sending satisfactory signals to the market about the market's ability to get on with it without undue interference.

The ill-informed remarks by the Premier have really set the scene. I urge the minister to make every effort to remedy the concern that is being felt in the industry because I believe it will have an enduring impact on long-term investment in the electricity industry infrastructure in this state. I am concerned that unless the decision the government will imminently make about standing offer tariffs is a sensible decision which reflects the true cost to the industry of the increasing price of electricity in the wholesale market, although there will be a short-term political benefit for the government by the arbitrary capping of prices there will be a long-term crisis in the function of the market in Victoria.

Hon. P. R. HALL (Gippsland) — I welcome the opportunity to make a few comments on the Energy Legislation (Miscellaneous Amendments) Bill on behalf of the National Party.

Full retail competition within the electricity industry is finally in sight — finally. We understand by an announcement from the minister just days ago that the switch-on date for full retail competition is 13 January 2002. That is almost exactly a year beyond the date that it was originally planned; nevertheless, we will see it

next January. It seems that we have been preparing for full retail competition for an eternity. In most sittings of Parliament over the past three or four years amendments to the Electricity Industry Act and/or the Gas Industry Act to facilitate full retail competition have been passed through this Parliament.

It is a brave new world with full retail competition so one would expect that unforeseen issues will arise from time to time and that therefore there will be a need to amend both the Electricity Industry Act and the Gas Industry Act. Here we are again today doing exactly that — we are making some relatively minor amendments to both those acts to facilitate the introduction of full retail competition. As has been said, full retail competition for consumers using less than 40 megawatts of electricity per year will commence on 13 January. That will provide a choice of supplier to all domestic households and some small businesses.

What does it mean to those small customers? I am sure every mum and dad in their homes will wonder what this business of full retail competition means and what they have to do. Recognising that it will be confusing to some extent and bewildering to some people, the Office of the Regulator-General has undertaken an education campaign to prepare people for the advent of full retail competition. I commend the Office of the Regulator-General for its campaign entitled The Power of Choice, which I think has been done in an excellent way.

They launched it on Tuesday, 9 October, this year with a press release. That press release gave a history about competition within the electricity industry. For example, it stated that:

> … those consuming more than 160 MWh/y have been contestable since July 1998.

There has been a staged introduction of retail competition. As of 1 January 2001 those consuming more than 40 megawatt hours of electricity per year had a choice of retailer. On 13 January 2002 all Victorian households and businesses whose electricity consumption is less than 40 megawatt hours per year will also be able to choose their own retailer. That means that they will be able to shop around and there will be up to about 15 licensed retailers from whom they can choose to have their electricity supplied.

I thought the press release on Tuesday, 9 October from the Office of the Regulator-General was instructive in helping to explain what full retail competition was all about, as are the subsequent booklets. One booklet is entitled ‘Competition is coming.’ and another ‘All about your new power. A step-by-step guide’. In simple language they explain some of the concepts of full retail competition, what choices are available, how they work, whether you will be protected and what happens when you rent and you move in. Do you have to immediately sign up to a contract for the ongoing supply of electricity? It sets out all those queries in a simple and easy to understand way. Also the booklet ‘All about your new power. A step-by-step guide.’ elaborates on some of the points in the earlier brochure and gives definitions of some of the terms that are contained in the bill before the house and in the two acts.

I commend the Office of the Regulator-General for its education program entitled The Power of Choice. It was necessary and has been done well by the office. I have the greatest admiration for the work done by the Office of the Regulator-General since it was put in place by the previous government. The work it has undertaken has been recognised across the nation as the ideal model to oversee a deregulated industry, whether electricity, gas or other commodity markets. It has been an outstanding success. On 1 January next year the title of the Office of the Regulator-General will change to the Essential Services Commissioner and it will take on a broader range of essential services. My only hope is that the Office of Regulator-General does not lose the focus it currently has on the electricity and gas industries. It has done particularly well there and has done some pioneering work towards deregulation within those industries. I am sure it will continue to perform that good work although it will have some broader responsibilities.

I also enjoy reading the annual report of the Office of the Regulator-General. Some annual reports are confusing and give little information — they give just a quick overview of the work undertaken by an organisation throughout the year and then the financials for the year — but every year the Office of the Regulator-General gives some explanation, insight and background into the work that it has undertaken. Once again the recent report of 2000–01 is one of the best annual reports I have read.

Honourable members interjecting.

Hon. P. R. HALL — I just said I do not usually get excited reading annual reports but this one is full of background material that really adds to one’s knowledge. Some of the explanations one receives for these complex industries can be difficult to understand but that is not so with the report of the Office of the Regulator-General.

Honourable members interjecting.

Hon. P. R. HALL — I am struggling to find what the honourable members are amused by. Am I being laughed at because I bothered to read an annual report? Is that the go?

Honourable members interjecting.

Hon. P. R. HALL — I got excited because it uses such simple language. I might have a quiz for honourable members in the house to test how well they understand the complex structure of the electricity and gas industries. I do not think they would do too well, but I would do better than most because I have read the annual report of the Office of the Regulator-General, which sets out the information clearly.

If they do not want to read the whole report I refer honourable members to page 25, because it sets out the structure of the Victorian electricity industry as of 30 June 2001. It uses pictures — that would be helpful for some honourable members — to illustrate generators within the industry. I point out that Latrobe Valley still supplies in excess of 80 per cent of Victoria's power needs with its various power stations like those of Loy Yang Power, Yallourn Energy, Hazelwood Power, Edison Mission and AES Transpower, which has a gas-fired power station in the Latrobe Valley. It then illustrates transmission, which is through the big pylons owned by SPI Powernet that take high-voltage power around the state.

A number of distribution companies such as Powercor — which I understand has been taken over by Origin Energy — AGL, Citipower, United Energy and TXU Australia are distributors in this state. The report indicates that there are something like 19 registered retailers, although in the information supplied by the Office of the Regulator-General in its education campaign we are told 15 retailers will be available for people to potentially sign on with as retail suppliers of domestic electricity. Finally, at the bottom of the chain, the report mentions the customers. There are something like 2.13 million customers in the state of Victoria.

Again I refer honourable members to one of the better annual reports I have read — that is, the report of the Office of the Regulator-General. It is very instructive.

Hon. Philip Davis interjected.

Hon. P. R. HALL — It might be better than some of the stuff you might read before going to bed, Mr Davis!

The bill amends the Electricity Industry Act 2000 and the Gas Industry Act 2001. The second-reading speech states:

> This bill represents a further step in refining the regulatory framework in accordance with the government's energy policy.

It seems to me that this government's energy policy is not much different to the previous government's energy policy. There has been no dramatic change of direction since this government came to office. It has recognised that the direction taken by the previous government was appropriate for Victoria's energy industry.

I refer to some of the clauses in the bill. Clause 6 amends the supplier-of-last-resort provisions in the Electricity Industry Act. In essence the supplier of last resort means the default supplier. If the current supplier goes out of business for some reason, then the default supplier or the supplier of last resort comes online so that people continue to get electricity. The amendment provides greater security for customers who have been forced to go to a supplier of last resort.

Clause 7 substitutes proposed new section 39 and repeals section 40 of the Electricity Industry Act. The proposed new section deals with deemed contracts. That term is explained in one of the pamphlets produced by the Office of the Regulator-General. The simplest example I can give of a deemed contract is one where somebody moves into a new house or rental accommodation which is connected to a supplier. Until such time as they sign a new contract with the existing retailer or with a new supplier, they are said to be on a deemed contract. A deemed contract covers a period of 180 days or a cycle in which the consumer receives two electricity bills. Within that time the supplier must notify the customer of the terms and conditions that it is prepared to offer if it is to undertake the ongoing supply of electricity to that customer. Of course, during the period of a deemed contract the customer has the option of looking elsewhere at alternative suppliers.

Clause 8 clarifies arrangements that allow for the limited scope of cross-ownership in the electricity industry. That was an issue debated previously when amendments were made to the Electricity Industry Act. The amendments in this bill simply clarify the provisions to which the Parliament has agreed.

Clause 11 amends the Gas Industry Act by inserting supplier-of-last-resort provisions. They are virtually a mirror image of the section inserted in the Electricity Industry Act. Clause 12 substitutes a proposed new section 46 covering deemed contracts as provided for in

the Gas Industry Act. Again, it is a mirror of those provisions in the Electricity Industry Act.

Other clauses of the bill include provisions for the Office of the Regulator-General to approve, change, or not approve rules in respect of the retail gas market. There is also an amendment that will enable Vencorp to provide services beyond Victorian borders.

From consultation undertaken by the National Party it appears that most of the players in the electricity industry are reasonably happy with the amendments contained in the bill. Typical of one of the responses I got back was that from Mr Tony Wood of Origin Energy. He thanked me for sending him a copy of the bill and the second-reading speech and made these remarks in response:

> This bill addresses quite a range of procedural and associated issues that arise from the introduction of full retail competition to the energy industry. Origin has been, and continues to be, involved with the various arms of government in working through the many challenges posed by this major development. We are, therefore, familiar with the proposals of the bill. Whilst this will never be a perfect arrangement, we expect that most of the proposed amendments are sound and will provide a working environment to facilitate customer choice, avoid confusion, and also minimise the occurrence of 'lost customers'. Hopefully we have learned from the experience in other markets. It is likely that there will be a need to further refine the rules and procedures as the market develops.

He goes on to say that they have a few minor concerns but he is confident that with the processes in place to work with the government and the Office of the Regulator-General those minor differences and concerns will be resolved. It is pleasing to know that people involved in the industry are comfortable with the bill.

I need add no more. It is a relatively narrow bill. It will help refine, improve and facilitate the introduction of full retail competition in the electricity industry starting next January, and within the gas industry when it comes. The National Party is pleased to support the bill and wishes it a speedy passage.

Hon. G. D. ROMANES (Melbourne) — The extraordinary attack on the minister and the Premier by the Honourable Philip Davis earlier reminded me of the pathetic character Scrooge in the *Christmas Carol*. Mr Davis conjured up in my mind the image of him sitting and rubbing his hands with glee during the Christmas holiday period, not over the mounting pile of dollars on the table but the prospect of the possibility of a power blackout in Victoria. I am sure he would be gleeful if that were to happen.

I remind Mr Davis and other members of the house of the statement made earlier today by the Minister for Energy and Resources, in answer to a question from the opposition, that there is no threat to Victoria's power supply this summer. I also refer honourable members to the minister's media release dated 1 October in which she reported on an update from the independent operator of the national electricity market, Nemmco, on Victoria's summer electricity supply outlook. Nemmco released a report confirming that electricity reserves are expected to remain above the minimum reserve margin required for this coming summer.

Earlier today the minister also made the point that the Bracks Labor government has facilitated an additional 100 megawatts of capacity of electricity in the state.

Hon. Philip Davis — You missed a zero!

Hon. G. D. ROMANES — Sorry, 1000 megawatts.

The Bairnsdale gas-fired station and the Codrington wind farm have been commissioned, and the Somerton, Valley Power and second generator at Bairnsdale will be commissioned over the coming months.

In the mid-1990s the Kennett government began the disaggregation and the sell-off of Victoria's energy system. Since then Parliament has dealt with a number of amendments and finetuning of legislation which provides the framework for the privatised electricity and gas industries. The Bracks government is committed to making the new regime work for the benefit of and to continue to provide for all Victorian customers. In this changing scene there has been the need to respond to new knowledge and experience as the systems evolve to make this privatised regime work as concepts such as contestability become a reality and as Victorians come to terms with the new language in this area, such as standing offers, default and deemed contracts, suppliers of last resort, and so on.

The bill is consistent with the Bracks government's commitment to full retail contestability in the Victorian electricity and gas markets. The minister said that full retail contestability of the electricity industry will begin in Victoria on 13 January 2002 and in the gas industry towards the end of 2002. The purpose of the bill is to introduce complementary amendments to the Electricity Industry Act 2000 and the Gas Industry Act 2001 with regard to specific safety net provisions associated with the implementation of full retail contestability. In particular, as Mr Hall has outlined in detail, the purpose is to clarify the operation of existing default contract provisions which arise in circumstances when a customer takes supply without having entered

into contract with the relevant retailer. In some cases it is called the move-in or change-of-premises scenario.

The bill seeks to clarify the supplier-of-last-resort provisions and the ability of gas businesses to recover certain full retail contestability-related costs. The bill also enables Vencorp to investigate opportunities to sell the systems and services it has developed to meet the needs of full retail contestability to other states, provided there is a case and that the Minister for Energy and Resources, in consultation with the Treasurer, approves the action.

Mr Hall made the point that the energy policy of the Bracks government is no different from that of the previous government. I beg to differ. Energy is a different market from other goods and services. It is problematic in establishing a fully competitive market because it is not a product or service that can be turned on, turned off or stored; it has to be used as it is produced. It is a non-discretionary expense and a requirement for households and industry. Large customers would find it difficult and expensive to substitute as a fuel source, and substantial public goods and merit goods are involved, such as welfare and rural development needs.

The Bracks government has taken an important step to improving the regime it inherited from the previous government. The government has put in place major customer safety net provisions to ensure that domestic households will be protected and access to retail supply for all customers will be assured. The customer safety net comprises a number of features, as set out in the principal acts, such as the standing offer, deemed contracts, default contracts, fundamental terms and conditions, community service obligation agreements, and reserve pricing power. Those provisions have been included to provide customer protection that was not in place before the Bracks government began the process of dealing with and remedying the problems.

The broader community has expressed concern about privatised electricity and gas systems and the regime of full retail contestability. I direct the attention of the house to a publication *From Universal Service to No Service? — The Redlining of Vulnerable Electricity Customers in Victoria*, written by Andrea Sharam from the Energy Action Group.

Just as Mr Hall used the annual report of the Office of the Regulator-General to further his knowledge of the complexities of the industry, so this publication has certainly widened my thinking about the complexities of the energy industry. The Energy Action Group draws attention to something called redlining, which has emerged in various deregulated industries in parts of the world and in different sectors, including the electricity industry in the United Kingdom. Redlining is described as discrimination against particular consumer groups in the form of allocation of costs to those who have least capacity to avoid them, and is a situation where retailers encourage low-return customers to go to another supplier and in fact cherry pick the most reliable customers who are most able to pay for services.

The concerns expressed in this publication about the ways in which full retail contestability may operate against the wellbeing of some of the most vulnerable people in our state highlights some of the fears that people still have about the system that is about to commence from 13 January next year. As well as those concerns about fuel poverty, members of this house listened to the energy industry ombudsman for Victoria also voice her concerns about protection for those who have most difficulty in paying their energy bills and about whether the safety net provisions will adequately provide for them when we enter this new phase.

I raise those matters because there is still uncertainty about this new situation that we are about to encounter as of January next year, and we are in uncharted waters. As Mr Hall mentioned earlier, the Office of the Regulator-General is attempting to assist people to chart those waters through the customer education campaign about full retail contestability. The options which are being put forward and which are drawn to the attention of members of the public in Victoria are, firstly, to do nothing and stay on existing arrangements; secondly, to accept the standing offer of their local and current retailer; and thirdly, to enter into a market contract with any retailer of their choice.

About 2 million small business and domestic household customers will be involved in these changes next year. Despite the education campaign that is being conducted by the Office of the Regulator-General, it is very difficult to tell what the public's response to full retail contestability will be around 13 January next year and thereafter. As we know, most people do not engage in issues until a change actually occurs. That would be a good reason for having that do-nothing option, with default and deeming provisions that have been put in the safety net.

It is not really known at this stage what the triggers will be to prompt people to make an active choice about who their electricity retailer will be. Nor given the range of complexities of the energy systems — as alluded to by Mr Hall and as referred to by the Energy Action Group publication — do we know what may emerge as the unforeseen consequence of such

fundamental changes from what we have had — that is, universal service and pricing — to full retail contestability. But what I do know is that the Minister for Energy and Resources and the Bracks Labor government have put in a lot of work and are ready to meet that challenge of making this system that we have inherited work for the benefit of all sectors of the public.

The progress of the bill today will assist in refining and improving the regulatory framework and operation of the relevant acts in line with government energy policy. By December 2003, when these safety net clauses sunset, there will be a review of the way the system is operating to see whether competition is delivering the desired outcomes and whether further adjustments need to be made. I remind members of the house that there are many sceptics out there who are uncertain whether this new privatised system of energy supply, with full retail contestability as a central pillar, will be able to deliver the benefits which were promised when Victoria's electricity and gas industries were broken up and sold to the highest bidder by the former Kennett government.

I remind the house that those promised benefits were lower prices, better customer service and greater reliability of supply. It has taken a lot of effort and work through adjustments to the legislation over the past few years to put in place a legislative regime and a regulatory framework which will begin to fix up some of the mistakes of the past and to move towards delivering on those sorts of benefits.

I understand there has been considerable discussion and negotiation with the honourable member for Gippsland East in another place regarding the pricing of bottled gas and the feasibility of moving amendments to this bill. Clearly the government is sensitive to the concerns of people, particularly those in regional and rural Victoria, to ensure they pay a fair and reasonable price to cook, heat and have access to hot water in their homes. In response to these requirements I understand the government has committed to undertaking a review of pricing of bottled gas intended to be used for domestic and commercial purposes.

I take this opportunity to commend honourable members who represent regional Victoria for raising this matter with the government. That review, which will be an important piece of work, will examine those needs in rural and regional Victoria. That is a commitment by the government, just as it has committed to review the operation of full retail contestability. This is an important bill to have in place before the changes take effect early next year with the move to full retail contestability. I wish this bill a speedy passage.

Hon. C. A. STRONG (Higinbotham) — I rise to speak on the Energy Legislation (Miscellaneous Amendments) Bill. This is one of the last and also one of the most dangerous steps in the process towards full retail contestability. In essence it throws into question whether we will be going to full retail contestability within a free market or a regulated market, or whether we will be going into some form of camel between the two, with all the dangers that that brings forth.

It is worth saying that the current Yallourn and Latrobe Valley problems could well shrink into insignificance if this last step is not carried out properly. We only have to look at the current situation in California, with the largest international energy trader, Enron, going into bankruptcy — the largest bankruptcy in the world — to see the issues that arise in dealing with energy in this half-free, half-regulated camel market. Is this a free market or is it a regulated market, or is it somewhere in between? We can look closer to home at AGL in New Zealand, which got into all sorts of trouble for the same reason and which has lost millions of dollars.

This last step is very risky, but nevertheless I am glad we are now taking the step to full retail contestability on 13 January. I congratulate the minister on pushing the go button, because there have been many obstacles along the road. They include whether we would have profiling or smart meters and what sort of smart meters they would be, and whether they were to be connected directly by the telephone or whether we would have interval meters to be read monthly or quarterly. There were issues to do with the system, including support for swapping customers; the whole metrology thing, which has gone on and on; whether we would have contractual arrangements between retailers and distributors or between distributors and customers; and who would own the meter and who would not.

All these issues tended to be put in the way to slow up the process. I am glad to say that at last we have cut through them, because in truth many of them will not be solved in the abstract. If you try to construct scenarios for everything that can possibly go wrong and work out solutions for them, you can procrastinate and delay the implementation of full retail contestability for a long time.

In many cases those constructed scenarios may not be a problem. If they are, they may be only small problems that are fixed up as part of the implementation process. I am glad that we are going in that direction. Undoubtedly there will be problems, so there needs to

be an element of tolerance on the part of Victorian consumers. The little glitches along the way will be fixed, and the market will find that all the processes involved in swapping from one retailer to another will happen quite smoothly in a very short time.

Talking generally about what all this means, it is a great pity that we have had this delay in implementation, simply because we are coming to full retail contestability in a market which is somewhat more hostile and more difficult than it would have been 12 months ago. That is not a problem of all the systems, but it is a problem of the market. It is a pity that we did not come to full retail contestability earlier, because I feel the market would have operated much better; the supply–demand balance was much more in favour of customers, the price signals would have been able to develop more clearly over the last 12 months and the generation responses would have been developing as a result of those price signals. Now, because of the state of the supply–demand balance, that more orderly progression of the market and its more orderly response to those price signals will be fraught with many more dangers.

It is important to touch on some of the consequences to the new fully contestable retail market — if it is a fully free market — such as the impact of the Yallourn dispute. Although understandably we have focused on the question of a termination of supply — of blackouts and so on — as a result of the Yallourn problem, another problem will manifest itself clearly in the freer market — that is that as a result of the Yallourn problems, on a day like today there will not be a blackout because the weather conditions simply do not support it, but the price of electricity will go up very significantly. If the rain stopped and the weather improved slightly there still might not be a blackout but the price of electricity would go up very significantly. I am not talking about 10 or 15 per cent but about hundreds of percentage points. I am talking about an average price that may be somewhere between $30 and $50 per megawatt hour. When these sorts of constrictions are in place I am talking about $4000 to $5000 per megawatt hour, and as we move to a freer market the effect of those price signals will be felt by the customer, which will significantly affect the discipline of the whole system.

Essentially the bill deals with two issues I want to dwell on, and they are the supplier of last resort and the deemed or standing offer supplier. The deemed or standing order offers are tariffs and conditions that will be set for customers who in essence do not go out and negotiate something different; this is a default tariff from which a person will negotiate a variant. For the next three years the government has taken on to itself the capacity to set that tariff at any level it seeks to set it at. As we know, the government currently has in front of it offers from the major retailers of what that standing offer tariff — that deemed tariff — will be. It has to be enormously careful how it responds to that because if it responds at a level that is not market reflective, if it tries to cap the retail price of electricity when the price of wholesale electricity from the generator is uncapped, then the opportunity exists for huge losses to accumulate very quickly.

Hon. T. C. Theophanous — Why didn't you support it?

Hon. C. A. STRONG — I am highlighting the risks that the government has taken by taking upon itself the ability to overrule market prices for the next three years, which I suspect we would not have done quite like that. So it is not a question of supporting it; we are supporting the model.

Hon. T. C. Theophanous interjected.

Hon. C. A. STRONG — Had Mr Theophanous been here earlier he would have heard me deal with the fact that it is unfortunate — I am not attaching blame to this — that we are starting this new system in a time when the supply–demand balance is nowhere near as attractive to a free, well-operating market as it would have been 12 months ago.

Hon. T. C. Theophanous — Are you going to accept some responsibility for that?

Hon. C. A. STRONG — Certainly not for the last two years, no. Perhaps for the sake of pressing on I might address my remarks through the Chair, Mr Deputy President. However, I felt it necessary to respond to some of the provocative remarks coming across the chamber.

Hon. T. C. Theophanous — No-one took any notice of you when you were at the SEC, so why would anyone take any notice of you now?

Hon. C. A. STRONG — I could take offence at that remark, because it is factually untrue. The models for the electricity industry that I was working on and promoting are essentially the models that exist today. You cannot get a better demonstration of being taken notice of. As usual, Mr Theophanous does not know what he is talking about.

I was saying that the way in which these deemed standing-offer tariffs are capped is enormously important for the market. The government must

manage this with enormous care, because if at the retail end the free market is excessively interfered with and there is no regulation at the wholesale end, as has been the experience overseas — most recently in New Zealand — the impact can be extreme.

I urge the government to think carefully in arriving at its decision and to listen to the advice it gets from the Office of the Regulator-General to ensure that tariffs are workable rather than opting for some politically acceptable short-term solution. I caution the government about taking what might seem to be the politically acceptable course of capping the standing-offer tariffs at what they are now plus consumer price index increases for 12 to 18 months, because history has shown that these things cannot be held off for that long. They can come home to roost enormously quickly!

I now turn to the issue of the supplier of last resort, which is extremely dangerous ground to run on. It means that certain tariff conditions will apply if the system starts to implode and a retailer goes out of business and its customers have to be picked up by a supplier of last resort. If that tariff is too low the problem may snowball. Things may have started to fall apart because the standing-offer tariffs were too low, but if the supplier of last resort tariff is too low, the whole thing may flow through the chain until we reach a Californian-type scenario.

Because suppliers of last resort are a combination of retailers and distributors, cross-subsidies can start to creep in, going from the distribution arms to the retailing arms of their businesses, and as a result the distribution system may start to run down. Of course many of the distributors have quarantined or ring-fenced their retail arms from their distribution arms, so if they do get into retail trouble they can bail out of that area and the main assets, which are held in their distribution companies, are protected. That can then flow into Corporations Law issues, et cetera.

As I said at the outset, this is an important last step. It allows the government to set the standing-offer tariffs and the supplier of last resort tariffs at any level it wishes for the next three years. If that is not done with great care, the problems we have seen at Yallourn will be insignificant and the government could be responsible for bringing down one of the biggest industries in this state. I urge the government to make sure it sets these tariffs at realistic market levels, otherwise the system simply will not work.

Motion agreed to.

Read second time.

Third reading

Hon. C. C. BROAD (Minister for Energy and Resources) — By leave, I move:

That this bill be now read a third time.

In so doing I thank all honourable members for their contributions to an interesting debate.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

Sitting suspended 1.02 p.m. until 2.07 p.m.

AUDIT (FURTHER AMENDMENT) BILL

Second reading

Debate resumed from 4 December; motion of Hon. M. M. GOULD (Minister for Industrial Relations).

Hon. D. McL. DAVIS (East Yarra) — I rise to make a contribution on the Audit (Further Amendment) Bill. In doing so I want to place on record that the opposition does not oppose the principles behind this bill. There are a number of things in the bill that are important and we welcome those changes. However, there are a number of aspects of the bill with which the opposition has some concerns, some of which have been flagged in the other place where there was considerable discussion, and there are also a number of points that the opposition wishes to make in this place.

The bill has received some publicity over the recent period and it contains a number of provisions that the opposition is quite concerned about. The opposition is appreciative of the background information that has been provided by the minister and is pleased to have received a briefing and follow-up information, which have been of assistance. The points of the bill where the opposition has some issues are matters that we are quite happy to continue discussing with the government. The shadow Treasurer and the opposition believe this is an important bill, it will be better if there is wide agreement across the Parliament and it is preferable to resolve these issues and points of discussion between the parties in an amicable way so we can come to agreement.

The bill is important because auditing is a crucial aspect of what is required in the public sector. The Auditor-General has a very important role as a

watchdog. He is in a position of trust to ensure that government accounts are presented in a very accurate way and that where there are difficulties or concerns about some public or statutory authority or government department in terms of spending he is able to investigate those matters and come to conclusions which are reported to the Parliament.

In this context some views have been developed by a number of people both in opposition and in government about how auditing ought to be undertaken. Discussions have occurred between the government and the opposition, not specifically in relation to this bill, but more broadly — for example, I have had discussions with other members of the Public Accounts and Estimates Committee about the style of auditing that is undertaken and the way that those audits are presented to the people of Victoria and this Parliament. My personal view is that when audit reports are placed before this Parliament or the people of Victoria they should be as full as possible and contain the greatest amount of detail.

There is a developing view across public sector auditing — and I do not particularly refer to the current Auditor-General — that on many occasions audit reports to Parliament or to government agencies ought to contain the bare bones — just the conclusions and not necessarily much of the detail that is garnered or gathered as an audit process or when an audit trail is followed. I take as an example — and I could pick a number of examples — a public hospital or a school or part of the education department — and I am not in any way singling them out; I am just using them as an example — where an audit by the Auditor-General is undertaken due to either a regular process or a specific process or even at the request of an agency. In my view there is a set of questions you would want to ask about how that is done and what process is followed. What is reported is the crucial thing — for example, you could simply report to the Parliament and the people of Victoria or to an authority the conclusions of an audit rather than the steps that led you precisely to that conclusion, and some of the colour and background behind those conclusions.

I agree with the changes that are occurring in auditing. At a previous time there was a style of auditing where the audit report was simply tabled or simply presented to an authority, and it reacted to that audit. At the moment there is a developing trend to bring greater early involvement of the authority or body being audited and to feed back to it aspects of the changes that are recommended and to make those changes and alterations in evolution as the process is being undertaken rather than to wait until a formal report has been provided. That is a process I support, and it is a process that makes sense.

If difficulties or reporting problems or concerns emerge, the auditor is within his rights — and I think it is a process that is to be encouraged — to bring the authority into his confidence at that point or make relevant reports to the correct authorities, or to ensure that processes are improved from an early stage. I support that process. However, I support it with one caveat, which is that it is very important for that early intervention, that involvement and those corrections that have occurred to be reported as part of the reports that the auditor presents so that the people of Victoria and this Parliament are aware of the fact that as part of the way through the process there may have been a feedback process that ensured that the authority or body being investigated was correcting any errors or problems that occurred. It is important that that process is undertaken in a sensible way and that it is transparent.

Having made those broad comments, I want to turn to what the bill does. It amends the Audit Act 1994 to clarify and give additional powers to the Auditor-General. It amends the Constitution Act 1975 to provide a statutory indemnity for the Auditor-General and his staff. The bill amends the Financial Management Act 1994 to alter the tabling requirements for reports and statements.

The Liberal Party strongly supports many of these amendments. It is reasonable that that clarity of indemnity be provided to the Auditor-General and his staff where they are acting in good faith, where they are going about their normal work within the scope of the act and carrying out their duties in a proper way. That is consistent with other areas of legislation, and I believe that as an opposition we have reasonable support for that. I am not aware of any specific difficulties that have occurred in this area, but given that this indemnity is being put forward by the government, I think we support that in principle.

Another aspect of the bill is the disclosure of information in reports yet to be tabled. This is an issue that the house has recently dealt with in another format, where reports to be provided to this house have been leaked to the press at an early point, and that is something of great concern to the house. The Liberal Party is certainly of the view that at least it is disrespectful to the house and to the broader Victorian community for things to be leaked from either an Auditor-General's report or another report that is required to be tabled in this Parliament.

In the sense that there is an argument that this is disrespectful to the house and may interfere with the process of auditing, I can see the principle that the government is wanting to approach. However, I note that the opposition has some significant concerns about this aspect, and I can only place on record my concerns and the concerns of the opposition that the current provisions lead us to the point where we believe that the section may catch many unintended groups, and I presume, being generous to the government, that that is unintended.

In the course of their duties journalists may be given access to a document that is leaked. It is important that the press is unimpeded in its duties and that it is in no way gagged or prevented from going about its proper and legitimate work. Although the press has many responsibilities and needs to undertake its work in a responsible, reasonable and ethical manner, it is important to ensure that information that ought to be public is on many occasions made public.

There are examples that all of us could think of where if something untoward were occurring the people of Victoria, and all of us in this chamber, would want to see that that information became public. The provisions in the bill, whether in an intended or unintended way, in my view would capture many journalists in the course of their normal and legitimate work. I know the government has provided some legal opinions, but, quite frankly, I am far from convinced by those legal opinions, as are many other opposition members and, I believe, a number of members of the press.

Hon. Jenny Mikakos — Did you read them?

Hon. D. McL. DAVIS — I am very much aware of the information in them — I have not read every centimetre of them, but it seems to me that this provision leaves enough openings to cause great concern for many in the community. I know many in the press in Victoria are very concerned indeed, as are honourable members on both sides of this chamber. Some honourable members on the other side of the chamber have longer memories than the newer members of this Parliament and they understand that at some point they may be in opposition rather than in government and that there is good reason for having arrangements in place that do not impede the activities of the press or members of Parliament.

None of that is to argue that people who are sent material by the Auditor-General in the course of his work and in a proper way ought to be empowered to leak material. I understand that the provisions of the bill that are intended to prevent leaking are an attempt to provide a better system and to enable the Auditor-General to go about his proper and legitimate work. But it is important when he seeks comment on part of a report or a report in its entirety that he can feel secure that that report will not be leaked.

Both the Constitution Act and the common law provide clearly that employees — in particular, those who in the course of their legitimate business handle draft reports or early versions of working papers associated with an Auditor-General's report — have a duty in the normal course of their activities to maintain a proper level of secrecy and dignity and not release that information. Having said that, there is little that can be said to suggest that this is a necessary provision. The oppositions thinks the appropriate way to handle this matter is for the Auditor-General to be able to clearly stipulate how widely he believes his report or partial report ought to be distributed for comment or input on its accuracy and whether it is in a proper format.

Although the opposition is not aware of very many occasions, there have been a couple of instances recently when it has become a problem. The Honourable Bill Forwood made comment in this Parliament about a report having been leaked, and recently the Workcover report was leaked ahead of time. So this can happen, and it is disrespectful to the Parliament and the people of Victoria.

However, I am also very cognisant of the need to not prohibit members of Parliament or journalists working in the press or electronic media going about their business in a proper way. One could fairly characterise the provisions as draconian, over-zealous, unhelpful and having the potential to limit the freedom of important groups like the press from going about their important public work that we would not want to see impeded. The health of our democracy could be damaged if this bill is passed and a wide interpretation is given to the provisions contained in it. That is an issue for all Victorians.

It is also important to place on the record some comments about other aspects of this bill. The extension of the definition of authorities to include public sector non-authority bodies is a provision that the opposition supports in principle. The provision to allow the Auditor-General to undertake other audit services is also of some significance, and the widening of the power to delegate is in line with a broader trend that is occurring.

I wish to comment about the time frame for the tabling of the Auditor-General's reports. The opposition has a number of concerns about the time frame as envisaged

by the government. Although on a number of occasions the Public Accounts and Estimates Committee has, in bipartisan fashion, supported the tabling of reports — not just Auditor-General's reports but reports generally — being tabled outside parliamentary sittings — I see Mr Hallam nodding — there are still a number of concerns and some caveats need to be put on that. In particular, the opposition is concerned that the tabling procedure will allow the government to manipulate the process and unfairly and unreasonably restrict parliamentary debate by careful timing of the tabling of reports to avoid proper parliamentary scrutiny. For example, if a report were tabled tomorrow — that is, after this Parliament rose — it is very likely there would be no opportunity for scrutiny subject to parliamentary privilege and in the forums of this house or the other house until late February or early March. That is a matter of some concern to the community, and there is a need to ensure that proper tabling procedures are in place.

The opposition has made a number of comments about the matter to the government, and it wants to comment on it further. Two business days is an appropriate length of time for notice to be given to ensure that people are aware of the time of tabling of a report. It is important that appropriate mechanisms are in place to ensure the proper scrutiny of reports that are tabled outside parliamentary sittings. The opposition strongly believes that the Parliament's scrutiny of reports — the Auditor-General's and others — ought not be compromised by procedures that are put in place. I want to flag that we in the opposition have a number of amendments we wish to discuss with the government and which we are prepared to discuss in further detail.

In my view it is more important that the bill be put in the right format — one which all parties in this house are comfortable with. It is important that that be done in a way that strengthens this important area of activity by the Auditor-General and that we are able to get to the best possible outcome. In that situation there is no reason for enormous haste, but we flag the need to continue discussions with the opposition.

Hon. K. M. Smith interjected.

Hon. D. McL. DAVIS — I am finishing now, Mr Smith, so you can rest comfortably.

I also want to record some concerns about the way this process has been handled by the government. There has not in my view been an adequate preparedness to discuss this bill and its implications in the wider sense, but I flag the need to consider some amendments. The opposition remains very prepared to discuss further aspects of the bill.

Hon. R. M. HALLAM (Western) — I rise to report that we in the National Party shall not be opposing the Audit (Further Amendment) Bill. We take that position on several specific grounds, and I want to go through those in explaining our reasoned position.

The first of those grounds is that we see this bill as clarifying and expanding the accountability, independence and reporting responsibilities of the Auditor-General. In our view that of itself makes it a supportable piece of legislation. Beyond that we recognise all the changes contained within the bill have been developed in consultation with the Auditor-General himself and in consultation with the all-party parliamentary committee, the Public Accounts and Estimates Committee.

I have spoken directly to the Auditor-General in relation to the bill. He is relaxed about the outcome of the negotiations, and I and others are consoled that the process by which the bill has been developed has been overseen by a committee of the Parliament. That is the second issue on which we base our decision.

The third is that we see all the changes within the bill as based on the assumption that the Auditor-General should be responsible to the Parliament as distinct from being responsible to the executive government. We see that as a supportable amendment as well.

For the record, given the attempts of recent days to rewrite history I repeat the fact that it was indeed under the previous government — that is, the Kennett government — that the Auditor-General became an officer of this Parliament and to that extent became immune from the influence of the executive government. I know that that is not a widely accepted fact, but indeed it is a fact at the end of the day.

Finally, the National Party came to the conclusion that this was a supportable bill when it was demonstrated that the changes contained within it are consistent with the rules that apply across the other jurisdictions, so there is nothing untoward or out of order in respect of the changes.

The amendments within the bill can be grouped under five classifications, and we looked at those in isolation. I will run through them briefly, because it is important that I put on the record precisely what the National Party sees as the effects the bill will have and the expectations we have of its practical administration. The first of those groupings goes to protection of the office and operation of the Auditor-General. We

understand and acknowledge that the independence of the Auditor-General is of a critical nature. We also acknowledge that the amendments within the bill go to that issue.

The Auditor-General and his staff will be provided with statutory indemnity where he and his staff have acted in good faith. We believe that to be an appropriate change. We draw the distinction between an indemnity and an immunity. This is not an immunity. This does not say that the Auditor-General is above the law. It simply says that where he and his staff have been acting in good faith he should be entitled to expect the financial protection of the public purse. We see that as being consistent with the protection and the indemnity given to other office-holders such as the Regulator-General, the Chief Electrical Inspector and the Ombudsman. On that basis we believe this bill to be supportable.

Under that heading there are also provisions which go to the question of confidentiality of the Auditor-General's reports. I acknowledge that there has been some toing-and-froing in respect of those provisions brought about in part by the experience of the last few weeks. On 21 November we saw a report into teacher work force planning tabled in this place. It is a very important report issued under the aegis of the Auditor-General. The unfortunate experience was that while it was listed on the notice paper for this and another place — the other house of Parliament — it appeared in detail in the *Age* of the same date.

We read about the effects of that report on the morning it was meant to be delivered to the Parliament. We take the starting point that that is absolutely disrespectful to the Parliament and contemptuous of the protocols of this place. But that is not the problem we believe we should address. The problem is the opportunity that an agency which is criticised by the Auditor-General has to manage that criticism — a chance to bring the spin doctors out of hiding and have them ready to put the best possible version of events out into the marketplace. So the timing of the access to individual reports is of a critical nature. That is why the National Party is cross about the experience of 21 November, why it is cross about the disrespect that that demonstrated to the Parliament of Victoria and why it is supportive of the increase in the penalties that relate to the breach in confidentiality which that clearly represented.

What the bill says is that where there is a breach in confidentiality from the time of the passage of this bill the penalties shall be very steep indeed. It says that if the breach is perpetrated by an individual, he or she shall be subject to a maximum penalty of 50 penalty units, or $5000, but where that breach can be attributed to a body corporate the maximum penalty shall be 250 penalty units, or $25 000. If we compare that with the law as it stands today where the maximum penalty is 5 penalty units, irrespective of whether it is an individual or a body corporate, we come to the conclusion that this is a very substantial increase in the penalty related to a breach of confidentiality — and we say, particularly on the basis of the recent experience, that that is not a bad outcome. We have come to the conclusion that it is not so much the disrespect shown to the Parliament, but the actual timing of the reporting of any report which is critical.

I want to explain how that process works because to me it is very important that people understand what is going on here. The Auditor-General, in doing a report into a particular agency, particularly a performance report, is required under the rules of the game to let that agency know about any particular criticism that is going to be part of the report. The National Party believes that to be absolutely fair. Not only does the Auditor-General have to say to the agency, 'This is what I intend to say about you', in terms of criticism of an outcome or your process, but he is also required to allow that agency to respond to that criticism and is required to publish it in the report, all in the name of fair play.

I might say that we recognise that the Auditor-General is a watchdog rather than a bloodhound. He is meant to be supervising the process. We should not expect him to be following every trail, and crossing every 't' and dotting every 'i'. It is very important that he be extending the normal courtesies to the agencies because there might be an another explanation that would go to the criticism being delivered by the Auditor-General. The complication is that the agency then has forewarning of the criticism, and thus is given the opportunity to prepare the best possible spin on that story when it becomes public. That is why it is important that we get to the issue of confidentiality.

There are some complications because in the amendments being developed by the opposition parties — and I acknowledge that the shadow minister and I were both directly involved in the early discussions on this — we had to distinguish between those persons who received the report directly, and who therefore could be held absolutely responsible for any confidentiality breach, and those who might come across it in another form. The particular instance was that of the journalist — a journalist who sees value in actually digging beyond the headlines. We believe there should be a distinction drawn between those who come across it because they have been prepared to go and do a bit of legwork as opposed to those who have come

across it because it is their responsibility to receive it and to respond. The complication we have is that the way the bill was drafted did not differentiate between the two parties. I know that in the other place there was some discussion about the application of the rule of law in respect of a breach of confidentiality.

I understand the government argues that the journalists that we cite as a particular class are not at risk and that we in the opposition are jumping at shadows, suggesting that a journalist would be at risk given the way the bill has been framed. The government has led the argument and has used the advice of the Victorian Government Solicitor and an eminent Queen's Counsel to suggest that only those who would receive such a report as an 'official receipt' would be subject to the fines if the detail of that report was disclosed prior to its tabling in Parliament. I agree with the contention of my opposition colleagues that there are some real problems about the way the breadth of that penalty is prescribed.

The first problem I have is that if the journalists are included — I will leave the issue of whether the wording is appropriate to exclude them — we believe the penalty provisions are too wide. But we are not persuaded by the reverse. The government says only those who are directly receiving the report will be at risk. We think that is too narrow and we would like to talk about a compromise somewhere between those two extremes. Our point is that we do not want to rely on legal advice. I have no argument with the opinion of the Queen's Counsel being cited. His reputation goes before him, and I most certainly would not challenge his view of the world, but my view is we should be legislators in this place, and if we are going to have to rely upon the view of some eminent QC we should fix it now.

We should make it clear in the first place; we should not be relying on external legal advice. Irrespective of the merits of the arguments at one extreme compared to the other, the government should fix it. Here is the classic forum in which the issues should be addressed. Rather than leave it to some highly qualified legal expert outside, we should put it beyond doubt here and now.

The National Party's view is that that has not been done, and it should be done. On that basis it has some sympathy for the amendments being pursued by the opposition. It is not convinced that just officially receiving the report covers all the risks or incentives for an agency which is being criticised. The Auditor-General can, and I suspect would, delineate who would be subject to the rule of law when he provided the particulars of the criticism, but I do not see how he could expect to get to every eventuality in the operation of the office when the criticism is received. I do not want to leave a door open; I want to make sure that we as a Parliament have this issue nailed down before the law is framed. I want it to be as clear as we can make it. On that basis the National Party will be supporting the amendments which go to the issue of clarification.

By way of aside, and in the same context, the National Party is pleased to see clause 16(3)(a) of the bill, which at least gets to the issue in part. It says to the Auditor-General that from here on in, when he meets his responsibility to advise the agency he is about to criticise, he has the discretion to either give the agency the total report or restrict that part of the report being given to the agency to that part of the criticism that relates to the agency. I am not convinced that the Auditor-General has not had that opportunity in the past, but the bill puts it beyond doubt and on that basis the bill should be supported. The Auditor-General will have the discretion if there is criticism implicit within a report. He can make a judgment as to whether the agency of whom he is about to publish a critical comment can either have that part of the report that is critical or the whole report, whichever he believes to be the most appropriate. The National Party's conclusion in respect to the key issue of confidentiality is that it would like to have the issue put beyond doubt before the bill becomes law. That is the first classification.

The second classification is that of the scope of the Auditor-General as an officer of the Parliament. The provisions of the bill are absolutely that of clarification. We are not talking of new power; we are talking about the parameters of existing powers being more clearly articulated. The bill contains an amendment that makes it clear that in conducting his role the Auditor-General has a clear mandate. The bill spells it out and the National Party supports that delineation. It says that he shall have regard to any wastage of public resources, any lack of probity or any financial prudence. It says that the Auditor-General has the real power he needs to follow the audit trail wherever it takes him. The National Party believes that is supportable. It relied on clause 4 which spells out proposed new section 3A(2) which states:

> It is the Parliament's intention that, in pursuing these objectives, regard is had as to whether there has been any wastage of public resources or any lack of probity or financial prudence in the management or application of public resources.

I could not have said it better. The National Party believes that captures the brief it would want to give to the Auditor-General. It puts his role beyond doubt, and

while we acknowledge that it is nothing more than clarification we are prepared to give a thumbs up to that provision.

The bill then says that if the Auditor-General happens to come across any untoward evidence in the pursuit of that audit trail, he has the power to refer it to any other authority he deems to be appropriate. So where he stumbles across some evidence of misfeasance or potential criminality, we say to him, 'You have not only the authority to go and talk to the responsible officer, but we want you to do it'. Let us put this issue beyond doubt and on that basis, if no other, the National Party will support the changes to the Audit Act.

Finally, in respect of the scope of the Auditor-General's powers, we come to the question of that which is captured in his field of operation — what I describe as an expanded capture. The Auditor-General's field used to include a corporation, all of the shares of which are owned by or on behalf of the state. That has now been expanded to include all entities 'controlled' by the state. We are relying more on the definitions contained within corporate law to clarify the realm of responsibility of the Auditor-General. There are three classes of organisation over which the Auditor-General would be required to consider his responsibility. The first of them is those organisations that are fully owned — that is, 100 per cent controlled — and that has not changed.

There are those at the other end of the extreme where the government holds less than 50 per cent control — that has not changed. The Auditor-General is still required to treat those as a minority holding and so would report on the investment in those organisations as to the value and risk of that investment. But it is the category where the level of control or ownership falls between 50 per cent and 100 per cent where there is a change. In the past the Auditor-General had to get at that field by relying upon explicit coverage where those organisations were held to be 'prescribed'. Maybe that got the Auditor-General to all of those he would wish to run his eagle eye across but we have now put it beyond doubt. We have said that control shall relate from 50.1 per cent right up to 100 per cent, so there is no argument as to what falls within the Auditor-General's field of responsibility. The National Party says that that also is a supportable component of the bill.

I now want to go to the third area of amendment within the bill and that is the changes I have described as addressing an improved operational efficiency of the Victorian Auditor-General's Office. Two amendments fall within that category, and I want to deal with the simpler of them first. I refer to clause 8 where it says there shall be an increase in the delegated thresholds relating to audits undertaken on behalf of the Auditor-General by the private sector. We will address the parameters of that threshold in this bill. I must say at the outset that I find that incredibly ironic. Here is a bill addressing the responsibility of the Auditor-General, coming to us under a Labor government, extending the outsourcing capability of the Auditor-General. I for one remember extremely well what the Labor Party said in opposition about the concept of the Auditor-General outsourcing his responsibilities. I am left bereft in that context.

The previous government took enormous criticism that it was nobbling the Auditor-General when it talked about this precise issue, and here we have the government that took over just two years ago going back to address exactly the same issue. Of course the government says that the changes here are not designed to expand the area of outsourcing; rather they are designed to make those private sector operators who undertake audits on behalf of the Auditor-General more responsible. We are talking about those audits which can be signed off by the outsourced operator and not countersigned by the Auditor-General. Again, breathless irony! It goes back to exactly the same issue we were pilloried for in government. It is saying that we have expanded the parameters of sign-off by external contractors.

Where we used to have a test of whether there were net assets in the agency of more than $1 million and that happened to be increased in line with the consumer price index increase since 1999, we will now use the test of whether there has been more than $5 million of expenditure in the target authority. We are simply saying that if there is less than $5 million by way of expenditure each year, the external auditor can sign off and we absolve the Auditor-General of second-guessing the outcome. Members of the opposition parties are the last people to argue about that change in the breadth of outsourcing authority, but I again point to the irony of it being a Labor government that has come to that conclusion.

The second part of that category of improved operational efficiency goes to the one issue in this bill which the National Party acknowledges to be contentious. I am saddened that it is seen to be contentious because it goes to some very important issues. I speak of the question of out-of-session reporting. Under the bill the Auditor-General would become empowered to send complete reports to Parliament when it is not sitting — when it is out of session: let me get this right because I want to come back to that. Notwithstanding that they have been sent to the Parliament when it is not sitting, the reports

would still become public documents at that point in time and they would still enjoy parliamentary privilege when they were formally received by the Clerks.

I am happy to put on the record that that concept has been a bipartisan objective of the Public Accounts and Estimates Committee for as long as I have been part of that process. That committee has taken the view that this is a very important initiative on the basis that we do not want the Auditor-General trying to anticipate the sitting dates of Parliament and organising his reports to fall within those sitting dates. We see it as being an inappropriate constriction for the Auditor-General to not only not know when the Parliament will be sitting but, worse still, to have to guess when it might be sitting and construct a reporting schedule to meet that guessed outcome.

Beyond that, we acknowledge that if there is to be a change in the rules then we have to be very careful how we frame it because there are a couple of traps for young players. The first of those represents a standard concern. It is one that is not unique to this Parliament but one that relates to all parliaments where out-of-session reporting is embraced. We are not the first ones to think of this — it is a standard principle across other jurisdictions. The standard concern is the notion that government, because of its inside running and control of the process, might be able to influence the timing of the receipt of a report and it might just be able to assure fortuitously that a contentious, controversial report lands just after the Parliament rises.

We remember vividly the debate we had in this place not so long ago in respect of the ambulance royal commission. That is the standard concern, and it should be acknowledged that that is an issue that transcends all political persuasions. The National Party believes this is an issue which all honourable members should recognise goes beyond partisan politics, because it is not unique to one side of the house. That danger will be there irrespective of who happens to occupy the Treasury bench.

The National Party makes the point that there is not too much danger in the context of this bill because we are talking only about reports released by the Auditor-General — nothing more. The National Party's view is that if the Auditor-General had fallen under the influence of the executive government to that degree then we would have much bigger problems than the timing of particular reports. We would be in deep diabolicals if the Auditor-General had been captured, but we do not for a minute suggest that that is the case. I speak from the heart when I say that at least the three Auditors-General I have been involved with in my political career would not give that suggestion anything that looked remotely like leg room. So National Party members are not concerned about that in the context of this bill, and thus we say we should be able to find a solution which would aid the Parliament and the Auditor-General and allow the formal delivery of Auditor-General's reports outside the sitting dates of the Parliament.

However, it must be acknowledged that the executive government would have the inside running on the management of a controversial report, given as I mentioned earlier that the Auditor-General is required under the rules of the game not only to tell the relevant agency about a criticism in advance but also to invite the agency to respond to that criticism and then in turn to respond to that in the report itself. It is very clear that in those circumstances the agency — and presumably, therefore, the minister — would know in advance of the criticism and would thereby have the chance to put the best possible spin on it when it became public.

The National Party's real concern is that irrespective of who lands on the Treasury bench the prospect is that the poor old shadow minister would learn about the criticism when he or she read about it in the newspapers. So we have to find a mechanism to overcome that potential, and National Party members spent some time talking about how we might do that. I am happy to place on the record that I sat down with the shadow minister — and, indeed, the minister — to talk these issues through. My first conclusion was that we might be able to find a solution in an administrative sense, so I talked to the Clerks about what might happen if there were a rule that said that when they received a particular report they would be required to notify individual members of Parliament and put them on inquiry. However, there is no such standing rule, so I came to the conclusion that we did not have an administrative solution.

I then talked to the Auditor-General and asked, 'What would you say if we put up a rule that said that before you put in a report you are required to give the Clerks at least seven days notice of that report? You would have to tell the Clerks what the report is about and give them the opportunity to advise individual members that that report was about to hit the airwaves'. I told the Auditor-General, 'I do not mind whether it is you or the Clerks who advise individual members of Parliament, but my concern is that each member of this place should be given the same notice of the impending critical report'.

For what it is worth, the Auditor-General assured me that he had no problem whatsoever in providing seven days notice of the publication of a report and no problem at all in giving me an assurance that it would be possible to put the contents of the report on his web site concurrently with the delivery of his report to the Clerks of the Parliament. That overcame my concerns about a critical report being manipulated, if you like, and one side of politics gaining an unfair advantage.

An enormous amount of water has flowed under the bridge since those early discussions, and I know there have been difficulties in finding a compromise all the way through. As I understand it, we have reached the point where the government has agreed that the Auditor-General should give one working day's notice of publication, that he should be required to publish as soon as possible, and that the Clerks of the Parliament should be required to give members notice as soon as possible. We should probably say, 'That is a giant step in the right direction'. It is not as good as my original suggestion that there be seven days notice and that the advice to the Clerks and members of Parliament be concurrent, but I acknowledge that the government has stepped a fair bit beyond its original position.

However, we have also reached the question about whether the rules should apply only when the Parliament is in recess, and that relates to the amendments moved by the Independent member for Mildura in the other place. Do not ask me why, Mr Deputy President, but I understand they are government amendments although they were moved by one of the Independents. However, I do not want to get involved in that debate.

The question is whether the changed rules should apply when the Parliament is not sitting or when it is in recess. As I understand what the Liberal opposition is saying, it wants them to apply when the Parliament is not sitting. I also understand that there have been further developments and we are now talking about whether the changed rules that have been agreed to by way of compromise should apply to the Auditor-General irrespective of whether or not the Parliament is sitting. In any event, Mr Deputy President, I am sure you would not be surprised to learn that the National Party has great sympathy for a change in the procedures which would put beyond doubt the question of whether government had the inside running on the receipt of a contentious report.

We think it is relatively simple to fix that while the bill is before the house. We take the same view here as we do for the question I talked on earlier about its being subject to advice from Queen's Counsel. Here is the chance; this is the forum in which to fix the issue. Let us put it beyond doubt now. Let us agree upon the general principles and how they would be best achieved, and resolve it now and forever. I have to say — and I will not make a big thing about it, because that is not my nature — —

Hon. P. A. Katsambanis — Make an exception.

Hon. R. M. HALLAM — Make an exception! I was disturbed that the minister, the Leader of the Government, in reading a second-reading speech which went to these critically important issues without even bothering to find out whether the speech was the right one, showed absolute contempt for this place. She read a speech which had been delivered in the other place and which did not accommodate the changes determined there. If the minister is not on notice now she should be from hereon in. One thing I will not abide from any administration is contempt for this Parliament. Again the government has shown that it just does not do its homework.

The minister said, 'This is the speech that I was given by the department'. That was the excuse. From my point of view that is no excuse. If the minister could not bother herself to find out whether the speech was appropriate, I think she stands condemned. I want something better from her in the future, and I want that on the record. I have more to do than plough through the records to find out whether the minister can bother to read the right speech in anticipation of a debate. Having got that off my chest, I will move to the next issue.

The next issue I want to go to is the classification of changes within this bill which go to the question of the parameters of the accountability of the Auditor-General. We all know that the Auditor-General is an independent officer of the Parliament, and we all expect, I hope, that there will be a specific set of rules that relate to the parameters of that responsibility. This bill says, specifically, that if he decides to develop new auditing standards, irrespective of where he gets them from, he shall report those to the Parliament. We think that is absolutely appropriate. We also suggest the provision that if the Auditor-General decides to not adopt any recommendation of the all-party parliamentary Public Accounts and Estimates Committee he should straighten it out in his report to the Parliament is absolutely appropriate.

Finally, I want to briefly talk about the administration of the Audit Act. This bill provides that the Auditor-General can charge a fee for his work and put beyond doubt that question. It also draws a clear

differentiation between what constitutes an Auditor-General's report and what constitutes an opinion. We also see that as being important, although we acknowledge it to be but minor housekeeping. The National Party's conclusion is that this is a practical bill, that it is consistent with the concept that we should be further empowering the Auditor-General to undertake his critical role in this Parliament and that we should be ensuring that he is responsible to the Parliament itself as distinct from the executive government.

On that basis I confirm the National Party's stance on this bill. We shall not be opposing the general thrust of the bill, but we are attracted by the amendments foreshadowed by the opposition on the penalties for breach of confidentiality of the Auditor-General's report, and we are also attracted by the opposition's attempts to put beyond doubt the rules that would apply to out-of-session reporting. We see that as absolutely critical — that is, not just that governments should be denied any chance to manipulate the process but that the world at large should see that the government is denied the chance of manipulation. This is the old story of justice not only being done but being seen to be done. Here is a golden opportunity for Parliament to put the riding instructions beyond doubt, and we shall be supporting the thrust of the opposition amendments to the extent that they achieve that. The National Party shall not be opposing the bill.

Hon. JENNY MIKAKOS (Jika Jika) — It is with great pleasure that I rise to speak in support of this bill. It is important to note that this legislation seeks to build on this government's commitment to openness and accountability and to strengthening our democratic institutions. As is well known, the office of the Auditor-General is one of our democracy's principal safeguards. It acts as an independent watchdog over the activities of government; and it is a watchdog and a guardian of democracy that this government is committed to strengthening. Unlike the previous government, which sought to emasculate the Auditor-General, we are seeking to strengthen that office. I will come to the comments of the Honourable Roger Hallam and the very provocative remarks he just made.

Since 1999, when the first lot of legislation to strengthen the office of the Auditor-General went through, we have seen the Auditor-General's position enshrined in the state's constitution and a number of changes relating to the independence of that office-holder. At that time the government indicated that it would be prepared to consider further changes to the independence of the Auditor-General after appropriate consultation occurred with that office-holder. That consultation has now taken place. Considerable discussions have taken place between the government, the Auditor-General and the Public Accounts and Estimates Committee, and many of the changes contained in this legislation have been made at the Auditor-General's request.

The key aspects of the legislation include the provision of a statutory indemnity for the Auditor-General and his staff where they have acted in good faith. Clause 23 seeks to make an amendment to the Constitution Act 1975 to put the Auditor-General in the same position as many other independent parliamentary office-holders and to ensure that the Auditor-General and his staff are able to exercise their duties without fear of any liability.

The Auditor-General's report will also be protected by new confidentiality provisions which will prevent a person from disclosing information in a proposed report other than as part of their official duties. Opposition members have referred to their concerns about the confidentiality provisions. The Honourable David Davis alluded to legal advice the government had been provided with on this issue — I understand this is advice from the Victorian Government Solicitor's Office and also from an eminent constitutional expert, Peter Hanks, QC — which stated clearly that the penalty provisions of the Audit Bill would not extend to journalists.

The Liberal Party is seeking to run a scare campaign in the media on the issue but the advice the government has been provided with and has made available to the opposition parties clearly indicates that recipients of leaked reports will not be subject to the penalties provided for in the bill. Only public officials who receive reports will be subject to those penalties. Journalists who seek to publish the contents of leaked reports would not be fined under the legislation because they would not be in receipt of a report from the Auditor-General as defined in the bill.

The opposition has indicated that it will seek to make some amendments to the confidentiality provisions. A series of amendments has been proposed by the opposition. It has not been able to work out what it wants to put before Parliament — we will soon find out. My understanding is that what has been proposed by the opposition to amend the provisions is completely unnecessary and will not clarify the position in any way given that it is already quite clear that journalists will not be at any risk under the current provisions of the bill.

The other key aspects of the legislation relate to expanding the scope of the Auditor-General's powers. To be effective the Auditor-General needs the power to audit all entities within the Victorian public sector and to trace the flow of public resources. The amendments that have been proposed make it clear that the Auditor-General will be able to examine whether there is any wastage of public resources or any lack of probity or financial prudence by government entities. The definition of 'entities' has been widened to include any entity that comes within the control of government whether or not the government has a 100 per cent shareholding in the entity.

The Auditor-General will be able to refer any issue of apparent corruption or lack of probity to appropriate authorities and there are specific provisions in the bill to refer a matter to, for example, the Chief Commissioner of Police, and also to advise the Premier of the Auditor-General's actions. The Auditor-General will also be able to undertake other audit services for public sector entities at their request and with the approval of the responsible minister.

The other key aspects of the bill relate to the changes to the operations of the Auditor-General to enable the Auditor-General to transmit his reports to Parliament when Parliament is not sitting but his reports are being made public. The reports will still need to be tabled when Parliament resumes and may be debated at that time but the changes being proposed in the legislation will enable reports to be made public in a timely fashion so that issues of urgency are able to be acted on by the government or by government authorities as soon as possible.

The opposition has indicated that it will seek to make amendments to the provisions relating to the tabling of reports when the Parliament is in recess. Again, the government will not support the amendments. We have been prepared to take on board useful suggestions as made by the honourable member for Mildura in the other place. The government believes that the changes made to the new section 16 — —

Hon. W. R. Baxter — He is a puppet!

Hon. JENNY MIKAKOS — I am sure, Mr Baxter, that the honourable member for Mildura will be pleased to know you have accused him of being a puppet of the government. I categorically reject that assertion. The honourable member for Mildura and the other Independent members of Parliament take their responsibilities as Independent members of Parliament very seriously and seek to act in the best interests of their constituents. In fact, they often advocate positions that I am not happy with, Mr Baxter, but the government is prepared to take on board their concerns and useful amendments when they are appropriate to the legislation being put forward by the government.

Hon. R. M. Hallam interjected.

Hon. JENNY MIKAKOS — The government has been prepared to take on board these amendments, Mr Hallam, and we think the procedure that has been included in the new section 16AB is very good. The Auditor-General will be able to transmit reports to the Parliament when the Parliament is in recess. The Auditor-General is required to give one business day's notice of his intention to transmit a report to the Parliament. Once the report has been provided to the Clerks, the Auditor-General is required to publish the report on his Internet web site. As part of this process the Clerks must notify members of Parliament on the same day of the receipt of the notice from the Auditor-General and distribute the report to honourable members as soon as practicable. The report must then be laid before the house on the next sitting day. As I said before, the Parliament is able to debate that report when it next sits.

We have not yet seen the opposition amendments but have had an indication of some of the proposed amendments from the Honourable Roger Hallam. I believe Mr Hallam seeks to introduce a change from one business day to seven business days. The current position is that when the Parliament is sitting there is no notification of when a report is about to be tabled. We are prepared to include a procedure that would ensure members of Parliament are notified. The need for opposition members and the shadow minister to have seven days to get back from their vacations when the Parliament is in recess in order to come up with a response says a lot about their ability and commitment to their tasks. The amendment would only seek to reward laziness on the part of opposition members. One business day's notice is more than adequate and is a lot more than any honourable member gets when the Parliament is sitting.

Another aspect of the legislation that was touched on by opposition members which I will address relates to the existing ability of the Auditor-General to contract out different types of work. The government seeks to increase the delegation threshold to facilitate the sign-off of these audits by private sector service providers acting as the Auditor-General's agents. This will place greater accountability on service providers and improve the efficiency of the contracting arrangements.

I note that the delegation powers contained in the legislation seek to clarify the exclusions from delegation in section 7G of the Audit Act to ensure that certain types of work, such as the auditing of estimated financial statements, actual financial statements and annual financial reports cannot be delegated by the Auditor-General to private sector firms.

I note that the Honourable Roger Hallam sought to equate this legislation with the extraordinary attempt by the Kennett government to emasculate the office of the Auditor-General when, under the guise of national competition policy, the Kennett government wanted the Auditor-General, in a new organisation to be called Audit Victoria, to compete with private sector firms for its work. How the attempt to emasculate the Auditor-General can be equated with the clarification of the current delegation provisions contained in the Audit Act is beyond me. There is absolutely no attempt in this legislation to nobble the Auditor-General.

Hon. R. M. Hallam interjected.

Hon. JENNY MIKAKOS — Mr Hallam of all people would know that the Auditor-General already contracts out a lot of his work to private sector firms.

Hon. R. M. Hallam — True, and he always has. What is your point?

Hon. JENNY MIKAKOS — Because of the delegation threshold the Auditor-General is required to sign-off on a lot of that work, but the ultimate responsibility for that work lies with the Auditor-General except where the work involved relates to an authority which has a net expenditure and which falls below the threshold provisions. Only a small proportion of the work undertaken by the Auditor-General will be signed off by private sector agencies. The ultimate responsibility for that work rests with the Auditor-General.

His work plan, as is clear from the legislation, will be determined by the Auditor-General in consultation with an all-party parliamentary committee, the Public Accounts and Estimates Committee. There is ample accountability back to the Parliament by the Auditor-General in the performance of that work, and the Auditor-General will not be competing with private sector firms for his core responsibilities. So I see no resemblance between this legislation and what was proposed by the previous government. It is really disingenuous of Mr Hallam to draw a parallel between the conduct of this government and that of the previous government.

As I said, the government is seeking to introduce effective accountability mechanisms back into the Parliament. The accountability requirements, for example, include requirements to disclose auditing standards developed in-house and also quality control processes applied in the conduct of the Auditor-General's work. The Auditor-General will be required to note in his annual plan any comments made on that plan by the Public Accounts and Estimates Committee that he has decided not to adopt.

The final aspects of the legislation on which I want to comment relate to the overall administration of the Audit Act. Some of the amendments are being made to clarify the current operation of the Audit Act — for example, they relate to circumstances where the Auditor-General can charge a fee for his work — and clarify the difference between his reports and opinions and the scope of his narrative reports.

In conclusion this important legislation has been requested by the Auditor-General and will strengthen his independence and ability to oversee the conduct of government. I urge honourable members to support the legislation. The amendments are half baked and completely unnecessary. Legal advice provided by Queen's Counsel and made available to the opposition parties clearly indicates that the amendments are unnecessary.

Hon. N. B. LUCAS (Eumemmerring) — What is annoying about this debate is that one would like to say much about what is in the Audit (Further Amendment) Bill, to express one's views about it and to comment on the appalling contribution by the previous speaker, but with the time available one is not to be given that opportunity because of the appalling and inept way the Labor government has run its legislative program during this sittings. Legislation has been crammed into the last few days and the government is not giving opposition parties the appropriate opportunity to apply proper scrutiny.

The Honourables David Davis and Roger Hallam put a number of points with which I agree and would like to talk about at length. Any avid reader of *Hansard* should have a good look at what they said in this debate but should skip what the last speaker said!

Clause 16 of the bill inserts proposed section 16AB in the Audit Act and refers to the Auditor-General giving notice where he — I use that word advisedly because it is a he at the moment — proposes to lodge a report with the Parliament during a recess. The proposed section refers to one day's notice being given. That is insufficient notice. Ms Mikakos in her contribution said

that if more time is required it is a reward for laziness. To be fair, open and accountable the government is saying, 'We will probably have it a few days before, but you can have one day's notice'. Is that fair? Of course not. Many reports of the Auditor-General are of considerable interest to this house and having more than one day's notice would be much fairer. I would support any move to extend that period.

The proposal may be the result of recommendations from the Public Accounts and Estimates Committee. On two occasions I, as a former member of that committee, participated in presenting reports to Parliament which suggested and recommended that when the Parliament is not sitting reports should be given to the Presiding Officers and those reports should then be deemed to have been presented to the Parliament with the appropriate clauses in relation to privilege and so on.

I chaired a subcommittee of the Public Accounts and Estimates Committee which reported in May 1999 and which recommended a similar method regarding annual reports. I support the concept of the Auditor-General and other parliamentary officers tabling their reports in the Parliament during the parliamentary recess so that members are aware of them. Why not give notice of all reports for a longer period — I suggest seven days — and why not have a similar process for parliamentary committees? I hope one day legislation will be introduced that covers that latter point.

One earlier proposal was examined but the opposition saw through the government's ideas. The latest episode regarding Auditor-General's reports shows a similar dodginess, where the government is building into the legislation one day's notice for such reports to be presented when it has had a copy of the report in question for some time, has had it all along, which is not fair in my view.

Mr Hallam told the house that the Auditor-General is happy with giving seven days notice, as are the opposition parties, yet the government is saying it will be one day. Is that open and accountable and having everything on the table? The government has been caught again and is not meeting its obligations in respect of what it put before the community at the last election.

The other issue to which I refer is proposed section 20A(2), inserted by clause 21, which states:

> A person who receives a proposed report, or part of a proposed report, of the Auditor-General under this Act must not disclose any information contained in it except —

et cetera. The question is: what does that mean? We have heard Ms Mikakos — and Mr Hallam also — indicating that a Queen's Counsel, the Solicitor-General and eminent legal brains have said, 'It is all right. This means that we are referring to reports from the Auditor-General, and we are only referring in terms of it being something that you should not do if you are the official to whom it is given and you pass it on'. That is what Ms Mikakos is saying. She is saying, 'Trust us. The government is relying on legal advice to interpret what this bill means'.

But I have a question for Ms Mikakos — through the Chair, of course: what happens if this goes to a court of law and the judge says, 'Well, my view is the opposite. My view is that this means that any person who receives a report should not pass it on'? If that interpretation is made by a court, it does not matter how many eminent QCs and solicitors-general you have had saying it means one thing: if the court says it means something else, that is the end of the penny section. And are we going to lock up the journalists if that interpretation is given by the court?

Hon. C. A. Furletti — The fact that it is in the court proves that it is bad legislation.

Hon. N. B. LUCAS — Correct! So what Mr Hallam, Mr Furletti and I are suggesting is that it is bad legislation if on the very day that you are proposing to put it through Parliament you do not really know what it means. What you should be doing is changing it so that everybody knows what it means, so there is no debate about what it means, and so you will not get a host of solicitors standing on either side of a line — those on one side saying it means one thing, and those on the other side saying it means something or other else.

Why can't government members get that into their thick heads and change this proposed legislation so we all know what it means? I do not know what it means. I am in confusion over this. Why am I in confusion? Because Ms Mikakos said the QC and the Solicitor-General had interpreted this to not include journalists. I have another question: why is it that the Premier of Victoria said this on radio 3AW on 27 November:

> … and this proposed legislation is not principally aimed at journalists.

What does that mean? If it is not principally aimed at journalists, that means that maybe there is a second string that is aimed at journalists. What does that mean? It means to me that the Premier has taken the second interpretation — not the Solicitor-General's, or the

QC's referred to by Mr Hallam, but another interpretation. Clearly the Premier of this state was confirming that what this provision in the bill means is subject to a great deal of uncertainty; and he was suggesting to this community over the airwaves that maybe journalists will fall under this proposed prohibition. That is of great concern, and that is the second issue I wanted to refer to.

I refer also to the fact that the final report of the Auditor-General can be passed on to people in official places within the government and there is no reference to a penalty existing in relation to a final report. The proposed subclause (2) refers to 'a proposed report, or part of a proposed report', not a final report. So the final report could come out, be slipped to another officer of the department, who could in turn slip it to a journalist, and there would be no penalty. Tell me if I am wrong there! That is another situation showing where this proposed legislation has a weakness.

The opposition has made its position clear on this bill. It believes it has a number of things wrong with it. We believe it could be improved. We hope the government will consider the suggested amendments the opposition has for it. I hope that consideration can be had today and that we can finalise the bill today. But if we have to finalise it over the summer, that would be a shame. This bill does a number of good things, but it is mucked up by the government not doing its homework, and not listening to reason. Having had sufficient time to look at it appropriately, it has passed off the concept of extra time and extra notice; it has passed off the opportunity to amend the dodgy interpretation regarding penalties applying to people who use the information in the report or pass it on. That to me is a great shame. We could be doing a lot better; we could be sorting this out. We could be getting a result.

Finally Ms Mikakos referred to previous days and times to do with auditors-general and to the fact that the Auditor-General has a good amount of his work contracted out and undertaken outside his office. I point out that when Price Waterhouse, as it was formerly known, undertook a performance audit of the Auditor-General's office back in September 1995, it said at page 18 of its report:

> There is increasing reliance on agents to meet the demands of the office and approximately 50 per cent of the work is now contracted out.

We note from the second-reading speech that that figure has risen to approximately 70 per cent. So it is clear that the government realises and appreciates that a major portion of the Auditor-General's work needs to be undertaken outside the office by consultants. In fact they are locking that in to an even greater extent by delegating the ability to sign off reports to the contractors up to a certain level. Isn't it funny how things turn out a few years down the track? It is a shame that government members have not done their homework on this, and are taking a blinkered view on the amendments being proposed by the opposition. I hope they will have a second think about it because it would be great if those changes could be made to the bill to provide a better and more fair and open arrangement for the people of Victoria. That is what the opposition is suggesting here and I hope consideration can be given to the amendments today in order to finalise the bill in these sittings of Parliament.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — It is always interesting to follow the Honourable Jenny Mikakos in these types of debate — although I note that my colleague Mr Lucas has spoken in between.

Hon. B. W. Bishop — It depends on your definition of interesting.

Hon. G. K. RICH-PHILLIPS — Fascinating. Curious. The theme that prevails through the contributions of Ms Mikakos in this chamber appears to be a line in ideology that cannot be crossed. All the contributions she makes seem to be driven by a left-wing ideology, which in many cases seems to be based on blindness to the realities of the issues she is debating. To listen to some of the terms she used — I think she said 'disingenuous', referring to Mr Hallam's contribution on the Auditor-General and the history of audit legislation — it is quite extraordinary.

Hon. R. M. Hallam — I didn't pick that up!

Hon. G. K. RICH-PHILLIPS — It is quite extraordinary when you look at the way that the Bracks government has treated and politicised the office of the Auditor-General.

The first issue I refer to is associated with the second-reading speech. Mr Hallam quite appropriately touched on this in his contribution. It makes for quite interesting reading to refer back to *Daily Hansard* of 4 December when the minister moved the second reading of this bill. At the conclusion of the second-reading speech she was challenged by Mr Hallam as to the appropriateness of the second-reading speech she had just given. The minister assured the house at that time that she had just consulted with her bureaucrats and that it was the correct speech.

Later the same day the minister informed the house that she had delivered the wrong speech and proceeded to

read into *Hansard* the correct speech. At that time the minister apologised to the house. We recognise that, but it does not get around the issue of a minister yet again coming into this house and presenting an incorrect second-reading speech. It is not the first time it has happened; it seems to be a recurring theme with ministers in this current Parliament. It raises the question of the competence and professionalism of some of the people presenting as ministers in this house.

On reflection, one does not have to be a member of this Parliament for very long to realise just how fragile our democracy and democratic system is and how incumbent it is upon us as individual members to ensure that things are done properly. It is cause for concern that that error was not identified by a member of the government. It took — with respect to Mr Hallam — a National Party backbencher to pick up that error and bring it to the attention of the minister.

Had Mr Hallam not identified that error, would the speech have been allowed to stand on the record? If the government allows that type of thing to happen in the house, where else does it allow it to happen? Where else is the government sloppy in procedural matters? What about cabinet procedures and processes or Executive Council procedures and processes which are not scrutinised by Parliament? What happens there? We can only trust and hope that the professionalism of the government — —

Hon. W. R. Baxter — And pray.

Hon. G. K. RICH-PHILLIPS — Yes, and pray, Mr Baxter. This is not an issue of the integrity of the members of the cabinet or the government but one of professionalism. We see in this chamber sufficient errors of this type to raise the question: what happens in cabinet or in the Executive Council when Parliament is not there to scrutinise?

Hon. R. M. Hallam interjected.

Hon. G. K. RICH-PHILLIPS — I am sure you would be very well qualified, Mr Hallam! As I said earlier, this government's approach has been to politicise the office of the Auditor-General. Ms Mikakos used the same terms in her speech as were used during the election campaign — terms such as 'restoring the powers of the Auditor-General' and 'restoring democracy'. I think Ms Mikakos referred to the previous government emasculating the Auditor-General. Her government conveniently ignores the fact that it was the Kennett government — the previous administration — that enshrined the Auditor-General as an independent officer of Parliament. As Mr Hallam pointed out earlier, it was the Kennett government that removed the Auditor-General from the influence of the executive.

It is ludicrous for the government to say that the previous government was undemocratic and acted contrary to democracy in its dealings with the Auditor-General, just as it is ludicrous for the government to claim that the previous government emasculated the Auditor-General by making him an independent officer of Parliament.

On reading the arguments presented to the previous government's audit legislation, one would conclude that the Labor Party in opposition felt that the previous model employed by the office of the Auditor-General was some sort of panacea. The model that was employed when Ches Baragwanath was the Auditor-General existed at a time when the state's finances were being run down by the previous Labor administration, when we had the problems with the Victorian Economic Development Committee, Tricontinental, et cetera — —

Hon. A. P. Olexander — The Guilty Party!

Hon. G. K. RICH-PHILLIPS — The Guilty Party, Mr Olexander. The Auditor-General did not bring these matters to public account until it was too late. It would appear that the previous Labor administration thought that that model, which failed to protect the finances of the state, was the ideal, so it seems bizarre that the Labor Party would argue against the reforms introduced by the previous government.

The other example of the politicisation of the office of the Auditor-General relates to section 16B of the Audit Act, which was introduced by the Bracks government shortly after coming to power. Honourable members will recall that during the state election the Labor Party implemented a cute little trick. It engaged Access Economics to tick off a list of promises and financial commitments that the Labor Party made to prove some sort of financial bona fides for itself. But all Access Economics did was to add up a list of financial promises made by the Labor Party, check the arithmetic and say, 'Yes, Mr Bracks as opposition leader has added up the list correctly: 1 plus 1 does equal 2. He got that right!'. That was the extent of the financial audit undertaken by Access Economics.

It was therefore interesting to see that after the election the government inserted in the Audit Act a very similar provision requiring the Auditor-General to audit the estimated financial statements in the budget. It is

bizarre that the government requires the Auditor-General to 'audit' — and I use the word in inverted commas — estimated financial statements. How you audit financial statements that do not exist — they are projections into the future — is quite unfathomable.

If you look at the legislation you will see that despite the rhetoric regarding the Auditor-General auditing the estimated financial statements, what he is doing is checking that they have been drawn up in accordance with accounting standards, which is quite a different thing. The role of the Auditor-General is to say that Treasury has drawn up the balance sheets and the profit and loss statements correctly, which is different from auditing estimated financial statements.

The Labor government is being tricky and is politicising the office of the Auditor-General by attempting to provide itself with financial credibility. Basically it is bringing in the Auditor-General to tick off the estimated financial statements — which is saying that Treasury has drawn them up correctly and that they add up.

Turning to the bill, I point out that it is ironic that when one reads the correct second-reading speech, the second speech submitted to the house, one sees that the minister states there has been extensive consultation on the bill currently before the house. It is ironic because, given that extensive consultation has supposedly taken place, one would expect the government to have got it right.

The amendments before the house were foreshadowed by the government in November 1999, two years ago. After two years of consultation and presumably of drafting, the government is yet to get the bill right. So it is that the opposition has foreshadowed amendments to clarify the way the provisions of the bill will work. It again reflects on the lack of professionalism and the sloppiness of the government, as indicated previously with the debacle of the second-reading debate. After two years of consultation the government brings before the house a bill that does not adequately execute its intended function, and thus it requires the amendments to be proposed by the opposition to clarify the way the provisions will work.

In conclusion, given the brief time available, I place on record the fact that the government likes to claim the high moral ground with respect to the Auditor-General, but few governments would have done more to politicise the office of the Auditor-General than this government in the two years since it has been in power. It ignores the fact that the former Kennett government enshrined in legislation the independence of the office the Auditor-General.

The ACTING PRESIDENT (Hon. R. F. Smith) — Order! I am of the opinion that the second reading of this bill is required to be passed by an absolute majority of the members of the house. As there is not an absolute majority of the members of the house present, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The ACTING PRESIDENT (Hon. R. F. Smith) — Order! So that I may be satisfied that an absolute majority exists, I ask honourable members supporting the motion to rise in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Hon. M. M. GOULD (Minister for Industrial Relations) — The purpose of the Audit (Further Amendment) Bill is to amend the Audit Act 1994, the Constitution Act 1975 and the Financial Management Act 1994. In fulfilling the government's commitment to make further amendments to the Audit Act, the bill furthers the restoration of democracy and enhances transparency and accountability in the public sector by expanding the role of the Auditor-General and improving the framework within which he operates.

The bill strengthens the accountability arrangements of the Auditor-General's office and provides greater scope in his powers to promote sound financial management in the state. The government has focused the bill to provide greater protection for the Auditor-General, to increase the scope of his powers, to provide for greater efficiency in the operations of his office, to ensure greater accountability for him and to improve the administration of the Audit Act.

The amendments have been developed in consultation with the Auditor-General and the Public Accounts and Estimates Committee, where extensive consultation was undertaken to ensure agreement and support was

reached on all the amendments in the bill as it now stands.

The CHAIRMAN — Order! Does Mr Davis understand that he cannot debate anything under this bill other than the commencement unless leave is granted for that? Is leave granted?

Hon. M. M. GOULD — I do not know. Perhaps not. What is he on about?

Progress reported.

HOUSE CONTRACTS GUARANTEE (HIH FURTHER AMENDMENT) BILL

Committee

Resumed from 29 November; further discussion of postponed clause 7.

The CHAIRMAN — Order! The committee has now to deal with postponed clause 7, to which an amendment was suggested by the Council. The Legislative Assembly has notified by message that it has not agreed to the amendment suggested by the Legislative Council.

Clause agreed to.

Reported to house without amendment.

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

That the report be taken into consideration.

Hon. D. McL. DAVIS (East Yarra) — I move:

That the following amendment suggested on the consideration of the bill in the committee of the whole be again suggested to the Legislative Assembly —

Clause 7, page 5, after line 27 insert —

"(7) The exclusion by sub-section (1)(aa) of a developer covered by a HIH policy from an indemnity under section 37 in respect of building work does not apply to a developer who lodged a claim with HGFL before 1 November 2001.

(8) The exclusion by sub-section (1)(ba) of a loss indemnified under a HIH policy from an indemnity under section 37 does not apply to a loss a claim for which was lodged with HGFL before 1 November 2001.".

Hon. G. W. JENNINGS (Melbourne) — I am not surprised that the way the chamber is dealing with this matter has set our hearts aflutter, because it is a precedent that is not used very often. We have seen a suggested amendment sent over to the Assembly after an amendment moved during the committee stage in that place was rejected. It did not even make it onto the notice paper to be debated in the other place, because it was ruled out as unconstitutional, given that the net effect would be to add a burden onto the budget of the state. The proposition has been supported by a $35 million commitment by the Bracks government to underpin this scheme, which was established by a bill considered earlier in the spring sittings.

We paused in the middle of the committee stage of the bill in this place to suggest that the amendment be further considered by the Assembly. It was volleyed back to the Council. This is the second opportunity for the amendment to be moved in the Council. On behalf of the government and for constitutional reasons outlined in the first instance, I oppose the motion. Clearly, given a ruling by the Speaker based on the advice of the Clerks in the other place, this matter will not be dealt with by the Assembly.

The suggested amendment is here in the same form in which it was considered by the Assembly. The government rejects it on the basis of that constitutional advice and, more importantly, on the basis of the political and human consequences of the amendment.

The government's concern is that the $35 million guarantee fund was established to provide the potential for members of the Victorian community to make a claim. It aimed to deal with the hardship cases of individual home owners and to cover the liabilities of individual builders, given the unfortunate and untimely demise of HIH Insurance, which is currently being investigated by a royal commission established in the commonwealth jurisdiction.

The clear intention of the government, both in making a public commitment and in giving a commitment to the Parliament, was to establish a fund to cover those individual cases. The effect of the amendment before the house is to provide comfort to property developers and others at the big end of town at the expense of individual small householders trying to complete their family homes. It is the government's view that that is a most undesirable element of the amendment, regardless of its constitutionality.

The net effect on Victorian families who want some degree of financial security in the lead-up to Christmas is most undesirable. The amendment that is being insisted on by the Liberal Party will generate a degree of uncertainty for those families at a time when members of the Victorian community would like to feel most secure and certain of their future. It will add a

great deal of uncertainty to their capacity to finish building their homes so they can move in in the new year.

As I rose to my feet I was provided with a list of the suburbs of Victorians who will be affected by the amendment by not being able to gain access to the funds they so urgently require. I will not read through the list, but I will willingly provide it to any honourable members opposite who may be concerned about the net effect that may be visited on their doorsteps, given that they have not been mindful of the needs of their constituents in the lead-up to Christmas.

Honourable members opposite are not mindful of ensuring that those households gain financial relief; instead they are preoccupied with giving some comfort to the big end of town and to property developers. The only Christmas stocking the Liberal Party is concerned about is its own. It is obviously seeking to fill it up with donations from the corporate sector, and it is ignoring the needs of hundreds of families in the Victorian community. It is most unfortunate that the Liberal Party is putting the corporate world ahead of individual householders.

This is not the only occurrence in the chamber today where the Liberal Party has seemed preoccupied with giving its preferences to the big end of town or the Chardonnay set, and I refer to the farm dams bill. Members opposite are looking to protect the stakeholders in the Liberal Party, not the stakeholders in the Victorian community, and certainly not Victorian families.

Any analysis of the contribution of Liberal Party members to this debate and to the farm dams debate will show that the Liberal Party is seeking to support the privileged and the well off at the expense of those who are trying to go about their daily lives, whether they be householders who want to finish building their homes or, with regard to the farm dams, longstanding members of the farming community in regional Victoria.

It is an appalling blight on this chamber. The device the Liberal Party is using in this debate has not been successfully used in the Victorian Parliament since 1925. The idea of trying, yet again, to send a suggestion to the Legislative Assembly that it change the structure of the budget and accept an unconstitutional amendment has not been accommodated by the Legislative Assembly since that time. The privileged nature of this amendment harks back to the establishment of this chamber, which is constantly being drawn into disrepute because it protects the interests of the privileged. In fact, the underlying philosophy of this amendment sits fairly and squarely in the 1850s and relates more to the Dickensian era than it does to today.

I oppose the Scrooge-like amendment of the Liberal Party. It is applying a reverse Robin Hood standard — it is taking from the poor to give to the rich. That is rejected by the government, and it will continue to oppose the amendment. We urge the Liberal Party to revise its stance on this during the Christmas season so as to provide some comfort and support to ordinary households in Victoria. It should recognise the folly of its ways and support the National Party and the government by sending this amendment down.

Hon. R. M. HALLAM (Western) — The National Party is unable to support the amendment being proposed by the Liberal Party to the House Contracts Guarantee (HIH Further Amendment) Bill, which is again before the chamber. I say to my friends in the Liberal Party that our decision is taken notwithstanding the fact that we have spent a great deal of time considering and discussing the issue involved in the question before the chamber and notwithstanding the fact that this issue has been canvassed broadly since it initially came before the National Party party room.

The position of the National Party is that much less comfortable given it could be portrayed as its stance on what constitutes retrospectivity. We do not enjoy being involved in this circumstance, whereby some people will be able to say that ours is a different position on that question, particularly given that we would all, I hope, start from the premise that retrospectivity in generic terms is repugnant.

Members of our community should be able to rely on the law as it stands from day to day and not be hijacked by retrospective changes to the rule book. But in this case the National Party has resolved that the provisions currently in the bill should apply from the date of the original debate — that is, 8 June 2001. We know our stance is capable of being portrayed as retrospective in application. While we would, of course, vigorously contest that conclusion, we expect that that argument will be run in some quarters.

In explaining the National Party's position it is worth restating the genesis of the House Contracts Guarantee (HIH Further Amendment) Bill, because it has implications for a vast number of members of the Victorian community, as well as for individual claimants and taxpayers generally. On that basis it is worth going back and looking at how we have come to the dilemma that is currently before us.

The bottom line is that when HIH collapsed last May it held some 30 per cent of the housing contracts guarantee insurance market in Victoria, which exposed thousands of our constituent home owners to the risk that there would be no remedy when builders refused to make good faults in the construction of their homes. The question put to us by government was whether we should support its decision to step in and provide at least the option of a replacement warranty. We were told that that represented a potential cost of $35 million, that at least half of that would be a direct cost to the public purse and that the other half would be clawed back by way of increased building permit fees to be imposed on future home owners. In any event, we are talking about a $35 million cost.

It is worth restating the National Party's starting position, which was that it is quite inappropriate to use the public purse to bail out the private sector, whether it is the entrepreneurs or their victims. The rationale we employ is relatively simple: if we have a wicket-keeper, particularly in the form of a government with incredibly deep pockets as a result of its taxing powers, the entrepreneurs out there in the real world become more adventurous and their clients become less careful. The risks seem more acceptable simply because the public purse is seen to be the ultimate protection. That is the reason for our golden rule.

But the National Party was persuaded to put aside the golden rule in the circumstances of last June for four special reasons. I have outlined them in the Parliament previously, but it is appropriate to reiterate them because they go to the issue that is currently before the chamber.

The first reason for the National Party deciding to turn its back on its golden rule is that Parliament resolved that there should be a scheme of warranty insurance to protect Victorian home owners.

That scheme was to have implications for the builders to the extent that they could not build unless they had evidence of cover, the council could not issue building permits unless it had evidence of the cover, and the home owner could not sell the property unless there was evidence of that cover. My point then, as it is now, was that the Parliament set up that scheme. It would be inappropriate for the Parliament now to say, 'We'll wash our hands when that scheme runs foul of the circumstances we have before us'.

Secondly, we in the National Party said that we recognise that HIH quite deliberately set out to capture a huge share of the market, of which it achieved about 30 per cent. We should leave aside the question of how that was achieved because there is now massive evidence as a result of the shift in the market following the demise of HIH that at least part of the market had been achieved by underpricing the inherent risk. The scheme that this Parliament put in place allowed HIH to capture 30 per cent of the available market. If we had not a legal responsibility to step in and provide some form of protection then at least we had a moral obligation to do so. It was a moral obligation to the home owners whom we set out to protect.

Thirdly, we put on the record that we thought in this case it was inappropriate to argue the principle of caveat emptor because the reality of the circumstances was that the home owner, who would be the buyer presumably at risk in these circumstances in many cases, was not even a party to the contract. The contract was written between the builder on the one hand and the insurer on the other and just by the way it provided protection to the home owner. So it was hardly appropriate to say to the home owner who may have been caught up in this without knowledge, 'We're going to leave you to your own devices'. On that basis we argued that it was appropriate for the Parliament to take account of the moral obligation.

But beyond that and more than anything else we argued that it was appropriate for the Parliament to step in and provide a warranty of last resort because of the home owner whom we were seeking to protect. I said then, and I say again, the relevant issue here is that Australians regard home ownership to be of incredible importance. It is part of our folklore; it is part of our traditional dream. It is the biggest single transaction that most people make in their entire life and so it becomes a very big deal. And so does the exposure and the pain should the builder go belly up.

We also took account of the fact that in many cases home owners were at a disadvantage when it came to the negotiating position because they were in that once-in-a-lifetime deal treaty with an experienced builder and therefore, to some extent, out of their depth. We thought that in those circumstances here was one instance where the issue of consumer protection was a really valid argument and we came again and again to the point that the scheme that was originally introduced, which we were now being invited to protect as a result of the collapse of HIH, was in fact a consumer protection scheme. It was not there as some sort of mechanism to protect the commercial world. It was there to protect the home owner and we took that into account.

We took a conscious decision to support the government's decision to introduce an alternative

scheme of warranty. It was our position then; it has not changed. I have not seen any factor that would convince the members of the National Party that we should revisit that issue.

What has happened since and what has brought the dilemma before the chamber is that when the administrators took up the day-to-day operation of that replacement warranty they came across a whole range of unanticipated problems. I do not think they were too surprising because a major company was involved and it was in liquidation. It was going to be messy by definition, and it turns out that the records were less than adequate. The officers involved in the scheme came across some very cute conditions within individual covers that defied description. But what they meant was that in those circumstances, because the company had collapsed, those who were expecting to be covered by the terms of the policy were in fact still exposed. Thus it was held that it was necessary to come back to the Parliament and re-tune the terms and conditions of the original legislation to ensure that it met its original intent and that home owners were covered by the optional warranty made available by the government irrespective of whether they happened to have had the misfortune to be involved in a policy that had this incredible fine print.

Then and only then the National Party was required to respond to what turned out to be the contentious issue of whether commercial developers were entitled to coverage or, more pointedly, whether the cover under the initial legislation extended to those commercial developers. Unfortunately the original bill did not put that issue beyond doubt. It did not say that this bill shall specifically exclude developers.

Now the government says, 'That is what we intended; we didn't need to put it in the bill because that was the intent' — that is, the exclusion of commercial developers was implicit in the bill and the government's intent was clear to exclude those developers based upon the debate, their contribution to the debate and the terminology used. I go back to the point that again and again the term 'home owner' has been used. There is a quite specific definitional coverage in relation to that which in my view clearly does not include builders and developers. The government argues that the intent was clear and that the change in respect of the coverage relating to developers in this case is simply clarification of the original intent and that therefore the effect of this bill should go back to the date of effect of the original bill because that was the original intent. In other words, it should go back to 8 June when the government introduced its optional warranty.

As I understand it, what the opposition amendment says is that the original bill was not clear, that developers were entitled to make a claim in the interim, that if they are now excluded, that would be retrospective application of the law, and that if we are going to exclude developers, it should only apply from the date of the second-reading speech of the second bill — that is, the House Contracts (HIH Further Amendment) Bill.

What we have is a difference between the date on which commercial developers shall be excluded from the coverage of the government's warranty. The government says that they were never intended to be included and therefore the exclusion should apply from the date of coverage, 8 June. The opposition says, 'You mucked the bill up and therefore the date of exclusion should be the date of the second-reading speech on the second bill' — that is, 1 November. The National Party is torn between them. We in the National Party understand that we are talking about $10 million which will be lifted directly from the public purse. We understand that the developers have lodged their claims. We bear no malice to those developers. I applaud them for having the nous to go and put their claims in the queue. But that is not the point. We are now required to judge whether their claims on the public purse are appropriate in all the circumstances. I admit it is a very tough call.

The National Party has come to the conclusion that it cannot support the Liberal Party's assertion that the Council should insist on the thrust of its original amendment and hold the door open to commercial developers for the five intervening months. I do not want to speak on behalf of the government or the opposition. I want to speak on behalf of the National Party, because we have gone back to this issue again and again. Our rationale is based on these points: the first is that we in the National Party intended that it would be only individual home owners who would be included in the government's warranty; that it was a scheme of consumer protection and was never designed to bail out a commercial developer. It is clear from our comments at the time — and we go back again and again to the terminology we employed, — which in my view makes that very clear indeed. The National Party makes the point that its intent was very clear indeed.

Secondly, we now have confirmation that of themselves the actuarial projections employed by government on which government relied to give us the costings the first time around excluded commercial developers, and I am persuaded that that is implicit in the confirmation provided by the Auditor-General. To that extent we now have confirmation of the government's original intent.

Thirdly, I now have confirmation in letter form that the developers were never covered under the original scheme — the home guarantee fund. I have a letter here dated 3 December. It happens to be sent to a senior officer in the Department of Treasury and Finance, but it is signed by Michael Stokes, who is the chief executive of the Housing Guarantee Fund (HGF). The letter says:

> … we have checked all claim payments made by HGF to 'HIH' claimants and confirm that, as at today's date, we have not made any payments to developers.

There has never been — —

An honourable member interjected.

Hon. R. M. HALLAM — You can rebut it. There has never been a payment to a developer, and I am talking about the system which goes way back before the issue arose as to whether the government should step in with an alternative warranty.

Hon. C. A. Furletti interjected.

Hon. R. M. HALLAM — You are at liberty to rebut the point I am making. In any event, it seems clear to us that the government can argue that the intent in respect of coverage was clear in the original bill.

Our point is this: if it is the intent of Parliament that developers were never intended to have coverage, why would those same developers expect the rules to change simply because the government steps in with an alternative form of warranty? It seems to me that these developers who are now queuing up must think this is Christmas on a stick, because on the evidence that I have had, they have never expected to be part of the process. Now all of a sudden apparently they do.

That raises all sorts of question marks. So the National Party concluded that the specific exclusion of the developer in the bill before the chamber is nothing more than confirmation of the original intent, and on that basis we believe it appropriate that the application of the bill today should go back to the date of the application of the original bill. To do other than that would of itself be unfair, and we certainly do not regard that as retrospective application.

Finally, let me say that we have looked at this very carefully and we are not persuaded by the amendment offered to us by the opposition, because it says that if you are a commercial developer and you got your application in before 1 November, you will be right. But if you did not get your application in before 1 November, for whatever reason, 'sorry, you miss out'. Our view is that that of itself is unfair. If we are going to make a decision about whether the scheme covers commercial developers, it should be all in or all out. The National Party thinks this is offering two classes of developer, and that of itself could be regarded as an exercise in retrospectivity. We do not think that to be any real solution. As it happens, we in the National Party do not believe the original intent was to cover commercial developers. We do not think it should have done. We think we made our intent clear the first time around and we intend to hold that line. We shall be arguing that the Council should not insist on the amendments previously sponsored by the Liberal Party, even though we have sympathy for the general concept of those amendments. We think that the application of the bill currently being considered should be the date of the original bill.

Hon. C. A. FURLETTI (Templestowe) — Let me at the outset indicate that at all times, and even now, the Liberal Party is prepared to discuss the terms of these amendments and to seek to negotiate with the government a resolution to this difficulty. There is no doubt at all, and we agree entirely with the government, that there are a number of individual home owners who are being held up because of the delay in the passage of this bill. That is not the fault of the Liberal Party. It is indeed in the interests of all that the matter be resolved very quickly, and the offer has been made by the shadow Treasurer to the Minister for Finance that if the provisions which are the issue of concern for the Liberal Party are excised from the bill, the matter can be dealt with very quickly. It is in the hands of the government, of course, if it wishes to bring back the Assembly to make sure that a rapid passage is assured.

If the government is interested in securing the passage and a resolution to this matter I am sure the shadow Minister for Finance is prepared to discuss it today or during the holidays to seek to resolve it. I need to put that on record because this is not an instance of our in any way seeking to obstruct the provisions.

There are two fundamental issues. The first is that the government messed up and now it is trying to say that it wants to turn back the clock. It is not prepared to acknowledge or accept that it messed up.

Hon. M. M. Gould interjected.

Hon. C. A. FURLETTI — Nowhere, either in the debate in the other place or in this house has there once been an indication that developers are not entitled to claim warranty under the legislation passed by the government. It has not been suggested because that is the case — when the government introduced its legislation it included developers, and now it wants to

say, 'Oops, we made a mistake'. As the Victorian public found out in the days of the Cain and Kirner governments, when the government makes a mistake unfortunately the government has to pay for it.

As was indicated by the Honourable Roger Hallam, retrospectivity is repugnant, and should be repugnant to all governments because governments should not govern through retrospectivity. How simple it is to say that we should use retrospectivity to fix up our own mistakes. That in itself is poor, but people have relied upon legislation that has passed through this house, and made applications for funding and issued Supreme Court proceedings in some instances.

I will touch on that because it is something that no-one else in this place has touched on. I do not know that honourable members have seen anything like proposed section 36A of the bill. Certainly I have not seen it in my six years in this place. It is a provision which deprives an individual of his legal right to go to the Supreme Court to enforce those rights. It is absolutely abhorrent. Legislators should not consider this type of provision except in the most extreme of circumstances. The provision here is for one purpose: to fix a mistake of the government. The opposition cannot cop that; it will not accept it because the opposition is here to respect the rights of the individual as against the Parliament.

If it is a matter of retrospectivity for the purposes of fixing a loophole, that is fine, but the government cannot say, and cannot possibly substantiate a claim to say as the Honourable Gavin Jennings said, 'We have introduced legislation and I am sorry; we did not mean to include developers so therefore we are going to amend the law and backdate it to the date of the original legislation'. This is not a loophole; it has never been suggested as a loophole. On 29 November the Minister for Finance acknowledged it as a flaw. If it is a flaw, if it is a mistake, the government has to pay for it.

Hon. M. M. Gould interjected.

Hon. C. A. FURLETTI — If the government wants to rectify the flaw it is in the government's gift to rectify the legislation by passing a bill of this nature with operation from the date of assent, or if it really wants to push it to the extreme from the date of the second-reading, which is what this amendment is all about. That is what the government should do.

The opposition objects to two things: the retrospectivity and the deprivation of the individual's rights to take an existing claim to a court of law. Imagine the concept of stopping people who are in the process of enforcing their legal rights from proceeding with those rights? What if a case had been heard and a decision was to be handed down tomorrow? What would the government say about that? It would say, 'Very sorry, we have changed the law and backdated it'. Is that the way to govern? Is that what legislators are intended to do? The opposition finds it offensive that the government would suggest it.

Hon. M. M. Gould interjected.

Hon. C. A. FURLETTI — If the government is interested in the 150 individual claims the opposition is happy to have them proceed today if the government excises these provisions — proposed section (7)(1)(aa). There is the challenge. The opposition is happy to do it. The challenge is on the table — and I have that from the shadow minister.

I will pick up on some of the words used by the Honourable Gavin Jennings. He indicated that this is a precedent that is not used very often. As is often the case these types of situations are used rarely because they are used to remedy or give effect to other rare situations. The rare situation was that of proposed new section 36A, which is one of the most abhorrent deprivations of rights that legislators could introduce. The amendment, which should have been fully debated in the other house, was ruled unconstitutional. With the utmost of respect to the Chairman of Committees in the other place, I would like to refer to the ruling which disallowed the amendment from being debated. I have considered the ruling, and in fact I have to hand a couple of legal opinions on it.

As the house would be aware there is a dispute — as was referred to by the Honourable Gavin Jennings — that the amendments were unconstitutional because they breached section 63 of the Constitution Act and standing order 170. The reality is that if honourable members on the other side had carefully read the appropriate sections of the constitution and the standing orders they would have been aware that they relate to the appropriation of funds from consolidated revenue. My first impression was that there was no such appropriation. In fact, the reality is that passing the amendment would have reduced the appropriation. Therefore, there was absolutely no basis for the ruling.

I have had advice that suggests there were two errors in the ruling, one of which was in equating state liability to appropriation, when they are clearly not the same thing. The legislation of June 2001 creates a state liability, which of course is satisfied through appropriation. In dealing with state liability there is no

dealing with appropriation, and that is what the amendment does.

Again with the utmost respect, the second ground for querying the ruling concerns section 46 of the House Contracts Guarantee Act 1987, which contemplates the necessity for separate legislation for funds to be appropriated by the Parliament and paid into the Housing Guarantee Fund.

This bill seeks to reduce rather than increase the state's liability. By maintaining the status quo there is no change to the state's liability. There are a number of grounds to strongly argue that the ruling in the other place was wrong, and therefore we have been deprived of the opportunity to fully debate and consider — —

Hon. Jenny Mikakos — On a point of order, Mr President, I seek your guidance on whether the honourable member is able to make the statement that the ruling by the Chairman of Committees in the other house was incorrect, given that that would constitute a contempt of the Chairman of Committees. I seek your guidance, and I wonder whether you could offer some advice to Mr Furletti on the matter?

Hon. Bill Forwood — On the point of order, Mr President, the issue is whether this house has the capacity to comment on actions taken in another place. We are going through a peculiar process in this place because of the inability of the Assembly to debate the amendment in a particular manner, which has consequences for this house. It is entirely appropriate for Mr Furletti to respectfully, as he said on both occasions when speaking about the ruling by the Chairman of Committees in the other place, to comment on the nature of it and its effect on this place. I submit that there is absolutely no point of order.

The PRESIDENT — Order! We do not often get to the situation where there is disagreement between the houses on a technical point, which is the ability of this house to suggest a amendment. It is quite open to a member of this house to comment on the position taken by the Assembly on a matter such as this if it is done in respectful terms.

Hon. Jenny Mikakos — It was not a position of the Assembly — it was a ruling of the Chairman of Committees.

The PRESIDENT — Order! The Council cannot be in contempt of the Assembly, there is no such concept.

Honourable members interjecting.

The PRESIDENT — Order! We have a system where we have two separate and independent houses. We are entitled to regulate our proceedings and to comment on issues that could impact on us in a way that the house sees fit. I do not uphold the point of order.

Hon. C. A. FURLETTI — Thank you, Mr President, I appreciate your ruling. The Minister for Finance in the other place is reported in today's newspapers as suggesting that if the house passed this amendment developers could make further claims on the limited fund. The spin that the government is putting on the issue that the opposition is seeking to raise is wrong.

Hon. M. M. Gould — That is exactly what you are doing.

Hon. C. A. FURLETTI — The Leader of the Government says that that is exactly what we are doing. The suggested amendment says that any claims made before 1 November should be accepted. The Leader of the Government might like to explain how somebody can make a claim now.

Hon. M. M. Gould interjected.

Hon. C. A. FURLETTI — How can the claim be increased? The Leader of the Government said that she agreed with the Minister for Finance, but the Minister for Finance is misleading the public, because it is impossible. The amendment talks about claims made up to 1 November. The minister is seeking to put a spin on the suggested amendment to justify a position which is simply untenable.

I repeat the offer: the opposition is prepared to allow the amendment to go through to give access to those families who are caught in an invidious position, because if they were not locked into this scenario there would be no difficulty with the processing of this legislation.

I make one other point before concluding. Again with the utmost respect, I draw the attention of the house to the treatment of this bill by the Scrutiny of Acts and Regulations Committee (SARC). I know that that committee does an excellent job and that its role is a very difficult one. However, I have sought to indicate to the house two grave and serious provisions in the legislation that dramatically affect the rights of those who happen to be caught in this situation. Section 4D(a) of the Parliamentary Committees Act 1968 provides that the Scrutiny of Acts and Regulations Committee is to:

> … report to the Parliament as to whether the bill, by express words or otherwise —
>
> (i) trespasses unduly upon rights or freedoms …

It then goes on to deal with other areas.

If the retrospective provisions that are contained in this bill — let alone the retrospectivity to the date of commencement — do not trespass unduly upon rights or freedoms, then what does? Proposed section 36A stops dead in their tracks any proceedings in a court of law. What greater trespassing upon rights or freedoms could there be? Yet the Scrutiny of Acts and Regulations Committee report on the House Contracts Guarantee (HIH Further Amendment) Bill simply quotes the explanatory memorandum relating to clause 2 of the bill.

I have picked up some other *Alert Digest* reports, one of which related to a private members bill on retail tenancies which I introduced in this house recently, in which retrospectivity was an essential element for the bill to be effective. The retrospective provision is dealt with in a big black box in that report which very clearly draws to the attention of the readers of the *Alert Digest* that the committee has noted the retrospective provision and so on — it is highlighted in the report!

I refer to section 4D(b)(iii) of the Parliamentary Committees Act, which is perhaps a little more tenuous but nonetheless something that the Scrutiny of Acts and Regulations Committee should have looked at. This subsection relates to section 85 of the Constitution Act, with which the government has become very familiar in its two years in office. It states that the committee should report on a bill:

> where a bill does not repeal, alter or vary section 85 … but where an issue is raised as to the jurisdiction of the Supreme Court, as to the full implications of that issue …

The Scrutiny of Acts and Regulations Committee is supposed to report on the implications of a bill when it impacts on the jurisdiction of the Supreme Court. Proposed section 36A impacts dramatically on the jurisdiction of the Supreme Court because it prevents people from proceeding with their actions.

Hon. Bill Forwood — People who are already there.

Hon. C. A. FURLETTI — They are there. It prevents them from proceeding. What do we have on that issue from SARC? We have a transcription of the explanatory memorandum relating to clause 5. What does it say in the committee's report? The committee makes no further comment.

I do not wish to be unduly critical; I can only say that there has been a grave omission on the part of the Scrutiny of Acts and Regulations Committee to adequately and appropriately — —

Hon. Jenny Mikakos interjected.

Hon. C. A. FURLETTI — Yes, I know you are a member of it, and I am very specific in this. There has been a grave omission and some element of neglect in not picking up these aspects — —

Hon. Jenny Mikakos — On a point of order, Mr President, I ask the honourable member to withdraw that statement. He said he was being very specific, given the fact that I am a member of SARC, and he was drawing particular inferences from the statement used by SARC in its *Alert Digest*. All members of the Scrutiny of Acts and Regulations Committee would be offended by that statement. I personally take offence to it and I ask the honourable member to withdraw it.

Hon. Bill Forwood — On the point of order, Mr President, Mr Furletti is being very clear in pointing out exactly what happened in relation to the report of the committee. He has not named any particular member of the committee; all he has done is point out the decision of the committee and what the committee wrote in its report, which was, 'No further comment'. It is a very long bow to draw to suggest that he cannot comment on a committee report.

The PRESIDENT — Order! The house is guided by standing order 134, which states:

> Whenever any member makes use of any expression personal and disorderly —

so it has to be personal and it has to be disorderly —

> or capable of being applied offensively to any other member, the President shall —

and so on. No member has been named in this instance. The committees of this Parliament are not sacrosanct and quite often robust comments are made in this house about recommendations or actions taken by them. The honourable member's comments clearly did not identify any member nor did they make use of an expression which was offensive or disorderly. Therefore I do not uphold the point of order.

Hon. C. A. FURLETTI — As I was saying, I am not sure where this aberration came from or why this grave omission took place, but it is a significant omission which I trust the members of the committee will address subsequently.

On the basis that the provisions of the bill contain a very serious intervention and deprivation of rights, the opposition seeks to pursue the suggested amendment and urges the government to accept it.

House divided on Mr D. McL. Davis's motion:

Ayes, 23

Ashman, Mr	Furletti, Mr
Atkinson, Mr	Katsambanis, Mr
Birrell, Mr	Lucas, Mr
Boardman, Mr	Luckins, Ms (*Teller*)
Bowden, Mr	Olexander, Mr
Brideson, Mr	Rich-Phillips, Mr
Coote, Mrs (*Teller*)	Ross, Dr
Cover, Mr	Smith, Mr K. M.
Craige, Mr	Smith, Ms
Davis, Mr D. McL.	Stoney, Mr
Davis, Mr P. R.	Strong, Mr
Forwood, Mr	

Noes, 20

Baxter, Mr	Jennings, Mr
Best, Mr	McQuilten, Mr
Bishop, Mr	Madden, Mr
Broad, Ms	Mikakos, Ms
Carbines, Mrs	Nguyen, Mr
Darveniza, Ms (*Teller*)	Powell, Mrs (*Teller*)
Gould, Ms	Romanes, Ms
Hadden, Ms	Smith, Mr R. F.
Hall, Mr	Theophanous, Mr
Hallam, Mr	Thomson, Ms

Motion agreed to.

Ordered that message be sent to Assembly with message intimating decision of house.

Consideration of report postponed.

SELECT COMMITTEE ON THE URBAN AND REGIONAL LAND CORPORATION MANAGING DIRECTOR

Membership

The PRESIDENT — Order! I advise the house that I have received from the party leaders, within the time set by the resolution of the house, letters in which the Honourables R. M. Hallam, G. W. Jennings, N. B. Lucas, G. K. Rich-Phillips and T. C. Theophanous were nominated as members of the Select Committee on the Urban and Regional Land Corporation Managing Director.

VICTORIAN INSTITUTE OF TEACHING BILL

Council's amendments and Assembly's amendments

Message from Assembly agreeing to some Council amendments, disagreeing with other Council amendments and seeking concurrence with further Assembly amendments considered:

Assembly's message:

Council's amendments 11, 13, 14, 15, 17, 18, 19 and 26 agreed with.

Council's amendment 1 as follows agreed with:

1. Clause 8, line 11, omit "19" and insert "22".

but following amendment made by Assembly:

Omit "22" and insert "20".

Council's amendment 2 as follows agreed with:

2. Clause 8, line 15, omit "9" and insert "12".

but following amendment made by Assembly:

Omit "12" and insert "10".

Council's amendments 3 to 9 as follows disagreed with:

3. Clause 8, line 22, omit "3 are to be teachers" and insert "one is to be a teacher".

4. Clause 8, page 9, lines 2 and 3, omit "or a school registered under Part III of the **Education Act 1958**".

5. Clause 8, page 9, line 7, after this line insert —

"(e) one is to be the parent of a student in a school registered under Part III of the **Education Act 1958** selected by the Minister following the Minister's consideration of names submitted to the Minister from organisations representing parents of students in those schools;".

6. Clause 8, page 9, line 8, omit "2 are to be persons" and insert "one is to be a person".

7. Clause 8, page 9, line 13, after "**1958**" insert "that is operating under the auspices of the Catholic Education Commission.

8. Clause 8, page 9, line 14, after this line insert —

"(g) one is to be a person nominated by the Minister following the Minister's consideration of names submitted to the Minister from person or bodies employing teachers in schools registered under Part III of the **Education Act 1958** (other than schools referred to in paragraph (f)) or bodies or organisations representing those employers;".

9. Clause 8, page 9, line 15, omit "one is to be a person" and insert "2 are to be persons".

Council's amendment 10 as follows agreed with:

10. Clause 8, page 9, line 22, omit "7" and insert "10".

but following amendment made by Assembly:

Omit "10" and insert "8".

Council's amendment 12 as follows agreed with:

12. Clause 8, page 9, line 25 omit "one is" and insert "3 are to be elected by and from registered teachers who are".

but following amendment made by Assembly:

Omit "3" and insert "2".

Council's amendment 16 as follows agreed with:

16. Clause 8, page 10, line 1, omit "one is" and insert "3 are to be elected by and from registered teachers who are".

but following amendment made by Assembly:

Omit "3" and insert "2".

Council's amendment 20 as follows agreed with:

20. Clause 8, page 10, line 11, after this line insert —

"(v) one is to be elected by and from registered teachers who are currently teaching in a school that is registered under Part III of the **Education Act 1958** (other than a school referred to in sub-paragraph (ii) or (iv)) or is currently teaching at least one subject in such a school;

(vi) one is to be elected by and from registered teachers who are currently teaching in a special school for students with disabilities or impairments;"

but following amendment made by Assembly:

Before " special" insert "state".

Council's amendments 21 to 25 and 27 to 42 as follows disagreed with:

21. Clause 9, line 15, omit "81" and insert "80".

22. Clause 13, line 32, omit "81" and insert "80".

23. Clause 18, line 22, omit "81" and insert "80".

24. Clause 21, line 15, omit "81" and insert "80".

25. Clause 21, line 27, omit "81" and insert "80".

27. Clause 61, omit this clause.

28. Clause 62, lines 16 to 25, omit all words and expressions on these lines and insert —

"member has all the powers and may perform all the functions of the member."

29. Clause 65, page 47, line 3, omit "64" and insert "63".

30. Clause 69, line 11, omit "68" and insert "67".

31. Clause 71, line 13, omit "68" and insert "67".

32. Clause 71, line 15, omit "70" and insert "69".

33. Clause 71, line 17, omit "84 or 94" and insert "83 or 93".

34. Clause 74, line 3, omit "70" and insert "69".

35. Clause 75, line 13, omit "70, 72 or 73" and insert "69, 71 or 72".

36. Clause 76, line 23, omit "70, 72 or 73" and insert "69, 71 or 72".

37. Clause 77, line 7, omit "70, 72 or 73" and insert "69, 71 or 72".

38. Clause 78, line 20, omit "70, 72 or 73" and insert "69, 71 or 72".

39. Clause 78, page 54, line 10, omit "70, 72 or 73" and insert "69, 71 or 72".

40. Clause 79, line 14, omit "70, 72 or 73" and insert "69, 71 or 72".

41. Clause 84, page 59, line 1, omit "consultation" and insert "agreement".

42. Clause 88, page 62, line 8, omit "88" and insert "87".

Council's amendment 43 as follows agreed with:

43. Clause 90, line 5, omit "19" and insert "22".

but following amendment made by Assembly:

Omit "22" and insert "20".

Council's amendments 44 to 49 as follows disagreed with:

44. Clause 90, line 16, omit "91" insert "90".

45. Clause 93, line 21, omit "92" insert "91".

46. Clause 94, line 23, omit "84" insert "83".

47. Clause 94, page 67, line 16, omit "84" insert "83".

48. Clause 94, page 67, line 21, omit "consultation" and insert "agreement".

49. Clause 94, page 67, line 26, omit "84" and insert "83".

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

That the Council do not insist on their amendments with which the Assembly have disagreed and agree to the amendments made by the Assembly to the amendments made by the Council.

Honourable members will recall that on 28 November the Council proposed amendments to the bill. The next day, 29 November, the Assembly considered the proposed amendments.

The bill and the amendments now proposed by the Assembly provide for an increase in the membership of the institute council from 19 members to 20. The additional member will be elected and will come from a government special school. The changes also propose that the council comprise the Secretary of the Department of Education, Employment and Training, 10 elected members and 9 members appointed by the Governor in Council. They further propose that the election of members be conducted by electoral colleges, ensuring sectoral representation for government, Catholic and independent schools, and primary, secondary and special schools.

Although the opposition indicated that it would agree to the amendments now proposed by the Assembly, it requested that before the bill was debated again in the Council the government give consideration to two further amendments — the election of the institute chairperson; and the institute council being required to agree rather than consult with the board of a college established by the institute before making changes to the charter of the college.

In recent days the government has held further consultations with all relevant key stakeholder organisations, including the principals associations. As a result of these consultations there is now widespread support among the professions and stakeholder organisations for the bill as amended in the Legislative Assembly and for the passage of the bill in these sittings.

Following recent discussions with both Liberal Party and the National Party members, I understand that all parties represented in the house now support the bill with the amendments proposed by the Assembly on 29 November.

Hon. ANDREW BRIDESON (Waverley) — I advise the house that the opposition agrees with the amendments as proposed by the Assembly on the last day of the sittings. Through the process of amendments in this chamber and the other chamber, and in negotiations between the Liberal Party and the government, we have now ensured that the new institute will be far more representative. We have obtained if not 100 per cent of what we were aiming for then somewhere in the vicinity of 90 to 95 per cent, and we are relatively pleased with that.

We have gained a clear representation for the Catholic sector with a guarantee of one primary representative, one secondary representative, one principal and one employer from the Catholic Education Office. We have guaranteed that there will be representation for the independent sector with one teacher representative, one principal and one employer representative.

In conjunction with the National Party, the Liberal opposition has also secured an elected council position for the special school sector. That was debated fully last week in this chamber. We have also created what we consider to be a more realistic proportional representation of teachers across the three sectors — that is, the number of elected teacher representatives are spread across the sectors, which better reflects the actual proportions of teachers in each of them.

We had extensive consultation with the government principals groups and have guaranteed them that the principals college, which will be set up by the Victorian Institute of Teaching, will not compromise the current role of the existing principals bodies — including, most importantly, the Australian Principals Centre, which was established by the previous Kennett government.

We have also allowed for the provision of candidates' statements on the ballot papers for the election of the representatives to the Victorian Institute of Teaching. We have ensured that sectoral voting will be used in the voting for representatives so that Catholic teachers will choose their own representatives, government school teachers will choose their own, independent teachers will choose theirs, et cetera.

We have also made changes to the elected positions on the institute council, which will now comprise 10 elected and 10 appointed members. While we are not totally satisfied with that, it is close to the original aim of the majority share being elected representatives, which we campaigned for.

During the past week I have received numerous letters from grammar schools, Christian schools and colleges, and independent community schools which are still concerned about certain aspects of the bill. I could probably summarise their concerns by saying that they are extremely nervous about possible government and union intrusion with the aim of covert control, which is implicit in the bill.

In the debate last week I listed some concerns of the Association of Independent Schools of Victoria in particular. I trust that in the ensuing weeks members of the association will be able to meet with the minister or representatives of the Department of Education,

Employment and Training to come to a better understanding of those issues.

The last thing I want to say on this bill is that it has been through a relatively complex process because there have been amendments, amendments to amendments and we are about to have amendments to the amendments to the amendments. Closely involved in this process has been Susan McInnes from the Office of the Chief Parliamentary Counsel Victoria. I put on record the fact that she has been extremely overworked, but more importantly she has been helpful with the process that we have gone through. I end where I started, by stating that the opposition agrees with the amendments proposed.

Hon. P. R. HALL (Gippsland) — I am pleased to indicate the National Party's support for the bill in its amended form. It was the wish of the National Party that these issues be sent back to the Assembly and resolved. We supported the amendments moved by the opposition but implored the government to sit down with the opposition and work through those Council amendments to try to come to a mutual agreement on the issues. That has turned out to be the case. Consultation has been undertaken while the bill has been between the two houses and I am extra pleased that we have an outcome that is satisfactory to all players.

This is another example of the importance of the upper house working as a true house of review. The upper house suggested amendments went back to the Assembly, giving the two parties a bit of breathing space to be able to come together and reach a mutually agreeable position. I am pleased the upper house has played that important role again.

As did the Honourable Andrew Brideson, I have had contact with a number of organisations over the past week. I had a conversation with Mary Bluett, the Victorian President of the Australian Education Union, who was very keen for this bill to go through in its current form. I also had a discussion with a representative from the Australian Council of State School Organisations and received correspondence from the Victorian Council of School Organisations. Without going through that letter, I record that it indicated that its wish would be for the Parliament to support the bill in its current amended form.

As I said, it is pleasing that the parties have got together and worked out a mutually agreed position. I am pleased to indicate the National Party's support for the bill in its current form.

Motion agreed to.

JUDICIAL REMUNERATION TRIBUNAL (AMENDMENT) BILL

Council's amendments

Message from Assembly disagreeing with following Council amendments considered:

1. Clause 6, page 7, after line 2 insert —

   "(4) A reference of a matter for an advisory opinion must be in writing.

   (5) The Attorney-General or, if an Order under section 11(2) is in force, the relevant Minister, must cause notification of a reference under this section to be published in the Government Gazette specifying the matters referred to the Tribunal for an advisory opinion within 7 days of referring the matter to the Tribunal.".

2. Clause 6, page 7, line 3, omit "(4)" and insert "(6)".

3. Clause 8, line 26, after "recommendation" insert "or a report of an advisory opinion".

Hon. M. R. THOMSON (Minister for Small Business) — I move:

That the Council do not insist on their amendments with which the Assembly have disagreed.

In relation to the amendments that were moved in this chamber with which the Assembly has disagreed, as was pointed out during the debate in the committee stage, the government was concerned about issues of privacy in relation to individuals and that the amendments would impinge on the rights of those individuals. We were also concerned about policy advice that may go to cabinet and that cabinet confidentiality may need to be maintained in relation to that.

The government does not accept these amendments and I seek the house's support to not insist on the amendments.

Hon. C. A. FURLETTI (Templestowe) — I listened to the minister's argument on rejecting the amendments proposed by the opposition. She reiterated substantially the arguments of the Attorney-General in the other place who, on 28 November, clearly stated that the role of the Judicial Remuneration Tribunal is to set the remuneration of judicial officers. It is a pity that his contribution on that day did not allow that fundamental objective to be the theme of his argument, because he eventually lost that theme by watering it down and effectively suggesting that the role of the JRT

will be to give opinions about individual judges and particular matters and circumstances possibly affecting individual judges. It is interesting to hear the minister representing the Attorney-General in this place reiterate what most rational people will consider to be a great intrusion into the area of separation of powers which we hold so dear in our society.

I say unequivocally that the opposition supports entirely the principal purpose and intent of the bill and is anxious to see it enacted. It is, however, extremely concerned at the secrecy provisions contained in new section 11A inserted by clause 6. I shall not travel that route again and repeat what I said in my contribution to the second-reading debate. Suffice it to say that it appears that the Attorney-General is seeking to establish his own advisory committee for his own purposes to be used secretly at his whim.

As I have previously indicated — the Attorney-General picked up the comment made during the second-reading debate in this place — the opportunity to seek an advisory opinion is not restricted to the Attorney-General. It is extended in new section 11A(3) to any minister responsible for a tribunal. Although it appears there is currently only one such situation, that being the Minister for Health, it begs the question: what happens if one day we have a police complaints tribunal? It would be obvious that the Minister for Police and Emergency Services would be responsible for that tribunal. What if the minister were to set up a separate and independent retail tenancies tribunal under the auspices of the Minister for Small Business? The minister in this place would be responsible for that tribunal. As I suggested and pointed out in my contribution, that argument can clearly be extended across the board to include the whole cabinet.

The comments of the Attorney-General have aggravated and not allayed the concerns of the Liberal opposition. The Attorney-General said that he would like to think that he can use a Judicial Remuneration Tribunal to bounce policy ideas off. He suggests that he might talk to members of the Judicial Remuneration Tribunal about what to do about a particular judge who may be seeking sabbatical leave for whatever purpose. He repeated the comments of his parliamentary secretary in suggesting that the tribunal might have to give him advice on how to treat applications for maternity leave and the like. Each of those examples was expressed in terms of, 'I want to deal with the Judicial Remuneration Tribunal to give me advice on situations, circumstances and determinations that affect individual judges'.

That is an unbelievable comment. On what basis and in what circumstance could that happen? Are we to talk about whether a particular judge should have a certain amount of sabbatical leave different from his brother judges? Should we be talking about a particular judge seeking maternity leave who derives a benefit different from another expectant female judge? What about the independence of the judiciary? What about the extent of interference that could take place? What a disturbing notion. We are contemplating this and saying, 'This bill is intended to introduce transparency; this bill is all about the Judicial Remuneration Tribunal's determinations and recommendations being made public; this is all about the Judicial Remuneration Tribunal, and not the Attorney-General, doing things', yet tucked away in the bill is a provision which says, 'But these particular pieces of advice which the Attorney-General needs will not be made public'.

What is the Attorney-General suggesting? Will he go in and bat for one of his mates because he happens to be a member of the judiciary and wants a special deal? It is for precisely that reason that the request for an advisory opinion should be and must be public, open and transparent. The opposition amendments are simply about transparency and to ensure that the nexus between the Attorney-General and the Judicial Remuneration Tribunal is as open as possible. We do not deny that the Attorney-General is entitled to have that advisory council on his side, but what happens must be open.

The bill is inconsistent. On the one hand it promotes total transparency but on the other hand it shuts the door and draws down the blind. If the Attorney-General or any other qualified minister wishes to seek advice about how best to treat a mate, then he or she can do it. I hope that event would never occur, but to ensure that it, or even the perception of it, does not arise, I urge the government to accept the opposition's amendments.

Hon. R. M. HALLAM (Western) — The National Party is saddened that the fate of the Judicial Remuneration Tribunal (Amendment) Bill hinges upon the amendments, because we all agree that this is a worthwhile legislative initiative. Yet we are talking about an issue which goes absolutely to the margin of the tenets of the general thrust of the bill.

We have heard nothing which would change our views. The question that we canvassed at the time the bill came into this house in the first instance was the appropriateness of having advice sought from the Judicial Remuneration Tribunal by a minister of the Crown and then provided by the tribunal to that minister, and that it should be a matter of public record.

We believe that to be of fundamental importance because it goes to the issue of whether there would at least be the perception that the Judicial Remuneration Tribunal becomes some sort of private reference body available to the government to trot out as a referee if the advice happens to suit its cause, but to keep that advice under wraps if it happened not to suit its cause. We think that goes to the very nub of the issue addressed by the bill in the first place — that is, the issue of transparency outlined by the Honourable Carlo Furletti before.

So we see this as an issue of fundamental import. We have not been persuaded by anything we have heard from the government. The only thing the government has said is, 'Hang on a minute; it would be inappropriate to make this advice public if it relates to an individual member of the judiciary'. We accept that, because we do not think it is appropriate to seek advice from the Judicial Remuneration Tribunal that would relate to a particular member of the judiciary. We do not think that is an appropriate function of the tribunal. But even if we thought that was an appropriate function, we are prepared to pay the price of taking that option out of the range available to the government, on the basis that the independence of the tribunal is absolutely paramount in our view.

I am surprised that the government is simply relying on the notion that the opposition amendment would preclude a minister of the Crown getting advice from the tribunal that was, by definition, personal to one particular member of the judiciary. That goes to the very issue that we thought the bill was seeking to protect us from, and that the separation of powers was paramount in the process.

In any event, the National Party has not heard a single argument that convinces it to change its position. I place on the record the fact that we will support the amendments originally proposed by the opposition, which we presume will be insisted on by the house.

House divided on motion:

Ayes, 14

Broad, Ms
Carbines, Mrs (*Teller*)
Darveniza, Ms
Gould, Ms
Hadden, Ms
Jennings, Mr
McQuilten, Mr (*Teller*)
Madden, Mr
Mikakos, Ms
Nguyen, Mr
Romanes, Ms
Smith, Mr R. F.
Theophanous, Mr
Thomson, Ms

Noes, 29

Ashman, Mr
Atkinson, Mr (*Teller*)
Baxter, Mr
Best, Mr
Birrell, Mr
Bishop, Mr
Boardman, Mr
Bowden, Mr (*Teller*)
Brideson, Mr
Coote, Mrs
Cover, Mr
Craige, Mr
Davis, Mr D. McL.
Davis, Mr P. R.
Forwood, Mr
Furletti, Mr
Hall, Mr
Hallam, Mr
Katsambanis, Mr
Lucas, Mr
Luckins, Ms
Olexander, Mr
Powell, Mrs
Rich-Phillips, Mr
Ross, Dr
Smith, Mr K. M.
Smith, Ms
Stoney, Mr
Strong, Mr

Motion negatived.

Ordered to be returned to Assembly with message intimating decision of house.

WATER (IRRIGATION FARM DAMS) BILL

Council's amendments

Message from Assembly disagreeing with following Council amendments considered:

1. Clause 4, page 3, line 11, after "51(1A)" insert "or 51(1B)".

2. Clause 6, lines 4 to 11 omit all words and expressions on these lines and insert —

   '(2) In section 8(6) of the Principal Act, after paragraph (c) **insert** —

   "(ca) a restriction or prohibition on the use, other than domestic and stock use, of water from a spring or soak or water from a private dam (to the extent that it is not rainwater supplied to the dam from the roof of a building) contained in an approved management plan drawn up under Division 3 of Part 3 for a water supply protection area; or".'.

3. Clause 6, after line 11 insert —

   "(3) In section 8(6)(d) of the Principal Act for "the prescriptions" **substitute** "any other prescriptions".

4. Clause 10, page 15, after line 14 insert —

   "(k) restrictions or prohibitions on the use, other than domestic and stock use, of water from a spring or soak or water from a private dam (to the extent that it is not rainwater supplied to the dam from the roof of a building);".

5. Clause 10, page 15, line 15, omit "(k)" and insert "(l)".

6. Clause 10, page 15, line 17, omit "(l)" and insert "(m)".

7. Clause 10, page 15, line 22, omit "(m)" and insert "(n)".

8. Clause 10, page 15, line 30, omit "(n)" and insert "(o)".

9. Clause 10, page 16, line 4, omit "(o)" and insert "(p)".

10. Clause 10, page 17, after line 33 insert —

"(14) Sub-section (13) does not apply to a contravention of a kind referred to in section 63(1A).".

11. Clause 19, lines 26 to 33 and page 29, lines 1 to 26, omit all words and expressions on these lines and insert —

"(1A) During the period commencing on 1 February 2002 and ending on 31 January 2003, a person may apply, without payment of an application fee, to the Minister for the issue of a registration licence to take and use water from a dam on a waterway other than a river, creek, stream or watercourse for a use other than domestic and stock use.

(1B) If an approved management plan for a water supply protection area prohibits or restricts the use of water from a spring or soak or water from a private dam, a person may, during the period of 12 months after the approval of that management plan, apply, without payment of an application fee, to the Minister for the issue of a registration licence to take and use water from the spring or soak or water from the dam (to the extent that it is not rainwater supplied to the dam from the roof of a building or water supplied to the dam from a waterway or bore), for a use other than domestic and stock use.

(1C) Sub-section (1A) only applies, in relation to a dam, to a person who at any time during the period of 10 years immediately before the commencement of section 32 of the **Water (Irrigation Farm Dams) Act 2001** was taking and using water from the dam for a use (other than domestic and stock use) for which a licence under sub-section (1)(a) is not in force.

(1D) Sub-section (1B) only applies, in relation to a spring, soak or dam, to a person who at any time during the period of 10 years immediately before the approval of the relevant management plan was taking and using water from the spring or soak or water from the dam (other than water supplied to the dam from a waterway or bore) for a use other than domestic and stock use.".

12. Clause 19, page 29, line 29 omit "(1C)" and insert "(1E)".

13. Clause 19, page 30, lines 12 to 35, omit all words and expressions on these lines and insert —

"(ba) in the case of an application under sub-section (1A) in relation to a dam by a person who at any time during the period of 10 years immediately before the commencement of section 32 of the **Water (Irrigation Farm Dams) Act 2001** was taking and using water from the dam for a use (other than domestic and stock use), set out the maximum volume of water to be used by the applicant in each year during the period of the licence, determined in accordance with the criteria specified by Order under sections 52A; and

(bb) in the case of an application under sub-section (1)(ba) or 1(B) in relation to a spring or soak or dam by a person who, at any time during the period of 10 years immediately before the approval of a management plan for the water supply protection area for which the application is made that prohibits or restricts the use of water from the spring or soak or dam, was taking and using water from the spring or soak or water from the dam (other than water supplied to the dam from a waterway or bore) for a use other than domestic and stock use, set out the maximum volume of water to be used by the applicant in each year during the period of the licence, determined in accordance with the criteria specified by Order under section 52A; and".

14. Clause 22, lines 18 to 20, omit "the commencement of section 32 of the **Water (Irrigation Farm Dams) Act 2001**" and insert "the approval of a management plan under Division 3 of Part 3 that prohibits or restricts the use of water from the spring or soak or dam".

15. Clause 26, lines 23 and 24, omit "licence issued under section 51(1A)" and insert "registration licence".

16. Clause 26, lines 31 to 33 and page 38, lines 1 and 2, omit all words and expressions on these lines and insert —

"51(1A) remains in force for an unlimited period.".

17. Clause 28, after line 9 insert —

'(1) In section 58(1) of the Principal Act, for "51" substitute "51(1)".'.

18. Clause 28, after line 17 insert —

'( ) In section 58(3) of the Principal Act, for "51" substitute "51(1)".'.

19. Clause 28, lines 21 to 28, omit sub-clause (3).

20. Clause 32, line 24, after "must not" insert "in contravention of an approved management plan for a water supply protection area".

21. Clause 32, page 40, lines 16 to 24, omit all words and expressions on these lines and insert —

"(4) If, an approved management plan for a water supply protection area prohibits or restricts the use of water from a spring or soak or water from a dam not on a waterway and at any time during the period of 10 years immediately before the approval of the management plan, a person was taking and using water from the spring or soak or water from the dam, sub-section (1A) does not apply in respect of that person in respect of that spring or soak or dam until the end of the period of 12 months after the approval of the management plan.".

22. Clause 56, page 53, lines 19 to 33, omit all words and expressions on these lines and insert —

"(8) If an approved management plan for a water supply protection area prohibits or restricts the use of

> water from a spring or soak or water from a dam (other than water supplied to the dam from a waterway or a bore) for a use other than domestic and stock use, a person who —
>
> (a) at any time during the period of 10 years immediately before the approval of the management plan was taking and using water from that spring or soak or water from that dam (other than water supplied to a dam from a waterway or a bore), for a use other than domestic or stock use; and
>
> (b) before the end of the period of 12 months after the approval of the management plan applies for a licence under section 51(1)(ba) in relation to the spring or soak or dam —
>
> is not liable to pay an application fee in respect of the application.".

Hon. C. C. BROAD (Minister for Energy and Resources) — I move:

> That the Council do not insist on their amendments with which the Assembly have disagreed.

Hon. PHILIP DAVIS (Gippsland) — The minister has formally moved that the Council not insist on the amendments, and I wish to indicate that the Liberal Party's position remains unaltered. A week ago we considered this matter. The government has proposed no new initiatives for this bill. I do not intend to recite the fulsome debate that we had last week on this matter, but I do indicate in summary that the purpose of the bill is to amend the current right to store water off waterways and use it for any purpose and that in future a licence will be required for all irrigation and commercial use in a catchment, as per the second-reading speech.

The Liberal Party's position is that we have developed an amendment that overcomes the one-size-fits-all criticism and given greater protection to existing statutory rights. The amendment will provide flexibility to cater for the differences between areas but will give the minister the required powers to properly protect the resource and to ensure it is used in a sustainable and responsible manner.

Essentially the amendment provides that the declaration of a water supply protection area will trigger the licensing registration process. In areas where there is abundant water for environmental flow and consumptive use and where the resource will not be fully allocated for some time there is no need for a costly and bureaucratic licensing process for farm dams. Our amendment relies on the minister's power to declare a water supply protection area wherever the minister has reason to believe it is needed. That is clearly the operative phrase. It is an area of ministerial discretion, direction and action in relation to the powers that exist to declare a water supply protection area where the minister has reason to believe it is needed.

The only further comments I intend to make relate to the position of the Victorian Farmers Federation on this matter. I remind the house that:

> The VFF's own policy is similar to the New South Wales approach and calls for the retention of private right equivalent to 10 per cent of run-off.

The words I just uttered are a verbatim extract of a letter to me signed by Peter Walsh, president of the VFF, on 15 November. Contrary to what Mr Walsh indicates to be the VFF policy, that is not the position that the VFF executive is advocating. It is in fact advocating something else, and regrettably I think Mr Walsh has got himself into a prime state of confusion.

An article that appears today in the *Stock & Land* newspaper, which many members have seen, indicates a major problem for the Victorian Farmers Federation because of the way Mr Walsh is handling the debate on this issue. The VFF has a clear policy position, a position upon which I have just reflected and which the executive of the VFF has failed to vigorously pursue and execute. However, the VFF president in comments in this week's rural papers, starting with the *Stock & Land* newspaper, has taken issue with the Liberal Party's position and says there is no logic to the Lib's dam policy. I would have to say there is no logic to the position that Mr Walsh has taken. I find the terminology and language used in that article to be extraordinary in the extreme.

The article by Mr Walsh suggests that:

> The Liberal Party's position also appears to be driven by a group of wealthy powerbrokers in the party who have, or aspire to develop, small vineyards.

Further, it says:

> Many, if not the majority, of new irrigation dams will be built by city-based investors who think it would be fun, and a great tax dodge, to invest in a vineyard.

I want to put on the record that if it were not for the fact that I am no longer a member of the VFF, because 12 months ago my family sold its farming interests and therefore I am not technically eligible to be a member of the VFF, I would have been provoked to resign as a result of this article. It is the most uninformed piece of nonsense I have ever heard or seen from a president of the Victorian Farmers Federation. In the 20 years I was a member of the VFF — and I dealt with Miles Burke,

Des Crowe, Bill Bodman, Heather Mitchell, Alex Arbuthnot, Peter Walsh and Wally Shaw — I did not hear or see anything the like of this piece.

I find it disturbing in the extreme that Mr Walsh could fail his members so seriously as to, firstly, not advocate the policy that the members adopted, and secondly, attack the Liberal Party in this fashion, which is clearly uninformed. I put on the record that in all of the discussions that I have had about this legislation no discussions with me have been about or by city-based investors and vineyards. In fact the majority of the discussions I have had on this bill have been about protecting the rights of traditional agriculture, particularly the dairy industry, in terms of irrigation dam development. I find the article completely bizarre. I have to say, as I said in the previous debate, that Mr Walsh must be under extraordinary pressure from the government on this matter.

I know Peter Walsh to be an honourable man. Given the circumstances, I cannot understand how he could put his signature to this article. I would hardly be surprised to find that Mr Walsh did not draft the article. He has been used in this circumstance. I find it highly regrettable and look forward to discussing the matter in person with him to get his own perspective, because I suspect it may be different from that reflected in the article in the media.

The Liberal Party has not been provided with any comfort by the government in protecting the private rights of land-holders. I am sure, were it the case that the Liberal Party had new information provided to it in the last week, there would have been further consideration of the bill. The Liberal Party stands by the position it adopted a week ago and looks forward to the government reconsidering this matter when the bill returns to the Legislative Assembly.

Hon. W. R. BAXTER (North Eastern) — Like the Honourable Philip Davis, I do not intend to canvass all the arguments on this amendment that I went through a week ago when the matter was last before the house. As the Liberal Party intends to insist on its amendment, I appeal for it to take note of community reaction to the positions it has taken on this legislation over the last four or five weeks and, in particular, of the community reaction to the amendment now before the house.

I refer honourable members to some of the evidence of the community reaction, not in detail, but to alert them to it. I refer to a letter from Professor Barry Hart from the Water Studies Centre and Freshwater Ecology, Monash University, in the letters to the editor section of the *Weekly Times* of 5 December. Professor Hart is a person of some expertise in the water industry and environment matters. His letter to the editor is entitled 'Libs' dam move bombs', which fairly sums up the reaction in other places.

I further refer to today's issue of *Stock & Land* and the article by Peter Walsh, the president of the Victorian Farmers Federation, to which Mr Davis referred. His letter is entitled 'No logic to Libs' dam policy'. It makes interesting reading and I am glad it has been circulating around the precincts of the house today so that honourable members have had the opportunity to look at it. It makes an assertion about the genesis of the Liberal Party amendment, and I will come to that later. The article puts paid to the claim that somehow the Liberal Party amendment is supporting Victorian Farmers Federation policy. It is clearly not, and Mr Walsh makes that clear.

From my own perspective I make it clear that the Liberal Party amendment does not support what it claims to be VFF policy — that is, a regime similar to that operating in New South Wales where there is an ongoing private right for 10 per cent of run off or 1 per cent of rainfall. The Liberal Party's own amendment extinguishes any private right in any event once a water supply protection area is proclaimed. It is misleading to suggest this amendment supports what purports to be VFF policy because it does not. It expunges that right the minute a water supply protection area is declared. In any stressed catchment or catchment likely to be stressed the expectation is that a water supply protection area would be declared in any event. The so-called right that some honourable members have got on their white chargers to protect would be abrogated and expunged.

I direct the attention of honourable members to a letter from the Hindmarsh Shire Council to the Leader of the Opposition, Dr Denis Napthine. The letter is protesting against the infamous 3 per cent amendment that the Liberal Party was pushing a week or two ago and which fortunately was abandoned. However, the principle expressed in the letter would also apply to the letter currently before the house. Among other things it states:

> You may be aware of the existing over-allocation of the Wimmera River, which receives less than 14 per cent of normal flows. Victoria's largest freshwater lake, Lake Hindmarsh, and the Ramsar-listed Lake Albacutya, at the end of the Wimmera system, are completely dry.
>
> Additional water harvesting in the upper catchment will degrade our natural environment.

It is a compelling view. If there is no proper water management system put in place in the upper

catchments in western Victoria what the shire says will certainly come to pass.

I direct the attention of the opposition to my remarks on the adjournment debate last night — a bit tangential to this issue — where I referred to Boosey Creek, which is denied flows it would have received in the past because of the farm dam construction in the headwaters of the Boosey Creek in the Warby Ranges, so the farm dams bill will go some way to preventing further degradation of environmental flows into the Boosey Creek.

Hon. E. G. Stoney interjected.

Hon. W. R. BAXTER — My good friend Mr Stoney says I am drawing a long bow, but I do not think I am at all because that is the reality of the system. If Caseys Weir is removed, Boosey Creek will rely on inflows from its headwaters in the Warby Ranges. Unless there is some proper control in dam building, Boosey Creek will be denied a stream, and all the people who rely on and the environment which relies on a flow in the Boosey Creek will be seriously affected.

Another issue which I have heard talked about around this house by one or two members of the opposition and which has been parroted in my electorate is that the National Party is simply interested in looking after irrigators and could not care less about people in upper catchment areas. Of course the National Party is interested in irrigators because by and large it is the party that represents irrigators in this Parliament. However, our interests are broader than that. In particular, Mrs Powell and I represent the upper catchment area of north-eastern Victoria where most of the angst has been generated. The National Party represents people in Gippsland and in south-western Victoria as well, but our interest on this occasion is not so much in the irrigators, because unlike the 3 per cent amendment this amendment will not affect them too badly.

The National Party is interested in making sure that farmers in upper catchment areas who have existing dams that are properly licensed and the like do not have their security of supply undermined by an open-ended system — which we still have — where someone can build a dam immediately upstream of their property and purloin their water. The National Party is interested in providing some certainty and security for upper catchment farmers who already irrigate. Clearly we are looking after those people. We are also interested in providing security for people who may be contemplating making a significant capital investment in an enterprise in an upper catchment area so that they can obtain a licence for a dam, obtain a water entitlement and know that it is secure, and that they will not be making an investment that will be exposed to risk of the water they are collecting being taken by someone else without their having any say in the process.

On both of those counts you would have to say that the National Party is very much attuned to the interests of the people beyond the gravity irrigation districts. In some respects it is a bit sad that the opposition seems to have been somehow talked into this amendment by people who are concerned about the apparent loss of a very narrow, so-called private but statutory right. Persons who are not currently irrigating may have no intention of ever irrigating anyway and may simply want to keep the open or blank-cheque system we have, even in the Murray–Darling Basin, which is already a stressed and capped catchment.

We have heard from Mr Phil Davis tonight about one size fitting all and that the Liberal Party amendment brings localism into the picture. I say it does the opposite — the bill provides for the local stream flow management committees where there will be local input. Honourable members will recall that it was agreed farmers should comprise 50 per cent of those local stream flow management committees. This amendment would compel the government of the day to declare the whole of the Murray–Darling Basin a water supply protection area forthwith. There would be a single water management plan drawn up for the whole of the part of the Murray–Darling Basin catchment that is in Victoria, which of course would take away localism. We would have a farmer from Waitchie deciding upon what is going to happen in the Biggara Valley. How can that be local? Let us not get carried away with this glib phrase ‘One size fits all’, because that is not the case.

Finally, I return to Mr Walsh’s *Stock & Land* article, and his claim as to what might be the genesis of the Liberal Party’s amendment and Mr Davis’s taste thereof. This afternoon I talked to a farmer at Kilmore. It is a place where the National Party does not garner a lot of votes but this again demonstrates the interest the National Party has in farmers well beyond the irrigation areas. This farmer has written:

> We run a commercial Angus farm with some 300 breeders at the abovementioned property. At the rear of our property … a large dam established some 50-odd years ago provides the main water supply to a series of water troughs to the majority of our paddocks.

The letter goes on to say that in the past couple of years a rural residential subdivision has occurred at the rear of

his property — that is, higher up the hillside — where four blocks have been excised. He understands that these blocks have all been sold. The letter continues:

> Last week we observed a new dam being dug at the rear of our property —

on one of the allotments.

> From our observation the dam seems to be much too large to provide water to stock or for domestic water use for the size of the property.

He says he believes that this dam will affect the catchment of their existing stock-and-domestic dam, will seriously affect their farm management practices in the future and may compel them to put down a bore or to seek an alternative water source. This farmer is fairly progressive. His dam has a solar-operated pump, which circulates water to his troughs. He has made a big capital investment and it looks as though someone taking completely unlicensed action on land above his land will render that investment redundant.

I say to members of the opposition that this is the sort of imbroglio that we are going to find ourselves in unless we have a proper system of managing our water supplies in this state so everyone can be sure that if they make an investment — even for stock and domestic let alone irrigation purposes — that their investment is secure and cannot be purloined by an action taken by someone on a higher area of land. That is not to say that people higher up are not entitled to get a water supply, but it has to be done taking into account water availability and it needs to be done by a proper licensing system. I believe the bill provides that system without derogating from anyone else's activities in the future. Therefore I oppose the amendment.

Hon. G. W. JENNINGS (Melbourne) — Mr President, thank you for the opportunity to talk about this important government reform of farm dam legislation, which has had a history of being volleyed from one chamber to the other during the current sittings. Indeed, the bill has seen a healthy working relationship established between the government, the Victorian Farmers Federation (VFF), the Australian Conservation Foundation (ACF), the Municipal Association of Victoria and a large range of individual members of the community.

Hon. Bill Forwood — And the ALP.

Hon. G. W. JENNINGS — Of course — this is an ALP government! We have worked in cooperation with large sections of the Victorian community in regional Victoria, and I am pleased to say that that cooperation has included the National Party, which has played a prominent role in making sure that this legislation and the regulation that will apply once enacted will not only provide the appropriate regulation of the water industry in Victoria but will assist in ensuring good environmental outcomes for the water systems within Victoria and will support the ongoing sustainable use of agricultural land within Victoria. They are important objectives and the government is proud to have worked in cooperation with all those sections of the Victorian community.

The last Victorian organisation standing that opposes these worthwhile and important reforms is the Liberal Party. On arrival in Parliament this morning I read with interest an article that appeared in today's edition of *Stock & Land*, which was referred to earlier in the debate. The article entitled, 'No logic to Lib's dam policy' was written by Peter Walsh, the president of the Victorian Farmers Federation. My response to the article is somewhat different from that of the Honourable Philip Davis, who first referred to it, but I think the logic that underpins the argument is fairly sound.

I would like to inform the house of the underpinning argument that runs through the article. The article at page 31 of the 6 December issue of *Stock & Land* states:

> Over the last couple of weeks the Liberal Party has sought to use its absolute majority in the upper house to amend the government's farm dams bill.
>
> …
>
> The Liberals amendments do not address the fundamental issues, which are the difficulties associated with waterway determinations. By pursuing these amendments they are, in effect, rejecting the government's legislation.
>
> …
>
> With other legislation before the upper house the Liberals stated clearly, to the VFF and others, that they would only block legislation where there was clear public opposition to the government's proposals.

As I have indicated to the house, there is significant community support for the proposals. The article states further:

> The VFF, the Municipal Association of Victoria, the Australian Conservation Foundation and almost all of the water industry organisations in the state support the government's farm dams proposals.

Mr Walsh argues in support of the proposals in the following way.

> The government's bill protects and enhances the security of existing dams. The rights of farmers to build new stock and domestic dams are fully protected. The rights of owners of

existing irrigation and commercial-use dams are also fully protected.

Mr Walsh concludes with what I think is a very good argument:

The principal beneficiaries of the Liberal Party's decision to block the legislation are those who want to build new irrigation dams.

Many, if not the majority, of new irrigation dams will be built by city-based investors who think it would be fun, and a great tax dodge, to invest in a vineyard.

Could they also be strong supporters of the Liberal Party?

In his response to the article Mr Davis indicated that if he had not already left the VFF, this article may have been enough to force his resignation from the organisation. My response is that if I make a decision to join the VFF once I am eligible, I will seriously contemplate subscribing to *Stock & Land* if this is the calibre of the contributions that appear in this journal.

Hon. W. R. Baxter — Don't tell me you're not a regular reader?

Hon. G. W. JENNINGS — As I indicated, if this is the usual standard of contributions I will be an avid reader in future.

Hon. W. R. Baxter — I recommend it. It is a good journal that provides a good understanding of rural Victoria.

Hon. G. W. JENNINGS — I thank the honourable member for that advice, and I thank the National Party for its enlightened approach to this important policy in the name of protecting the Victorian environment and in the interests of ensuring sustainable agricultural use of Victorian land in the future. As I indicated, the Liberal Party is the last body in Victoria to stand in the face of this important reform. As I said earlier also, in the past few weeks Peter Garrett of the ACF, Professor Barry Hart, director of the Cooperative Research Centre for Freshwater Ecology, and Tim Fisher, the ACF's land and water ecosystems program coordinator, have petitioned the Liberal Party in a most earnest way to get its members to change their minds.

In terms of understanding the significance of these issues, I do not know whether Don Blackmore, the chief executive officer of the Murray-Darling Basin Commission, has petitioned the Liberal Party, but I know he is on the public record as being supportive of the proposals and would be most angst-ridden if the proposed Liberal amendments were successful. In summary, the ACF's Tim Fisher has gone on the public record to say that if the Liberal Party were successful in its endeavours in this regard, it would take Victoria's water management back 10 years. The Liberal Party has taken an extraordinary political position.

I would have thought they would have acknowledged the courageous actions of my colleague the Minister for Conservation and Environment in taking this policy initiative, given that the Liberals had in government commissioned a number of reports into this important regulation required for the water industry in Victoria and, notwithstanding the lengths of and the consideration given by those reviews, were not prepared to come up to the line and implement their recommendations. They were not prepared to take what may be a painful decision to make sure that this important regulation went through.

The Minister for Conservation and Environment has performed a great feat on behalf of the people of Victoria to unite a cross-section of the Victorian community in a way that we have not regularly seen. The unfortunate aspect of that unity of purpose is that, unless my reading is incorrect, it will not result in majority support in the Legislative Council today. The people of Victoria and the environment will be much the poorer because of it. I take this last opportunity to urge Liberal members of the Legislative Council to look deeply into their consciences and protect Victoria's environment, provide for sustainable agriculture in this state and finally back off from trying to force amendments to the government's legislation.

I refer to a similar plea from Peter Garrett, the head of the Australian Conservation Foundation, which was sent to the Leader of the Liberal Party, Dr Napthine. It states in part:

ACF was, as you know, involved in the farms dams review process from the outset. I believe that this was an excellent process that canvassed all views on the matter. ACF, VFF and the Nationals all support the legislation. The result is a bill that will, if passed, resolve longstanding tensions on the issue, and clear up legislative confusion and 'loopholes'.

As it stands, ACF considers your amendment will have a number of serious ramifications for river and water resource management across Victoria.

The letter goes on to list a few of those ramifications:

Confusion around 'waterways' definition in the Water Act (1989) will remain.

The minister's capacity to announce permissible annual volumes will have no impact on constraining developments where they take place off a 'waterway'.

…

> 12 months period of grace after SMP means declaration of 'open season' that see a flood of unlicensed off-waterway developments.
>
> Water markets in capped catchments would become dysfunctional.
>
> …
>
> North of the Great Divide, the 'cap' will demand that unlicensed developments will require a reduction to existing water user entitlements as unlicensed developments proceed.

The letter concludes:

> I urge you and your party to reconsider the directions you propose …

If the Liberal Party is not prepared to take the view of the government rather than that of the National Party, the Australian Conservation Foundation, the Victorian Farmers Federation and the Municipal Association of Victoria, it should listen to the example Mr Baxter put on the public record today. Individual farmers and land-holders in this state will be severely disadvantaged immediately and into the future if this regulation is not passed, because we know a number of activities will take place in the 12 months before we have the opportunity to enact this regulation that could see the long-term demise of waterways in this state. This is the last opportunity the Liberal Party has to get out of the bog it has been in for quite some time in relation to this matter, to recognise the need for the ongoing sustainability of both agricultural activity and the environment in this state, and to support the government's bill. I applaud the National Party and others for joining in to support this important reform.

House divided on motion:

Ayes, 20

Baxter, Mr (*Teller*)	Jennings, Mr
Best, Mr	McQuilten, Mr
Bishop, Mr	Madden, Mr
Broad, Ms	Mikakos, Ms
Carbines, Mrs	Nguyen, Mr
Darveniza, Ms	Powell, Mrs
Gould, Ms	Romanes, Ms
Hadden, Ms	Smith, Mr R. F. (*Teller*)
Hall, Mr	Theophanous, Mr
Hallam, Mr	Thomson, Ms

Noes, 23

Ashman, Mr	Furletti, Mr
Atkinson, Mr	Katsambanis, Mr
Birrell, Mr	Lucas, Mr
Boardman, Mr	Luckins, Ms
Bowden, Mr	Olexander, Mr
Brideson, Mr (*Teller*)	Rich-Phillips, Mr
Coote, Mrs	Ross, Dr
Cover, Mr	Smith, Mr K. M.
Craige, Mr	Smith, Ms (*Teller*)
Davis, Mr D. McL.	Stoney, Mr
Davis, Mr P. R.	Strong, Mr
Forwood, Mr	

Motion negatived.

Ordered to be returned to Assembly with message intimating decision of house.

PAPERS

Laid on table by Clerk:

> Subordinate Legislation Act 1994 — Minister's exemption certificates under section 9(6) in respect of Statutory Rules Nos. 121 and 126.

RETIREMENT OF HOUSEKEEPER

The PRESIDENT — Order! I advise the house that Mr Bill Jarrett, Legislative Council Housekeeper, has indicated his intention to retire as from Sunday, 30 June 2002. As he will take annual leave and long service leave from 24 December until his retirement Bill's actual last day of work will be Friday, 21 December.

Bill Jarrett was born in Edinburgh, Scotland, and migrated to Australia in June 1960 with his wife. Soon after, his two children were born. Bill was appointed as a temporary doorkeeper in the Legislative Assembly as from 9 December 1979 following a 19-year career as a glazier.

He was appointed permanently as a doorkeeper in August 1980 and became a senior doorkeeper in the Legislative Assembly in March 1982. During his time in the Assembly he worked at most general attendant services, including parliamentary guide, post office and afternoon security.

In September 1983 he was appointed Premier's orderly. On 1 March 1993 he was appointed to the position of senior parliamentary attendant in the Department of the Legislative Council, and became Housekeeper of the Legislative Council on 27 February 1995 upon the retirement of Clarrie Quinn.

Bill and his wife Ann will be moving to Kilmore in their retirement, and I am sure that all honourable members will join me in wishing them a long, happy and healthy retirement. I thank Bill personally for his unfailing courtesy, his attention to the needs of our members and his professionalism in all his work.

Hon. M. M. GOULD (Minister for Industrial Relations) — On behalf of the government, Mr President, I would like to be party to this announcement that you have made in congratulating

and wishing all the very best to Bill in his forthcoming retirement.

When I first came to this place back in the autumn sittings of 1993 Bill showed me around. Because I came in on a by-election I did not come in with a group of others. As a new member you can get a little bit lost at times in this place. Bill was always very kind and courteous and he showed me where different rooms were in the place.

I remember one night coming back from having dinner with some of my colleagues. I sat where Mr Chris Strong sits at the moment. I did not feel terribly well because I had eaten something that did not agree with me. There were only a few people in the chamber and Bill asked if I was all right and could he help with giving me some Disprin or something to make me feel better. He spotted a member in the house who was not feeling very well and he came to my aid. That shows what Bill is like. He has helped out all honourable members on this side of the house and others, and many members before us in the years he has been in this place. He has always shown all members courtesy and respect, and sometimes we might question whether we deserve it.

Bill is always here. Since he took over the caretaker position after Clarrie retired in 1995 Bill has always assisted members. I would like on behalf of the government to wish him and Ann a very long and enjoyable retirement. Bill, on behalf of the government I thank you for all the assistance you have given to us here, to those in the other place and to previous members.

Hon. BILL FORWOOD (Templestowe) — It is my pleasure to rise on behalf of the Liberal Party to say farewell and thanks to Bill Jarrett. As the Leader of the Government said, he is always here. I get here pretty early in the morning and sometimes I leave late at night, and I see Bill around the place all the time, and on the odd occasion — —

An Honourable Member — He lives here!

Hon. BILL FORWOOD — Yes, but I see him! On occasions, as some of you know, I do become slightly absentminded, and I have locked my keys in my office and done peculiar things like that. I have always been able to find Bill, who with the unfailing courtesy that the Leader of the Government mentioned has been able to help.

We are privileged in the way we are looked after in this place. The standards are set by the leader, and Bill has been a real leader both in the way the chamber operates and also in the way the whole of the office of the Legislative Council operates. We have been very well served and we are very grateful to you, not just for the work you do but for the quiet unassuming way you do it and for the friendship you have shown to so many of us over such a long period of time.

On behalf of the Liberal Party, I wish you and Ann well for the future and say thank you very much.

Hon. P. R. HALL (Gippsland) — I too would like to extend on behalf of the National Party our best wishes to Bill on his impending retirement. As you said, Mr President, Bill started work here at Parliament in December 1979 and served on the other side of this Parliament House for the best part of 13 years. Bill then changed from a green coat to a red coat, which would almost qualify him to be described as a turncoat! But he turned in the right direction and saw better of his ways by coming across and serving us in the Legislative Council, which he has done magnificently for some eight years or so now.

Talking about green coats and red coats, it occurs to me that Bill Jarrett made somewhat of a reform in this place. I think he was the first chief housekeeper to change the attire from the traditional black tails and starched collar worn by his predecessors in Clarrie Quinn and George Oliver, who some honourable members will remember was the head doorkeeper when I first came here. So Bill has set something of a tradition. I am sure he is more relaxed in his red coat than he would be in the attire worn by his predecessors.

As has been said, Bill Jarrett has been a friend to all of us in this Parliament and we certainly appreciate the magnificent service of 21 years that he has had in this Parliament — a length of time that probably not many of us will enjoy in this place. Bill has put in some magnificent service to the Parliament as a whole. On behalf of the National Party I too extend to Bill and his wife, Ann, all the best in a well-deserved retirement.

BUSINESS OF THE HOUSE

Adjournment

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

> That the Council, at its rising, adjourn until a day and hour to be fixed by the President, which time of meeting shall be notified in writing to each honourable member.

Christmas felicitations

Hon. M. M. GOULD (Minister for Industrial Relations) — Mr President, on behalf of the government, I am pleased to wish everyone the very best for the festive season and the summer break, if we get some sunshine in the not-too-distant future. I trust that all honourable members will take advantage of the break to spend valuable time with their families and friends. It has been an eventful and very busy year for all of us, and it is important to have the time to recharge ourselves and give back to our families what they have been able to do in supporting us throughout the year.

This year has certainly been a momentous one. Some occasions were happy and some were sad. I am sure none of us here will forget the world-shattering events that occurred on 11 September. The events in the United States of America and the events since then have deeply affected us all. I am sure we will long remember the sorrow that we felt then and that we will work towards strengthening the racial tolerance in this Victorian community of ours.

However, there were some happier events to focus on. This year was an important year for Australia, and indeed for Victorian parliamentary history. We celebrated the centenary of Federation and welcomed our federal colleagues back to the home of the first Australian Parliament House. It was good that they only came back for one day because last time they spent 26 years here. It was the first time federal Parliament had sat here since 1927, when we threw our federal colleagues out and sent them back up to Canberra.

It has also been a special year for the Legislative Council of Victoria, its having made Australasian parliamentary history when on 16 August it was the first legislative chamber in Australia and New Zealand to sit outside its capital city. That historic meeting took place in Ballarat, where we celebrated the 100th anniversary of the first sitting of the Parliament of Victoria as a state legislature rather than as a colonial legislature. As I said at the President's dinner, I think we in this chamber did a better job than the Assembly did, and I think that is a credit — —

Hon. D. G. Hadden — It goes without saying — it was in Ballarat!

Hon. M. M. GOULD — It goes without saying, as my colleague from Ballarat says. But that goes to the credit of the staff, and of course you, Mr President, and everyone else who was involved in the events on that day.

This year also marked 100 years of the federal parliamentary Labor Party, which was greatly celebrated during the Federation events — it is the oldest party in the history of Australia!

This year has proved to be a busy one, with a demanding legislative program, as you would appreciate, Mr President. On behalf of government members I would like to thank you for the work you have done throughout the year. I would also like to thank the Deputy President and Chairman of Committees for the work he has done in keeping the committees as much as possible on the straight and narrow.

On behalf of the government I thank the Clerk, Wayne Tunnecliffe, and his deputy, Matthew. I am sure that all honourable members would agree that they always provide us with valuable advice and assistance in a most professional manner.

We cannot go without giving our thanks to Ray Wright, the Usher of the Black Rod. He serves the office with pride and distinction. Ray marked the significance of this year with the book *A Blended House*, in which he tells the story of Victoria's first Legislative Council. I congratulate him on his achievements in the book and the way he presented it to this Council and to the community.

I would also like to thank the staff of the Council papers office for their dedicated work. I thank Felicity Murphy, the manager of the papers office, and the other staff there for their hard work in helping honourable members to obtain papers and pieces of legislation and a number of other things to assist us in our daily work.

As we have just wished Bill Jarrett the very best in retirement, I would also like to thank him for his work this year in supporting me and my colleagues. I also thank Russel, the two Phillips, Peter, Michael, Greg, Geoff and Quentin for all their assistance during the course of the year. I thank all the attendants, because they do a fantastic job. Sometimes they do not get the door open quite quickly enough, which involves a little bump on the head from time to time. Sometimes there is a little slip-up, but all in all the attendants are very good. They are here in the morning and clean our offices. There are newspapers in my room every morning when I come in. The date on the calendar is changed, the rubbish bins are emptied and the heater is switched on on cold days. Without the assistance of Geoff giving my office a bit of a clean and making sure that it is in some sort of order after a whirlwind of a day in this place, it would be hard to get any work done.

The attendants all do a fantastic job and help us get through our days here.

I also thank Bill Schober for his efforts in the car park, which is an interesting place at times on busy days when both houses of Parliament are sitting, ensuring that all honourable members get a parking spot. Bill's most important job of the year is to renew the stickers on cars, and I hope all honourable members have done that. You won't get one unless you return your old one; Bill will not hand it over, so make sure you get them off your electorate office cars or you will get into trouble from Bill! It is extremely important to do that.

I thank Bruce, Gail and the other staff of the library. Sometimes you go in there and want some obscure article that you remember was back in 1999 or some other time and they can pull it out. The library staff are fantastic. They have taken up technology more quickly and efficiently than a lot of other libraries around the state. The other day I went and got my PIN for the news service, although I have not had a chance to plug into it yet.

Hon. R. A. Best — It is very good!

Hon. M. M. GOULD — Mr Best says it is very good — hopefully I will get a chance to use it over the summer break. Whenever we go in there with a bill that is to be debated immediately and say, 'Quick, I need something', the library staff are always professional, courteous and helpful in ensuring we get what we need.

Given the focus on Parliament House this year, Brian Bourke and his team need to be specially thanked. This magnificent building that we are all very proud of has been showcased during the centenary of Federation celebrations. Many people came through Parliament, and Brian and his team were able to make this lovely old building glitter and shine. They worked tirelessly to bring that about.

You cannot forget the gardeners, who always make the gardens look fantastic. I have often asked them whether they would come around to my place and do a bit of weeding and plant some plants, but they are always too busy here — and you can see that they are, with the fantastic work they do to ensure the gardens are always most presentable.

The people who always make us sound a damn sight better than we are when we speak are the staff of Hansard. They have introduced some new technology and had a few problems with the new sound system, but they do a fantastic job. Sometimes we are out of this place by maybe 11.30 at night, but it must be remembered that they are still down there transcribing what we have said. You get into the office the next morning and — not so much this session, but at times I have been in this place from very early in the morning until very early the next morning, and when you come back into the office at 9.30 a.m. *Hansard* is all done and sitting on the desk ready to be perused. The staff of Hansard must be thanked for the fantastic work they do. They have had some difficulties with the introduction of the new technology, and some of the technical problems they had when we sat in Ballarat were interesting. I thank them for their assistance in making the speeches of members of Parliament sound a lot better than they actually were.

I would like to thank John Isherwood and his staff in the catering area for their support, making sure we have food on the table when we are sitting.

I would like to finish by congratulating the Honourable Bill Forwood on his appointment as Leader of the Opposition and the Honourable Carlo Furletti on his appointment as the Deputy Leader of the Opposition. I thank them both for their cooperation and the ongoing consultation that we have during the course of a day and a week to ensure that as much as we can reach agreement on it the government's legislation is passed through this house.

I would also like to thank the National Party and in particular the Leader of the National Party, the Honourable Peter Hall, and the deputy leader, the Honourable Jeanette Powell, for their assistance in running this place efficiently.

I would like to take this opportunity to thank Ari Suss from the Premier's office who assists members on this side of the house in ensuring that we have the necessary bureaucrats here on time. As we all know, sometimes you can anticipate that it will take 3 hours to deal with a piece of legislation and then all of a sudden it can be condensed down to an hour and we need to ensure that the advisers are in their place.

I would like to thank my parliamentary team for their assistance in the past year. The Honourable Glenyys Romanes, the Government Whip, gets members into the house and does a terrific job of organising the bills. I would like to thank my deputy, the Honourable Gavin Jennings, for his support. His ongoing assistance in various debates, especially in general business, has been invaluable. I thank my ministerial colleagues, Candy, Marsha and Justin, for their assistance during the course of the year. I would particularly like to thank them for getting on with fulfilling the Bracks government's objective of growing the whole of the

state. I would like to thank our team for the work they have done.

I would like to finish as I started by wishing everybody a very safe and happy Christmas. I hope you enjoy this festive season. Spend some time with your families, recharge your batteries and thank them for supporting you during the year. I was given a challenge today as to whether I would get this into *Hansard* — school's out for summer!

Hon. BILL FORWOOD (Templestowe) — I also rise to wish everybody in this chamber and the people who support us the compliments of the season, safe holidaying and the best for the Christmas break.

Mr President, let me start by thanking you for your conduct in the chamber and the way you look after us and manage the affairs of the Council. We note that you are in your building monuments phase as your time here comes to an end. The Chamberlain wing has been built and we look forward to the naming ceremony. We have the wands that you have bequeathed us and in other parts of the building the airconditioning for the Clerks is going in. As some honourable members know, it goes through my office on its way to the Clerks — it does not stop in my office but it goes through. Thank you, Mr President, for your sound management of the house and your friendship.

I would also like to thank the Deputy President, the Honourable Barry Bishop, for the terrific job he has done and that motley bunch of members who double as temporary chairmen of committees: Ashman, Best, Bowden, Darveniza, Hadden, Mikakos, Smith, Stoney and Strong — they all do it very differently. I spend a bit of time in here but I put on the record my thanks to them all. Mr Smith, you are wonderful!

Honourable members interjecting.

Hon. BILL FORWOOD — Our efforts in this place require the help and support of so many different people. The Leader of the Government has run through them all. I am not sure there is anybody she missed.

Hon. M. M. Gould — Peter the painter!

Hon. BILL FORWOOD — Okay, Peter the painter. On behalf of the Liberal Party I wish to thank the many people who support us. The library is fantastic. We are very fortunate with Bruce and Gail. I am a person who uses the library a lot and they run a very good operation there.

Hon. G. R. Craige — Where is the library?

Hon. BILL FORWOOD — Some people do not know where it is!

Many of us have had our disagreements with Hansard over the years, and some of us query the direction it sometimes goes in, but in the end we cannot survive without the Hansard staff, and we are grateful for the work they do. I certainly like the front covers on the speeches, including the electronic versions, that are now distributed on our behalf. To the Hansard staff I genuinely say thank you for their efforts on behalf of us all.

We in this place are very well served by our staff. The advice that Wayne and Matthew, the Clerk and the Deputy Clerk, give us, and their performance in the house on a daily basis, is recognised by us all, as are the efforts of Ray Wright, the Usher of the Black Rod, who has been mentioned for his recently published book.

It has been over a year since Matthew had his heart attack, and he is back here as good as ever. He looks like he will live forever — and he behaves like it as well. I sought some advice from Mr Tricarico earlier in the day, and I received a very blunt response along the lines of 'I don't know'. It was very short and succinct.

Hon. G. R. Craige — I bet he said it in a different way.

Hon. BILL FORWOOD — He did say it in a different way, but I knew exactly what he meant when he said it!

I should also mention the papers office, and in doing so thank Felicity, Anthony and Rebecca. I thank Bill Jarrett, who has been mentioned before; and I also thank Russel, Michael and Greg. I thank Geoff Barnett, the President's orderly, who is a real asset to the place; he is also an extraordinarily hard worker who is very bright in the way he goes about his work. I thank Peter, Philip, Quentin the cleaner, whom many of us have got to know over time, and Phil — all of whom contribute very much to the way this place operates.

The Leader of the Government has mentioned the staff in the dining room and the gardens, and in particular we are fortunate to have Paul Gallagher.

No-one has mentioned the people out the back — they keep changing their name — in the Joint Services Department. I have been here for nine years now, and there has been an increase in the quality of the work done by that department over time. I am very pleased to see they are working well for our advantage as best they can.

I should certainly make mention of my colleagues in this place. I have been very grateful for the help and support I have received from all of them, in particular my deputy, Carlo, and my friend the whip, Smithy. Sometimes he shouts too loud even for me, and some of you will remember that he trained me how to shout. I have been very well served not just by my team on the front bench but by everybody on my side, particularly Carlo Furletti and Ken Smith, and I thank them very much for their efforts.

Members of the National Party now go their own way and do their own thing, and I admire the way they do it. I count many of them — in fact all of them — as personal friends, but I realise that they are in a different organisation and that they will do things differently to us. Sometimes we talk, sometimes we do not, but I am grateful for the relationship that I have with them all, and I look forward to that continuing — as I do with the relationship I have with the Leader of the Government. That has had its testy moments in the past few months.

Hon. A. P. Olexander — As is to be expected.

Hon. BILL FORWOOD — As is to be expected; thank you, Mr Olexander. There have been occasions this year when the communication between us has not been as clear as it might have been. I give an undertaking that I will continue to work to make our intentions clear so that we will not have misunderstandings. I left the chamber this afternoon to go to a meeting, and I understand that some people thought I was storming out in a fit of pique.

Hon. G. R. Craige — I did.

Hon. BILL FORWOOD — I was not, I was going back to a meeting. I welcome the opportunity to get that on the record.

Communication between the National Party, the Liberal Party and the government is important if this place is to operate properly, and I thank both the Leader of the Government and the Deputy Leader of the Government for their efforts in that regard.

Finally I should, without naming them all, put on the record my thanks for all the hard work done by not only my particular staff but also the staff of Liberal Party members of Parliament.

We all have extraordinarily hardworking staff, not just in the leader's office; in my office, Nicole Macdonald, whom many of you know, is an absolute trooper. We all have our own staff who work for us beyond the call of duty and put in terrific efforts on our behalf. I have forgotten the name of Mr Lucas's dog; otherwise I would mention him too.

Hon. N. B. Lucas — Watto!

Hon. BILL FORWOOD — Watto the dog!

I wish to briefly thank my wife, Anne, for her terrific support to me, not just over the last few months since there has been a change in personal circumstances with my becoming the leader, but over a very, very long time. She is a tower of strength to me, and I am very fortunate to have her.

With those few words, let me again thank you, Mr President, and wish everybody here a very merry Christmas.

Hon. P. R. HALL (Gippsland) — The National Party would also like to extend its best wishes to everybody for a very happy and safe Christmas and festive period. We all look forward to the end of the year and the impending Christmas and New Year period, when we can spend some time, which is pretty special, with our family and friends.

I have to say that in the National Party the end of year also brings with it a tinge of disappointment. During the course of the year my colleagues on either side of me and behind me are another family, and when Christmas comes we all go our own ways. We meet with our immediate families, but we do not have the presence of our other family with us at that time, although we really enjoy each other's company.

Honourable members interjecting.

Hon. P. R. HALL — Every night you will always find the six of us and our six lower house colleagues patronising the dining room here — because we enjoy each other's company so much.

Honourable members interjecting.

Hon. T. C. Theophanous — Do you like the food?

Hon. P. R. HALL — I will get to that. After the two or three months break we are about to have, we will come back in the new year renewed, refreshed and with a bunch of new stories and probably a volume of new jokes to share among ourselves.

In my conveyance of best wishes I would like to start with my colleagues who sit in the chamber, particularly my National Party colleagues.

Hon. G. R. Craige — Name them.

Hon. P. R. HALL — I do not have a problem about differentiating between the front bench and back bench because we are all frontbenchers in this small party and we all carry a very heavy workload, but we get through it because we are a close-knit team and are always prepared to help each other through.

I would particularly like to thank my deputy, the Honourable Jeanette Powell, for her role as deputy leader and whip. She does a very good job at keeping the boys in order! This year Jeanette stepped up into the role of deputy leader and has done a very admirable job.

I would also like to thank the former leader, the Honourable Roger Hallam, who stepped down from the position earlier this year. As I said at your dinner, Mr President, he set a very high standard for me to follow, and it is something that I am still striving to achieve. The Honourable Roger Hallam was a great leader of this party. I thank Roger for the opportunity to follow in his footsteps and also for the continued support he gives me as leader.

The Honourable Bill Baxter is a mentor for all of us in the National Party. Bill, also a former leader, provides us with great advice from the vast experience he has had here in Parliament. I will not forget my two very good friends from the north-west — the Honourable Ron Best, parliamentary secretary of the National Party, and the Honourable Barry Bishop, who fulfils the role of Deputy President. We are a tight team.

I would also like to convey our best wishes and thanks to our parliamentary colleagues on both sides of the house. On the government side, we know that at times some of us have upset a few ministers — and Candy Broad is not here tonight. I want to say that it is not intentional and that there is nothing personal about that. But we appreciate the fact that the ministers have given us access to briefings on bills and have endeavoured to answer our questions and address adjournment issues to the best of their ability. We thank them for that.

I also thank the Leader of the Government for her willingness to listen to Jeanette and me when we come along with a request for the weekly program. We appreciate the contact she has with us on a weekly basis.

I also wish to thank my colleagues in the Liberal Party opposition for the support they give us. In particular, I would like to thank the Leader of the Opposition, the Honourable Bill Forwood. I personally thank Bill for the work we do together. Yes, we are independent parties, and yes, we do go our own way on issues, but at the same time we have a very good working relationship, and I appreciate and respect that relationship.

I wish to thank you, Mr President, for the guidance you provide from the Chair and also the Deputy President for the work he does while in the chair and also when in committee. All honourable members know that being a President or Deputy President is not an easy task, and at times they come under as much scrutiny as the umpires in the recent third test between Australia and New Zealand. I agree with Steve Waugh: at the end of the day I think they get it pretty right. So thank you very much, Mr President and Mr Deputy President, for all the guidance you provide from the Chair.

Now comes the hard bit and that is thanking all those wonderful people around Parliament House who provide us with some excellent support services. I apologise in advance because if I miss anybody it is not deliberate or intentional. This morning a few of my colleagues on my right scoffed at me because I referred to a particular annual report and they wondered at my enthusiasm for reading them. I have four more annual reports to talk to them about tonight.

The first I want to refer to is the report of the *Department of the Legislative Council — Annual Report 2000–01* because it will minimise the damage I will cause by missing out people. Appendix B of the annual report lists all of those employed in the Legislative Council. Head of the list — —

Honourable members interjecting.

Hon. P. R. HALL — Just be patient! This is a time of goodwill and understanding, so listen to it. You will not cut me out.

Heading this list is Wayne Tunnecliffe and Matthew Tricarico, the Clerk and the Deputy Clerk respectively. Despite the friendly comments about Matthew, we think both of them do a terrific job and we appreciate that. I also thank Ray Wright who is Usher of the Black Rod, and Stephen Redenbach who fills in in that position, sometimes.

I would also like to thank the staff who serve us so well. We have already spoken about Bill Jarrett and I do not wish to repeat those comments, but I thank Bill for his leadership. There is also Russel Bowman, who I wish to thank personally for turning my kettle on every morning and sometimes doing my dishes. Thank you Russel. I also thank Michael Stubbings, Geoffrey Barnett, Greg Mills, Peter Anastasiou, Philip Stoits, Phillip Richardson and Quentin Cornelius, the cleaner.

All of those people we thank sincerely. That is the end of that annual report.

The next one is for the parliamentary library. I wish to extend the thanks of the National Party to people such as Bruce Davidson and his team for the excellent service they provide through the parliamentary library; Gail Dunston, the deputy librarian, and a host of others I will not name because some of them I do not know. Some of them are the people who work assiduously behind the scenes who we do not always see personally but we see the results of their work. They are people such as Jon Breukel, Mary Lloyd, Michael Mamouney, Debra Reeves and a host of others who provide us with excellent service.

As I said, we are not always aware of the talents of many of those people. One who came to the fore this year was Patrick Gregory, who wrote the history book on the library; people such as Patrick contribute in a quiet way but have a lasting impression through the quality of the work they do. The last person on the library team I would particularly like to mention is Karen Dowling, the education officer with the library. She plays an important role in informing us when we have school groups coming into Parliament and that is much appreciated.

The next annual report I turn to is that of Hansard. I particularly thank Carolyn Williams and her team for the excellent work that Hansard do.

Honourable Members — Hear, hear!

Hon. P. R. HALL — The delivery of some of the speeches in this house is terrible, but they look pretty good when you read them and every morning when you pick up the daily copy of *Hansard* you breathe a great sigh of relief and think, 'Wow, was I as good as that?'. They do a great job. I thank people such as Jan Kendall, John Hickey, Kevin Mills, John Nugent, Patricia, Maggie, Maria and a host of other Hansard staff too numerous to mention. Thank you all for the great job you do!

Finally I want to move to the group called the Joint Services Department — —

Hon. Bill Forwood interjected.

Hon. P. R. HALL — That is the old House Committee, as the Honourable Bill Forwood said. I just want to mention a few of them: Hilton Barr, the manager of the finances and resources unit and his team; Leigh Keen, the manager of the human resources unit; John Isherwood, the manager of the catering unit — and I will come to them in a minute; and Michael Purdy and all of his team in the information technology department — people we call on with some frantic pleas for help when we call up the help desk occasionally. I also thank people such as Brian Bourke and his team in the maintenance unit and Paul Gallagher and his team in the grounds and gardens unit.

Finally, I come to a group of people the National Party likes to thank — that is, the staff of the catering department. The way to National Party members' hearts is through our stomachs and our throats. Some people in the catering department do a magnificent job. John Isherwood as manager of the catering unit runs a particularly great organisation. We thank John for his work. Malcolm Sellar, the executive chef, is a great cook and has trained a lot of good young people. We thank Malcolm for all the work he has done. Sam Brooker has helped us out with many of our functions. The staff who serve us at the table, including Lynda, Deanne, Shirley Haynes, Shirley McDonald, Blanka and Jackie, are courteous and lovely to talk to each day. We also thank Robyn Rogers, the catering office manager. One member of staff whom I would particularly like to thank — this is a special request from two colleagues behind me — is Curtis Sinfield, who looks after the drinks and keeps us all lubricated. To Curtis, Malcolm, John and everyone in the catering department, thank you so much for looking after and feeding us so well.

I hope I have covered everybody with all those thanks. The National Party wishes everybody a safe and a happy Christmas.

The PRESIDENT — Order! I am obviously happy to join this motion. We have seen an historic series of events in this building because of the centenary of Federation. On 10 May this year it was a pleasure for me to sit beside the President of the Senate, Senator Margaret Reid, during that historic meeting.

The meeting in Ballarat has been commented on. An interesting thing about that meeting, as has been pointed out, is that we were the first legislature to do so in Australia. I think we beat the Assembly by half an hour because it slept in for Bendigo. I also express the view, as I did at the President's dinner, that it should be an annual occurrence irrespective of any decision taken by the Assembly. I thank particularly the City of Ballarat, the mayor, David Vendy, and the chief executive officer, John McLean, who could not have done more to ensure the success of the meeting.

In relation to the 150th celebrations I commend to honourable members Dr Ray Wright's book, *A Blended House*. It is very readable and I suggest honourable

members make it part of their January reading. It contains some interesting stories, and your constituents will be very impressed by your erudition when you can cite parts of our early history.

I also thank Ray Wright and Geoff Barnett who were responsible for putting together the complementary exhibition in the Premier's corridor. We tend to walk past these things, but I suggest honourable members take a bit of time to look at it. The exhibition contains artefacts that have not seen the light of day since the early legislation was passed, and some are very rare.

The 150th anniversary of the establishment of the library was celebrated, and for that purpose Patrick Gregory wrote a history entitled *Speaking Volumes*, again a very readable book. I am not suggesting honourable members read it from cover to cover, but they will find some interesting material in it.

The single most exciting development in the library for some time has been the further development of our Internet and intranet sites. Here I must pay special tribute to the leadership of Bruce Davidson, Gail Dunston and Peter Sculley for their magnificent work. Interestingly, Peter Sculley has been seconded for three months to Multimedia Victoria, which is a great accolade because that unit is the centre of excellence in Victoria. It is interesting that it has come to us for our skills.

The news centre for honourable members, from which we can avail ourselves of a news service whether from our homes or elsewhere, was arranged by Gail Dunston. It is a first-class service and one honourable member said to me that it is one of the most valuable tools available. This week a new service was announced where honourable members can order their choice of books electronically from the library catalogue and have them forwarded to their electorate offices by Express Post.

I also thank Karen Dowling. In her role as the education officer she is involved in many of our activities, receiving not just the tens of thousands of students who come to Parliament House but anything from 80 000 to 100 000 visitors a year. She is also involved with the Royal Melbourne Show display. Karen does some excellent work.

By the end of this week our two new meeting rooms will be operational. In fact, I believe one of the rooms has been booked for the select committee tomorrow. The two rooms and the informal meeting area adjacent will help to meet the demand for additional meeting space for members.

My thanks go to the Deputy President, Barry Bishop, for his professional assistance, support and friendship at all times; to the Clerk, Wayne Tunnecliffe, and the Deputy Clerk, Matt Tricarico, who members will recall last year was the winner of the Royal Victorian Order of the Quintuple Bypass!

I also thank the Usher of the Black Rod, Dr Ray Wright, for his constant assistance and many skills. I thank Dr Stephen Redenbach, manager of procedures and projects, and his assistant Sarah Davey, who assisted me in preparing for the Constitution Commission of Victoria at Corowa last weekend.

Thanks also to Felicity Murphy and her papers office staff, Anthony Pierorazio and Rebecca White. We have spoken of Bill Jarrett, whose work has been invaluable.

I mention again our parliamentary librarian, Bruce Davidson, and his staff for the professional assistance they provide to members and to me in particular as the library chairman.

I thank Carolyn Williams and the Hansard reporters and other Hansard staff for the excellent products they produce, their timeliness and the professionalism of their work.

Thanks go also to the Joint Services Department under Steven Aird and Graeme Spurr, and to Bill Schober, Brian Bourke and his maintenance team, as well as Marcus Bromley, who took on the important task of looking after the Joint Services Department prior to the appointment of Steven and Graeme.

I thank John Isherwood and the dining room staff, who look after us so admirably that it draws comment from the media, who are also regular users of our facilities. It is funny they do not mention that in their articles.

I commend the work of the parliamentary committees and their staff at 35 Spring Street; the gardens unit under the direction of Paul Gallagher, and last but not least, I thank my personal staff Yolande Henderson and Geoff Barnett here at Parliament House, and Jenny Menzel and Anne Milne in Hamilton.

I wish all members, staff and their families a very safe and peaceful Christmas, and hope to see everyone back here renewed and refreshed with shorter golf handicaps in the new year.

Motion agreed to.

ADJOURNMENT

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

That the house do now adjourn.

Templestowe Heights Primary School

Hon. C. A. FURLETTI (Templestowe) — I have a relatively pressing issue that I wish to raise with the Minister for Sport and Recreation, who represents the Minister for Education in the other place, concerning the provision of funding for Templestowe Heights Primary School through the program for students with disability and impairment.

The school made application to the department in respect of a constituent of mine, Christopher Vassiliadis, a 10-year-old, in October last year. The application was supported by the necessary reports from a psychologist and a speech pathologist, both of whom are Department of Education, Employment and Training paramedical providers.

The application was rejected without explanation on 20 February. On inquiry the school principal, Mr Colin Pagram, was advised that the pathologist's report was defective. The problem was rectified immediately and within the cut-off period for applications.

The school was then advised on 28 March that the application process for the program was closed. The principal sought special consideration and urged that the department not penalise young Christopher for what appeared to be an administrative error by a departmental employee. He commented that, irrespective of where the fault lay for the rejection of the application, it was Christopher who would suffer from the refusal to reconsider which followed.

The principal pursued the matter doggedly and received two responses to his efforts in the form of identical letters from the department, on 28 May and 11 July, both signed by Glenda Strong. Both were indicative of some robotic functionary sending out pro forma letters rejecting applications. The application was rejected on the grounds that the date for process was closed and the department would not exercise its discretion to address an unfortunate situation.

We trust this was a one-off case and not a common occurrence. I point out to the minister that no amount of compensation will replace the year of assistance and benefit which Christopher has lost, but his parents are anxious to ensure there is no repeat of the events leading to that loss for the forthcoming year. I ask the minister to provide Templestowe Heights Primary School with an assurance for funding for Christopher for the year 2002.

Swimming pools: western suburbs

Hon. KAYE DARVENIZA (Melbourne West) — I raise a matter with the Minister for Sport and Recreation. Given the minister's comments today about the development of community facilities, particularly aquatic recreational facilities, I highlight to him the ailing infrastructure in Melbourne's western suburbs. There is clearly a demonstrated need for additional aquatic facilities to be established there. The need for increased recreational opportunities in this area has been pointed out to me many times. I ask what steps the minister has taken to acquaint himself with this issue and what steps he intends to take to address it.

Fisheries Co-Management Council: chairman

Hon. PHILIP DAVIS (Gippsland) — I direct a matter to the attention of the Minister for Energy and Resources concerning fisheries co-management. The minister will be aware that in 1995 the Fisheries Act implemented the provision to develop co-management in the state, auspiced by the Fisheries Co-Management Council. The first chairman of that council was David Williams, an independent chairman, and when he resigned Mr Kaz Bartaska took over the role of chairman on an interim basis and was eventually formally appointed chairman after the lapse of some considerable time.

Recently — in fact yesterday — the Environment and Natural Resources Committee of the Parliament tabled a report on its inquiry into fisheries management, which says:

> The chairman of the Fisheries Co-Management Council need not necessarily have fisheries management skills; the position requires, in particular, leadership, organisation and strategic planning skills. It is important that the person selected is, and is seen to be, independent of any particular sector.

I am advised today that the minister is considering the appointment of a new chairman of the co-management council, Assistant Professor John Sherwood, who is Victorian president of the Australian Marine Sciences Association and as such has actively supported the government's now defunct marine parks legislation.

Assistant Professor Sherwood has been prominent in debate over the marine park implementation. In a contributed article to the *Guardian* — the newsletter of the Communist Party of Australia — of 11 April this year, he came out strongly backing the proposals by the government for the marine parks in Victoria. He made

comments which were reported in the other left-wing newspaper, the *Age*, on 14 June. The article states:

> … it was ridiculous that the 'most important natural resource issue in Victoria in recent times' could be ruined by a political row over compensation.

Therefore I ask the minister: how will stakeholders, including commercial and recreational fishers, have confidence in co-management if the minister appoints someone who has a declared partisan position?

Responses

Hon. C. C. BROAD (Minister for Energy and Resources) — In response to the matter raised by the Honourable Philip Davis, firstly, in relation to the report of the Environment and Natural Resources Committee, that is a report which the government intends to give very careful consideration to. That is as it should be, after a great deal of work has been put into that report by members of that committee. The government will respond in due course.

In relation to the current appointment to the position of chair of the Fisheries Co-Management Council, I have consulted with a number of bodies about that appointment, and I have not had objections to that proposed appointment. In addition to the very selective description of the particular skills to which Mr Davis has referred, it is also the case that a whole range of other contributions have been made over a long period of time, which I expect will be invaluable in bringing an independent approach to the position of chair of that council.

It is disappointing that the appointment has been described in the terms that the shadow minister has used tonight. I have confidence that in proceeding with this appointment balance will be brought to the position. I expect that all the interests represented on the co-management council will find that that will be the approach employed. I look forward to the contribution that this appointment will make.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — In relation to the question by the Honourable Carlo Furletti about specific student issues at the Templestowe Heights Primary School and those individual needs, I will refer the issue to the Minister for Education in the other place.

In relation to the question by the Honourable Kaye Darveniza regarding aquatic facility opportunities in the western suburbs, I recently visited the Footscray pool on the invitation of local members and the Maribyrnong City Council and was particularly impressed with the high level of community usage and the individual and specific community needs. I look forward to further opportunities to encourage well-planned strategic solutions that can provide opportunity for the local community to access potential funding through the community facilities funding program.

Motion agreed to.

House adjourned 7.23 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, 4 December 2001

Post Compulsory Education, Training and Employment: applied learning certificate

2355. THE HON. ANDREW BRIDESON — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Post-Compulsory Education, Training and Employment): In relation to the Applied Learning Certificate announced by the Minister on 8 October 2001:

(a). Were there consultation papers/briefs prepared on this new certificate; if so, will the Minister make these available.

(b). Which education stakeholders were consulted in drafting in the lead up to the announcement of the new certificate.

ANSWER:

I am informed as follows:

(a) The Victorian Certificate of Applied Learning (VCAL) proposal was developed by the Victorian Qualifications Authority.

(b) In developing the VCAL, the Victorian Qualifications Authority discussed emerging designs for the new qualification with a range of stakeholder bodies.

Environment and Conservation: Mansfield treatment plant

2382. THE HON. E. G. STONEY — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Environment and Conservation): Will the Minister provide full details and results of all tests done on water in Fords Creek, Mansfield immediately below the Mansfield Treatment Plant for 1999, 2000 and 2001, respectively.

ANSWER:

I am informed that:

Goulburn Valley Water has responsibility for the operation of the Mansfield Wastewater Treatment Plant. The waste water from the treatment plant is stored in a winter storage pond and reused to irrigate the surrounding farmland during the dry months of the year. Given that the waste water is not discharged into Fords Creek, the EPA does not require Goulburn Valley Water to monitor the water in the creek.

Sport and Recreation: Freeza program

2440. THE HON. A. P. OLEXANDER — To ask the Honourable the Minister for Sport and Recreation:

(a) What financial commitment has the Government made to the Freeza Program for the period from 1 January 2002 to 30 June 2002.

(b) What is the proposed disbursement of any funds allocated for the program for this period.

(c) What financial commitment will be made to the 'PUSH' element of the program.

(d) Will recurrent funding be procured for the program after 30 June 2002.

ANSWER:

I will respond to the Honourable Member's question in my capacity as Minister for Youth Affairs. I am informed as follows:

(a) The Government through realising efficiencies within the program and accessing unspent funds from previous years has allocated $700,000 to the Freeza program in the period from 1 January 2002 to 30 June 2002.

(b) Funds allocated for this period will be disbursed by DEET to the 60 Freeza providers in accordance with the 2000/01 Funding Guidelines.

(c) The Push is being funded $100,000 for the period from 1 January 2002 to 30 June 2002.

(d) In line with the Youth Strategy, the shape and form of the Freeza program after 30 June 2002 will be considered as part of usual Budget deliberations.

Energy and Resources: energy supplies

2462. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Energy and Resources: What percentage of Victoria's energy supply is currently met by — (i) wind power; (ii) solar power; (iii) biomass; (iv) geothermal; and (v) hydro.

ANSWER:

I am informed that:

The estimated percentage of Victoria's (electrical) energy supply in 2001 was met by:

(i) wind power: less than 0.1%;
(ii) solar power: less than 0.1%;
(iii) biomass: approximately 1.3 %;
(iv) geothermal: none;
(v) hydro: approximately 2.9%

Between 1999 and 2001 there was an increase in electricity consumption of approximately 5.6 %.

Energy and Resources: energy supplies

2463. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Energy and Resources: What percentage of Victoria's energy supply in 1999 and 2000, respectively, was met by — (i) wind power; (ii) solar power; (iii) biomass; (iv) geothermal; and (v) hydro.

ANSWER:

I am informed that

The percentage of Victoria's (electricity) energy supply in 1999 and 2000 was met by:

(i) wind power: less than 0.1% (both years);
(ii) solar power: less than 0.1% (both years);
(iii) biomass: approximately 1.3 % (both years);
(iv) geothermal: none (both years);

(v) hydro: approximately 2.8% (1999) and 2.9% (2000).

Between 1999 and 2001 there was an increase in electricity consumption of approximately 5.6 %.

Energy and Resources: portable generators

2464. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Energy and Resources: How many portable generators are available for the supply of supplementary energy in emergencies in Victoria.

ANSWER:

I am informed that:

There are very few, if any, portable generators of any size in Victoria.

However, a large number of small generators are available for hire or purchase, or are privately owned. These generators are not connected to the electricity grid. There are also a number of private and government owned 'stand by' generators, for example, those located in hospitals. These generators are not usually connected to the electricity grid.

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.

Thursday, 6 December 2001

Transport: black spot program

2149. THE HON. E. G. STONEY — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What allocation from the statewide Black Spot Program has been made to improve roads in the electoral district of Benalla in the last financial year and this financial year, respectively.

(b) Will the Government supply a list of the applications for the statewide Black Spot Program for roads located in the electoral district of Benalla since the commencement of the program.

(c) Will the Government supply a list of the successful applications and the dates of acceptance of those applications for roads located in the electoral district of Benalla.

ANSWER:

a) The electoral district of Benalla is made up of the municipalities of Alpine, Delatite, Greater Shepparton, Murrindindi, Strathbogie and Wangaratta. Allocations from the Statewide Blackspot Program to these municipalities have been as follows:

	2000/2001	2001/2002
Alpine Shire	$0.85m	0
Delatite Shire	$1.10m	0
Greater Shepparton City	$2.01m	$0.59m
Murrindindi Shire	$3.58m	$0.16m
Strathbogie Shire	$0.39m	0
Wangaratta Rural City	$1.16m	$0.78m

b) The list of public and council nominations for the Statewide Blackspot Program in each municipality, together with their status, can be found at the arrive alive! web site –www.arrivealive.vic.gov.au. There have been a total of 140 sites nominated in the above municipalities.

c) The list of approved projects within the municipalities of Alpine, Delatite, Greater Shepparton, Murrindindi, Strathbogie and Wangaratta, drawn from public and council nominations, and other projects developed by Vicroads, is shown in Attachment 1. The date on which the projects were approved for inclusion in the program is also shown.

APPROVED BLACKSPOT PROJECTS

ATTACHMENT 1

(MUNICIPALITIES OF ALPINE, DELATITE, GREATER SHEPPARTON, MURRINDINDI, STRATHBOGIE AND WANGARATTA)

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Alpine Shire				
2000/2001				
Great Alpine Road - Steiners Lane to Howards Bridge	Smoko to Harrietville	194	Hazard Removal / Protection	October 2000
Kiewa Valley Highway	Baranduda to Mount Beauty	152	Hazard Removal / Protection	May 2001
Great Alpine Road	Wangaratta to Omeo	104	Hazard Removal / Protection	May 2001
Myrtleford-Yackandandah Road	Myrtleford to Yackandandah	56	Hazard Removal / Protection	May 2001
Buffalo River Road	Full Length	124	Hazard Removal / Protection	May 2001
Back Porepunkah Road	Bright	20	Hazard Removal / Protection	May 2001
Buckland Valley Road	Bright	20	Hazard Removal / Protection	May 2001
Great Alpine Road - Harrietville to Dargo Road	Harrietville	160	Route Improvements	June 2001
Bright-Tawonga Road - Curve at 22.0 Km	Tawonga	16	Hazard Removal / Protection	June 2001
	Alpine Shire Total	**846**		
Delatite Shire				
2000/2001				
Benalla-Tocumwal Road - Midland Highway to Murray Valley Highway	Casie Weir - Yarroweyah	112	Hazard Removal / Protection	May 2001
Benalla-Yarrawonga Road	Benalla to Yarrawonga	84	Hazard Removal / Protection	May 2001
Benalla-Winton Road	Benalla to Winton	28	Hazard Removal / Protection	May 2001
Mansfield-Woods Point Road	Mansfield to Woods Point	244	Hazard Removal / Protection	May 2001
Benalla-Tatong Road	Benalla to Tatong	84	Hazard Removal / Protection	May 2001
Baddaginnie - Benalla Road	Benalla	64	Hazard Removal / Protection	May 2001
Samaria Road	Benalla	45	Hazard Removal / Protection	May 2001
Maroondah Highway	Merton To Bonnie Doon	32	Shoulder Sealing	June 2001
Mansfield-Woods Point Road	Jamieson to Woods Point	410	Route Improvements	June 2001
	Delatite Shire Total	**1,103**		
Greater Shepparton City				
2000/2001				
Echuca-Mooroopna Road - Knight Street	Mooroopna	117	Intersection Improvements	October 2000

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Dhurringile Road - at Hogan Street/Fergusson Road	Tatura	184	Roundabout	October 2000
Murchison-Tatura Road - Girgarre East Road/Murton Road	Tatura	170	Intersection Improvements	October 2000
Central Ave - Broken River to Swainston Road	Shepparton East to Swainston Road	112	Route Improvements	October 2000
Shepparton - Euroa Road	Shepparton East	160	Hazard Removal / Protection	May 2001
Verney Road	Shepparton	70	Hazard Removal / Protection	May 2001
Katamatite-Shepparton Road	Katamatite to Congupna	112	Hazard Removal / Protection	May 2001
Bendigo-Murchison Road	Midland Highway to Murchison East	264	Hazard Removal / Protection	May 2001
Echuca-Mooroopna Road	Wyuna to Mooroopna	96	Hazard Removal / Protection	May 2001
Euroa-Shepparton Road	Euroa to Shepparton	112	Hazard Removal / Protection	May 2001
Dookie-Shepparton Road	Dookie to Shepparton	84	Hazard Removal / Protection	May 2001
Murchison-Tatura Road	Murchison to Undera	84	Hazard Removal / Protection	May 2001
Archer Street - Wilmot Road/Poplar Avenue	Shepparton	166	Traffic Signals	May 2001
Lancaster-Mooroopna Road	Lancaster to Mooroopna	168	Hazard Removal / Protection	May 2001
Echuca-Mooroopna Road - Alexander Street to McLennan Street	Mooroopna	108	Intersection Improvements	June 2001
	2000/2001 Total	**2,007**		
2001/2002				
Archer Street - Vaughan & Percival streets	Shepparton	40	Intersection Improvements	November 2001
Fryers Street - Maude Street to Corio Street	Shepparton	15	Pedestrian Facilities	November 2001
Ferguson Road - Craven Road	Shepparton	131	Intersection Improvements	November 2001
Katamatite-Shepparton Road - Congupna East Road & Jubilee Road	Congupna	110	Shoulder Sealing	November 2001
Midland Highway - Turnbull Road	Mooroopna West	295	Intersection Improvements	November 2001
	2001/2002 Total	**591**		
	Greater Shepparton City Total	**2,598**		
Murrindindi Shire				
2000/2001				
Maroondah Highway - Gypsy Lane To Cathedral Lane	Buxton	310	Route Improvements	October 2000
Maroondah Highway - South Of Connellys Creek Road To Grannies Lane	Acheron	398	Shoulder sealing	October 2000
Marysville Road - East of Maroondah Highway To Triangle Road - Granton To Triangle Road	Granton	385	Route Improvements	October 2000

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Whittlesea-Kinglake Road - Whittlesea-Yea Road To Heidelberg-Kinglake Road - Kinglake West	Kinglake West	337	Route Improvements	October 2000
Whittlesea-Yea Road - Watson Road To Silver Creek	Silver Creek	556	Shoulder Sealing	October 2000
Healesville-Kinglake Road - Gordons Bridge Road To Howards Road	Kinglake	38	Skid Resistance Treatments	October 2000
Healesville-Kinglake Road - Myers Creek Road To My Slide	Toolangi	439	Route Improvements	October 2000
Back Eildon Road	Eildon	25	Hazard Removal / Protection	May 2001
King Parrot Creek Road	Strath Creek	20	Hazard Removal / Protection	May 2001
Whittlesea-Yea Road	Whittlesea to Yea	80	Hazard Removal / Protection	May 2001
Goulburn Valley Highway	Alexandra To Eildon	108	Shoulder Sealing	June 2001
Goulburn Valley Highway - Shire Boundary To King Parrot Creek	Kerrisdale	235	Shoulder Sealing	June 2001
Goulburn Valley Highway - Southeast of Thornton	Southeast of Thornton	35	Hazard Removal / Protection	June 2001
Broadford-Flowerdale Road - Shire Boundary To Murchison Hill	Strath Creek	176	Shoulder Sealing	June 2001
Whittlesea-Kinglake Road - Bald Spur Road To Glenburn Road, Pheasant Creek	Pheasant Creek	250	Shoulder Sealing	June 2001
Broadford-Flowerdale Road - Upper King Parrot Creek Road To Spring Valley Road	Strath Creek	150	Shoulder Sealing	June 2001
Whittlesea-Yea Road	Junction Hill, Flowerdale	33	Hazard Removal / Protection	June 2001
	2000/2001 Total	**3,575**		
2001/2002 (Murrindindi cont.)				
Whittlesea-Kinglake Road - Watsons Road/National Park Road	Pheasants Creek	64	Intersection Improvements	November 2001
Whittlesea-Yea Road - Whittlesea-Kinglake Road	Kinglake West	48	Intersection Improvements	November 2001
Goulburn Valley Highway (High Street) - Melbourne Road To Miller Road	Yea	50	Route Improvements	November 2001
	2001/2002 Total	**162**		
	Murrindindi Shire Total	**3,737**		
Strathbogie Shire				
2000/2001				
Arcadia Two Chain Road	Euroa	40	Hazard Removal / Protection	May 2001
Avenel-Longwood Road	Avenel	120	Hazard Removal / Protection	May 2001
Creightons Creek Road	Euroa	90	Hazard Removal / Protection	May 2001
Drysdale Road	Euroa	80	Hazard Removal / Protection	May 2001
Kirwins Bridge Longwood Road	Nagambie	30	Hazard Removal / Protection	May 2001
Longwood - Ruffy Road	Ruffy	30	Hazard Removal / Protection	May 2001

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
	Strathbogie Shire Total	**390**		
Wangaratta Rural City		1,182		
2000/2001				
Glenrowan-Myrtleford Road	Whorouly	343	Route Improvements	October 2000
Beechworth-Wangaratta Road - Shire Boundary To White Post Road	Everton Upper	202	Route Improvements	October 2000
Mansfield-Whitfield Road - Peacock Spur To Whitfield	Whitlands	306	Route Improvements	October 2000
King Valley Road	Cheshunt	80	Hazard Removal / Protection	May 2001
Wangaratta Eldorado Road	Wangaratta	20	Hazard Removal / Protection	May 2001
Glenrowan-Myrtleford Road	Glenrowan to Gapsted	84	Hazard Removal / Protection	May 2001
Wangaratta-Whitfield Road	Wangaratta to Whitfield	124	Hazard Removal / Protection	May 2001
	2000/2001 Total	**1,159**		
2001/2002				
Swan Street - Rowan Street	Wangaratta	400	Roundabout	November 2001
Taminick Gap Road - Warby Range Road	Glenrowan North	360	Intersection Improvements	November 2001
Ford Street - Ped Facility North of Murphy Street	Wangaratta	23	Pedestrian Facilities	November 2001
	2001/2002 Total	**783**		
	Wangaratta Rural City Total	**1,942**		

Transport: black spot program

2150. THE HON. E. G. STONEY — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What allocation from the statewide Black Spot Program has been made to improve roads in the electoral district of Evelyn in the last financial year and this financial year, respectively.

(b) Will the Government supply a list of the applications for the statewide Black Spot Program for roads located in the electoral district of Evelyn since the commencement of the program.

(c) Will the Government supply a list of the successful applications and the dates of acceptance of those applications for roads located in the electoral district of Evelyn.

ANSWER:

a) The electoral district of Evelyn is made up of the municipalities of the Shire of Baw Baw and the Shire of Yarra Ranges. Allocations from the Statewide Blackspot Program to these municipalities have been as follows:

	2000/2001	2001/2002
Baw Baw Shire	$0.55m	$0.48m
Yarra Ranges Shire	$1.04m	$0.62m

b) The list of public and council nominations for the Statewide Blackspot Program in each municipality, together with their status, can be found at the arrive alive! web site – www.arrivealive.vic.gov.au. There have been 156 sites nominated in the above municipalities.

c) The list of approved projects within the Shires of Baw Baw and Yarra Ranges, drawn from public and council nominations, and other projects developed by Vicroads, and the date on which the projects were approved for inclusion in the program, is shown in Attachment 1.

APPROVED BLACKSPOT PROJECTS

ATTACHMENT1

(MUNICIPALITIES OF YARRA RANGES AND BAW BAW)

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Baw Baw Shire				
2000/2001				
Princes Hwy East - Bloomfield Rd (Nilma) to Moe Glengarry Rd (Moe)	Nilma To Moe	102	Route Improvements	October 2000
Princes Hwy East - Bunyip River To Nilma	Bunyip River To Nilma	102	Route Improvements	November 2000
Fisher Rd - Old Sale Rd to Labertouche Rd	Drouin	6	Hazard Removal / Protection	May 2001
Main South Rd - Westernport Rd to Shire Boundary	Hallora	28	Hazard Removal / Protection	May 2001
Yarragon-Shady Creek Rd - Princes Highway to Old Sale Rd	Yarragon	15	Hazard Removal / Protection	May 2001
Nayook-Powelltown Rd - Yarra Junction-Noojee Rd to McIntyre Rd	Nayook	300	Route Improvements	May 2001
	2000/2001 Total	**553**		
2001/2002				
Moe-Thorpdale Rd - Weirs Rd	Narracan	8	Intersection Improvements	November 2001
Warragul-Lardner Rd - Lardners Track	Warragul	13	Intersection Improvements	November 2001
Sunny Creek Rd - Princes Hwy to Sunny Creek Connection Rd	Trafalgar West	21	Shoulder Sealing	November 2001
McDonalds Track - Morwell-Thorpdale Rd	Narracan East	6	Intersection Improvements	November 2001
Narracan Connection Rd - Falls Rd And Schofield Rd	Narracan	11	Intersection Improvements	November 2001
Ten Mile Rd - Morwell-Thorpdale Rd	Narracan East	6	Intersection Improvements	November 2001
Clifford St - Smith St	Warragul	52	Intersection Improvements	September 2001
Connor St - Witton St	Warragul	26	Intersection Improvements	September 2001
Christies Rd - Lillico Rd	Buln Buln	30	Intersection Improvements	September 2001
Old Sale Rd - Brandy Creek Rd	Brandy Creek	260	Intersection Improvements	September 2001
Main South Rd - Burnt Store Rd	Drouin South	50	Intersection Improvements	September 2001
	2001/2002 Total	**483**		

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
	Baw Baw ShireTotal	**1,036**		
Yarra Ranges Shire				
2000/2001				
Maroondah Highway - Clyde Street To Victoria Road	Lilydale	35	Hazard Removal / Protection	October 2000
Belgrave-Gembrook Road - Grantulla Road/School Road	Menzies Creek	206	Roundabout	October 2000
Sherbrooke Road - Braeside Avenue to Owen Street	Kallista	22	Skid resistant overlay, delineation	October 2000
David Hill Road - Cavey Road to Emerald-Monbulk Road	Monbulk	56	Signage	October 2000
John Street - Cave Hill Road	Lilydale	71	Roundabout	October 2000
Monbulk Road - Perrins Creek Road To Camms Road	Kallista	425	Route Improvements	March 2001
Melba Highway - Healesville Yarra Glen Road To Kinglake - Healesville Road	Gulf Station and Dixons Creek.	27	Hazard Removal / Protection	May 2001
Wellington Road - Ryans Road To Brandt Road	Lysterfield	39	Intersection Improvements	June 2001
Belgrave-Hallam Road - Mountain Flat Road To Wellington Road	Narre Warren East	120	Route Improvements	June 2001
Lilydale-Monbulk Road - Spring Road To Monbulk-Seville Road	Silvan	34	Shoulder Sealing	June 2001
	2000/2001 Total	**1,035**		
York Road - Hawkins Road	Montrose	143	Intersection Improvements	November 2001
Mount Dandenong Tourists' Road - Mast Gully Road	Ferny Creek	34	Skid Resistance Treatments	November 2001
Monbulk-Seville Road - Beenak Road	Seville	440	Roundabout	November 2001
	2001/2002 Total	**617**		
	Yarra Ranges Shire Total	**1,652**		

Transport: black spot program

2151. THE HON. E. G. STONEY — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What allocation from the statewide Black Spot Program has been made to improve roads in the electoral district of Seymour in the last financial year and this financial year, respectively.

(b) Will the Government supply a list of the applications for the statewide Black Spot Program for roads located in the electoral district of Seymour since the commencement of the program.

(c) Will the Government supply a list of the successful applications and the dates of acceptance of those applications for roads located in the electoral district of Seymour.

ANSWER:

a) The electoral district of Seymour is made up of the municipalities of Greater Bendigo, Mitchell, Murrindindi, Nillumbik, Strathbogie, Whittlesea and Yarra Ranges. Allocations from the Statewide Blackspot Program to these municipalities have been as follows:

	2000/2001	2001/2002
Greater Bendigo City	$6.30m	$0.72m
Mitchell Shire	$0.30m	0
Murrindindi Shire	$3.58m	$0.16m
Nillumbik Shire	$0.34m	$0.41m
Strathbogie Shire	$0.39m	0
Whittlesea City	$2.65m	$0.94m
Yarra Ranges Shire	$1.04m	$0.62m

b) The list of public and council nominations for the Statewide Blackspot Program in each municipality, together with their status, can be found at the arrive alive! web site – www.arrivealive.vic.gov.au. There have been 272 sites nominated in the above municipalities.

c) The list of approved projects within the municipalities of Greater Bendigo, Mitchell, Murrindindi, Nillumbik, Strathbogie, Whittlesea and Yarra Ranges, drawn from public and council nominations, and other projects developed by Vicroads, and the date on which the projects were approved for inclusion in the program, is shown in Attachment 1.

APPROVED BLACKSPOT PROJECTS

ATTACHMENT 1

(MUNICIPALITIES OF GREATER BENDIGO, MITCHELL, MURRINDINDI, NILLUMBIK, STRATHBOGIE, WHITTLESEA AND YARRA RANGES)

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Greater Bendigo City				
2000/2001				
Calder Highway Sec3 Marong to Inglewood	Marong	1,480	Shoulder Sealing	October 2000
Calder Alternative Highway Ravenswood to Lockwood South	Ravenswood	530	Shoulder Sealing	October 2000
Midland Highway	Bagshot to Goornong	663	Shoulder Sealing	October 2000
Calder Alternative Highway- Bullock Creek To Marong	Bullock Creek	357	Shoulder Sealing	October 2000
Calder Highway - Oak Street	Golden Square	318	Intersection Improvements	October 2000
Calder Highway Maiden Gully to Marong	Maiden Gully	357	Shoulder Sealing	October 2000
Calder Highway - Myrtle Street, Don Street	Bendigo	30	Intersection Improvements	October 2000
Loddon Valley Highway - Creeth Street	Long Gully	51	Route Improvements	October 2000
Bendigo-Redesdale Road - Sternberg Street, Townsend Street, Somerville St, Williamson Street	Kennington	82	Intersection Improvements	October 2000
Nelson Street/Green Street/Chapple/Bright Street - Green Street	California Gully	408	Roundabout	October 2000
Bendigo-Maldon Road - Bullock Creek to Suttons Lane	Lockwood South	120	Shoulder Sealing	October 2000
Retreat Road - Carolin Street	Spring Gully	25	Bicycle Facilities	October 2000

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Mackenzie Street West - Browning Street	Kangaroo Flat	18	Intersection Improvements	May 2001
Sternberg Street - Condon Street	Kennington	24	Intersection Improvements	May 2001
Midland Highway - Bendigo - Eaglehawk Road to Northern Highway	Bendigo-Elmore	116	Hazard Removal / Protection	May 2001
Northern Highway - Hume Freeway to McIvor Highway	Hume Freeway-Heathcote	169	Hazard Removal / Protection	May 2001
McIvor Highway - Northern Highway to Calder Highway	Heathcote - Bendigo	282	Hazard Removal / Protection	May 2001
Chum Street - Booth Street	Golden Square	50	Intersection Improvements	May 2001
Bendigo-Sutton Grange Road - Carramar Drive (Municipal Boundary) to Huddle Road	Sedgewick	200	Shoulder Sealing	May 2001
Mandurang Road - Harcourt North Road/Claremont Place	Sedgwick	360	Shoulder Sealing	May 2001
Allies Road - Old Bridgewater Road to Schumakers Lane	Maiden Gully	277	Shoulder Sealing	May 2001
Heathcote-Kyneton Road - Siddles Road (Municipal Boundary) to Bendigo-Redesdale Road	Redesdale	380	Shoulder Sealing	June 2001
	2000/2001 Total	**6,297**		
2001/2002 (Greater Bendigo cont.)				
McIvor Highway - Mitchell Street	Axedale	58	Intersection Improvements	November 2001
McIvor Highway - Murphy Lane	Longlea	61	Intersection Improvements	November 2001
McIvor Highway - near Putnam Ave	Strathdale	145	Pedestrian Signals	November 2001
Calder Highway - Maiden Gully Road/Carolyn Way	Maiden Gully	81	Intersection Improvements	November 2001
Golden Square-Long Gully Road - Calder Highway to Sparrowhawk Road	Long Gully	158	Intersection Improvements	November 2001
Calder Highway - Calder Alternative Highway	Ravenswood	92	Intersection Improvements	November 2001
Loddon Valley Highway - Sailors Gully Road	Eaglehawk	120	Intersection Improvements	November 2001
	2001/2002 Total	**715**		
	Greater Bendigo City Total	**7,012**		
Mitchell Shire				
2000/2001				
Murchison Spur Road - Broadford-Flowerdale Road to Reid Road	Strath Creek	38	Route Improvements	October 2000
Old Sydney Road - Stockdale Road-Wallan Darraweit Road	Wallan	181	Route Improvements	October 2000
Lancefield-Tooborac Road - Hardings Road-Northern Highway to Northern Highway	Tooborac	79	Route Improvements	December 2000
	Mitchell Shire Total	**298**		

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Murrindindi Shire				
2000/2001				
Maroondah Highway - Gypsy Lane To Cathedral Lane	Buxton	310	Route Improvements	October 2000
Maroondah Highway - South Of Connellys Creek Road To Grannies Lane	Acheron	398	Shoulder sealing	October 2000
Marysville Road - East of Maroondah Highway To Triangle Road - Granton To Triangle Road	Granton	385	Route Improvements	October 2000
Whittlesea-Kinglake Road - Whittlesea-Yea Road To Heidelberg-Kinglake Road - Kinglake West	Kinglake West	337	Route Improvements	October 2000
Whittlesea-Yea Road - Watson Road To Silver Creek	Silver Creek	556	Shoulder Sealing	October 2000
Healesville-Kinglake Road - Gordons Bridge Road To Howards Road	Kinglake	38	Skid Resistance Treatments	October 2000
Healesville-Kinglake Road - Myers Creek Road To My Slide	Toolangi	439	Route Improvements	October 2000
Back Eildon Road	Eildon	25	Hazard Removal / Protection	May 2001
King Parrot Creek Road	Strath Creek	20	Hazard Removal / Protection	May 2001
Whittlesea-Yea Road	Whittlesea to Yea	80	Hazard Removal / Protection	May 2001
Goulburn Valley Highway	Alexandra To Eildon	108	Shoulder Sealing	June 2001
Goulburn Valley Highway - Shire Boundary To King Parrot Creek	Kerrisdale	235	Shoulder Sealing	June 2001
Goulburn Valley Highway - Southeast of Thornton	Southeast of Thornton	35	Hazard Removal / Protection	June 2001
Broadford-Flowerdale Road - Shire Boundary To Murchison Hill	Strath Creek	176	Shoulder Sealing	June 2001
Whittlesea-Kinglake Road - Bald Spur Road To Glenburn Road, Pheasant Creek	Pheasant Creek	250	Shoulder Sealing	June 2001
Broadford-Flowerdale Road - Upper King Parrot Creek Road To Spring Valley Road	Strath Creek	150	Shoulder Sealing	June 2001
Whittlesea-Yea Road	Junction Hill, Flowerdale	33	Hazard Removal / Protection	June 2001
	2000/2001 Total	**3,575**		
2001/2002 (Murrindindi cont.)				
Whittlesea-Kinglake Road - Watsons Road/National Park Road	Pheasants Creek	64	Intersection Improvements	November 2001
Whittlesea-Yea Road - Whittlesea-Kinglake Road	Kinglake West	48	Intersection Improvements	November 2001
Goulburn Valley Highway (High Street) - Melbourne Road To Miller Road	Yea	50	Route Improvements	November 2001
	2001/2002 Total	**162**		
	Murrindindi Shire Total	**3,737**		
Nillumbik Shire				
2000/2001				
Kangaroo Ground-Warrandyte Road - Blooms Road to Aton Street	North Warrandyte	88	Shoulder Sealing	October 2000

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Kangaroo Gnd-Warrandyte Road - Eltham-Yarra Glen Road to Yeomans Road	Kangaroo Ground	224	Shoulder Sealing	October 2000
Allendale Road - Oronsay Road to Arcadia Way	Eltham North	29	Skid Resistance Treatments	June 2001
	2000/2001 Total	341		
2001/2002				
Heidelberg-Kinglake Road - Phipps Crescent to The Parkway	Diamond Creek	410	Roundabout	November 2001
	2001/2002 Total	**410**		
	Nillumbik Shire Total	**751**		
Strathbogie Shire				
2000/2001				
Arcadia Two Chain Road	Euroa	40	Hazard Removal / Protection	May 2001
Avenel-Longwood Road	Avenel	120	Hazard Removal / Protection	May 2001
Creightons Creek Road	Euroa	90	Hazard Removal / Protection	May 2001
Drysdale Road	Euroa	80	Hazard Removal / Protection	May 2001
Kirwins Bridge Longwood Road	Nagambie	30	Hazard Removal / Protection	May 2001
Longwood - Ruffy Road	Ruffy	30	Hazard Removal / Protection	May 2001
	Strathbogie Shire Total	**390**		
Whittlesea City				
2000/2001				
Dalton Road - Metropolitan Ring Road	Thomastown	14	Intersection Improvements	October 2000
Plenty Road - Metropolitan Ring Road	Bundoora	24	Intersection Improvements	October 2000
Whittlesea-Yea Road - Mobile Mission To Hawkes Road To Hawkes Road	Humevale	180	Skid Resistance Treatments	October 2000
Edgars Road - Barry Road	Thomastown	243	Traffic Signals	October 2000
Donnybrook Road - Hume Highway To Plenty Road	Donnybrook	25	Hazard Removal / Protection	May 2001
Bridge Inn Road - Plenty Road To Yan Yean Road	Mernda	15	Hazard Removal / Protection	May 2001
Findon Road - Epping Road To Civic Drive	Epping	20	Hazard Removal / Protection	May 2001
Whittlesea-Yea Road - Church Street To Ridge Road	Whittlesea	20	Hazard Removal / Protection	May 2001
Campbellfield-Greensborough Road (Mahoneys Road) - Edgars Road To High Street	Thomastown	10	Hazard Removal / Protection	May 2001
Spring St - Harding Street To Johnson Street	Thomastown	67	Intersection Improvements	May 2001
Whittlesea-Yea Road		250	Route Improvements	June 2001
McDonalds Road - Plenty Road To Ferres	Mill Park	6	Signage	June 2001

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Boulevard				
Craigieburn Road East - City Boundary To Epping-Kilmore Road	Wollert	555	Shoulder Sealing	June 2001
Darebin Drive - Dalton Road To McKimmies Road	Thomastown	180	Intersection Improvements	June 2001
Epping-Kilmore Road - Donnybrook Road To Hadfields Road	Woodstock-Eden Park	1,045	Shoulder Sealing	June 2001
	2000/2001 Total	**2,654**		
2001/2002				
Currajong Street - Heaths Street	Thomastown	40	Roundabout	November 2001
Davisson Street - Rufus Street	Epping	65	Intersection Improvements	November 2001
Rufus Street - Howard Street	Epping	188	Roundabout	November 2001
High Street - Findon Road	Epping	113	Intersection Improvements	November 2001
Childs Road - Prince Of Wales Avenue	Mill Park	227	Traffic Signals	November 2001
Childs Road - Betula Avenue	Mill Park	305	Traffic Signals	November 2001
	2001/2002 Total	**938**		
	Whittlesea City Total	**3,592**		
Yarra Ranges Shire				
2000/2001				
Maroondah Highway - Clyde Street To Victoria Road	Lilydale	35	Hazard Removal / Protection	October 2000
Belgrave-Gembrook Road - Grantulla Road/School Road	Menzies Creek	206	Roundabout	October 2000
Sherbrooke Road - Braeside Avenue to Owen Street	Kallista	22	Skid resistant overlay, delineation	October 2000
David Hill Road - Cavey Road to Emerald-Monbulk Road	Monbulk	56	Signage	October 2000
John Street - Cave Hill Road	Lilydale	71	Roundabout	October 2000
Monbulk Road - Perrins Creek Road To Camms Road	Kallista	425	Route Improvements	March 2001
Melba Highway - Healesville Yarra Glen Road To Kinglake - Healesville Road	Gulf Station and Dixons Creek.	27	Hazard Removal / Protection	May 2001
Wellington Road - Ryans Road To Brandt Road	Lysterfield	39	Intersection Improvements	June 2001
Belgrave-Hallam Road - Mountain Flat Road To Wellington Road	Narre Warren East	120	Route Improvements	June 2001
Lilydale-Monbulk Road - Spring Road To Monbulk-Seville Road	Silvan	34	Shoulder Sealing	June 2001
	2000/2001 Total	**1,035**		
2001/2002				
York Road - Hawkins Road	Montrose	143	Intersection Improvements	November 2001
Mount Dandenong Tourists' Road - Mast Gully Road	Ferny Creek	34	Skid Resistance Treatments	November 2001
Monbulk-Seville Road - Beenak Road	Seville	440	Roundabout	November 2001
	2001/2002 Total	**617**		
	Yarra Ranges Shire Total	**1,652**		

Transport: black spot program

2152. THE HON. E. G. STONEY — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What allocation from the statewide Black Spot Program has been made to improve roads in the electoral district of Yan Yean in the last financial year and this financial year, respectively.

(b) Will the Government supply a list of the applications for the statewide Black Spot Program for roads located in the electoral district of Yan Yean since the commencement of the program.

(c) Will the Government supply a list of the successful applications and the dates of acceptance of those applications for roads located in the electoral district of Yan Yean.

ANSWER:

a) The electoral district of Yan Yean is made up of the municipalities of Hume, Nillumbik, Whittlesea and Yarra Ranges. Allocations from the Statewide Blackspot Program to these municipalities have been as follows:

	2000/2001	2001/2002
Hume City	$1.17m	$0.30m
Nillumbik Shire	$0.34m	$0.41m
Whittlesea City	$2.65m	$0.94m
Yarra Ranges Shire	$1.04m	$0.62m

b) The list of public and council nominations for the Statewide Blackspot Program in each municipality, together with their status, can be found at the arrive alive! web site – www.arrivealive.vic.gov.au. There have been 134 sites nominated in the above municipalities.

c) The list of approved projects within the Hume, Nillumbik, Whittlesea and Yarra Ranges, drawn from public and council nominations, and other projects developed by Vicroads, and the date on which the projects were approved for inclusion in the program, is shown in Attachment 1.

APPROVED BLACKSPOT PROJECTS

ATTACHMENT 1

(MUNICIPALITIES OF HUME, NILLUMBIK, WHITTLESEA AND YARRA RANGES)

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Hume City		1,466		
2000/2001				
Barry Road - Blair Street	Broadmeadows	255	Intersection Improvements	October 2000
Barry Road - King Street	Broadmeadows	299	Intersection Improvements	October 2000
Sunbury Road (Bulla Road) - Bulla-Diggers Rest Road To Quartz Street	Bulla	125	Route Improvements	October 2000
Riddells Road - Dalrymple Road	Sunbury	45	Route Improvements	October 2000
Airport Drive - Centre Road	Westmeadows	64	Intersection Improvements	October 2000
Pearcedale Road - Riggall Parade	Broadmeadows	230	Roundabout	October 2000
Blair Street - Rigall Street	Broadmeadows	110	Intersection Improvements	June 2001

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Riddell Road - Elizabeth Drive	Sunbury	41	Intersection Improvements	June 2001
	2000/2001 Total	**1,169**		
2001/2002				
Tullamarine Freeway - Mickleham Road Outbound Off Ramp	Tullamarine	297	Road Widening	November 2001
	2001/2002 Total	**297**		
	Hume City Total	**1,466**		
Nillumbik Shire				
2000/2001				
Kangaroo Ground-Warrandyte Road - Blooms Road to Aton Street	North Warrandyte	88	Shoulder Sealing	October 2000
Kangaroo Gnd-Warrandyte Road - Eltham-Yarra Glen Road to Yeomans Road	Kangaroo Ground	224	Shoulder Sealing	October 2000
Allendale Road - Oronsay Road to Arcadia Way	Eltham North	29	Skid Resistance Treatments	June 2001
	2000/2001 Total	**341**		
2001/2002				
Heidelberg-Kinglake Road - Phipps Crescent to The Parkway	Diamond Creek	410	Roundabout	November 2001
	2001/2002 Total	**410**		
	Nillumbik Shire Total	**751**		
Whittlesea City				
2000/2001				
Dalton Road - Metropolitan Ring Road	Thomastown	14	Intersection Improvements	October 2000
Plenty Road - Metropolitan Ring Road	Bundoora	24	Intersection Improvements	October 2000
Whittlesea-Yea Road - Mobile Mission To Hawkes Road To Hawkes Road	Humevale	180	Skid Resistance Treatments	October 2000
Edgars Road - Barry Road	Thomastown	243	Traffic Signals	October 2000
Donnybrook Road - Hume Highway To Plenty Road	Donnybrook	25	Hazard Removal / Protection	May 2001
Bridge Inn Road - Plenty Road To Yan Yean Road	Mernda	15	Hazard Removal / Protection	May 2001
Findon Road - Epping Road To Civic Drive	Epping	20	Hazard Removal / Protection	May 2001
Whittlesea-Yea Road - Church Street To Ridge Road	Whittlesea	20	Hazard Removal / Protection	May 2001
Campbellfield-Greensborough Road (Mahoneys Road) - Edgars Road To High Street	Thomastown	10	Hazard Removal / Protection	May 2001
Spring St - Harding Street To Johnson Street	Thomastown	67	Intersection Improvements	May 2001
Whittlesea-Yea Road		250	Route Improvements	June 2001
McDonalds Road - Plenty Road To Ferres Boulevard	Mill Park	6	Signage	June 2001
Craigieburn Road East - City Boundary To Epping-Kilmore Road	Wollert	555	Shoulder Sealing	June 2001

Site Description	Locality	Cost ($000's)	Treatment	Approval Date
Darebin Drive - Dalton Road To McKimmies Road	Thomastown	180	Intersection Improvements	June 2001
Epping-Kilmore Road - Donnybrook Road To Hadfields Road	Woodstock-Eden Park	1,045	Shoulder Sealing	June 2001
	2000/2001 Total	**2,654**		
2001/2002				
Currajong Street - Heaths Street	Thomastown	40	Roundabout	November 2001
Davisson Street - Rufus Street	Epping	65	Intersection Improvements	November 2001
Rufus Street - Howard Street	Epping	188	Roundabout	November 2001
High Street - Findon Road	Epping	113	Intersection Improvements	November 2001
Childs Road - Prince Of Wales Avenue	Mill Park	227	Traffic Signals	November 2001
Childs Road - Betula Avenue	Mill Park	305	Traffic Signals	November 2001
	2001/2002 Total	**938**		
	Whittlesea City Total	**3,592**		
Yarra Ranges Shire				
2000/2001				
Maroondah Highway - Clyde Street To Victoria Road	Lilydale	35	Hazard Removal / Protection	October 2000
Belgrave-Gembrook Road - Grantulla Road/School Road	Menzies Creek	206	Roundabout	October 2000
Sherbrooke Road - Braeside Avenue to Owen Street	Kallista	22	Skid resistant overlay, delineation	October 2000
David Hill Road - Cavey Road to Emerald-Monbulk Road	Monbulk	56	Signage	October 200
John Street - Cave Hill Road	Lilydale	71	Roundabout	October 2000
Monbulk Road - Perrins Creek Road To Camms Road	Kallista	425	Route Improvements	March 2001
Melba Highway - Healesville Yarra Glen Road To Kinglake - Healesville Road	Gulf Station and Dixons Creek.	27	Hazard Removal / Protection	May 2001
Wellington Road - Ryans Road To Brandt Road	Lysterfield	39	Intersection Improvements	June 2001
Belgrave-Hallam Road - Mountain Flat Road To Wellington Road	Narre Warren East	120	Route Improvements	June 2001
Lilydale-Monbulk Road - Spring Road To Monbulk-Seville Road	Silvan	34	Shoulder Sealing	June 2001
	2000/2001 Total	**1,035**		
2001/2002				
York Road - Hawkins Road	Montrose	143	Intersection Improvements	November 2001
Mount Dandenong Tourists' Road - Mast Gully Road	Ferny Creek	34	Skid Resistance Treatments	November 2001
Monbulk-Seville Road - Beenak Road	Seville	440	Roundabout	November 2001
	2001/2002 Total	**617**		
	Yarra Ranges Shire Total	**1,652**		

Transport: City Link — fines

2311. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What is the monthly and itemised breakdown of all fines collected following the introduction of tolling on City Link for the following categories — (i) speeding fines, giving the number of infringements issued and total revenue collected; (ii) no e-tag, giving the number of infringements issued and total revenue collected; (iii) other infringements, giving the number issued and total revenue collected; and (iv) the number of infringements outstanding and the fines outstanding.

ANSWER:

The City Link enforcement system is administered through the Department of Justice and accordingly the question you have asked should be directed to the Victorian Attorney-General, the Hon Rob Hulls, MP.

Transport: W class trams

2312. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What are the details of all costs involved to date regarding W Class trams brake works showing a breakdown of Government payments and private operator payments.

(b) Has an agreement been reached as to when the entire W Class fleet will return and who will pay for the brake works.

ANSWER:

The Government has paid $621,732 as at 30 October 2001 primarily for the purchase of track brakes and new pneumatic brake systems

No - the focus has been on trialing two trams (one for each company) with the new pneumatic brake. The return to service will depend on the supply of the new brake equipment and satisfactory completion of trials. It is anticipated that agreement will be reached with the Franchisees before the end of December 2001.

Transport: Infrastructure — staffing

2363. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What is the itemised (month by month) breakdown of the staffing levels in the Department of Infrastructure since October 1999.

(b) What is the cost of employing those staff.

ANSWER:

Staffing numbers are compiled by the Department of Infrastructure on a quarterly basis. The following table shows the details requested from 30 September 1999 to 30 September 2001.

Period Ending	All DOI	Salary Costs for DOI
30/9/1999	580	10,454,502.59
31/12/1999	609	9,927,854.98
31/03/2000	629	8,095,236.30
30/06/2000	637	10,403,842,52

30/09/2000	617	9,761,136.40
31/12/2000	656	11,118,757.79
31/03/2001	684	9,503,349.95
30/06/2001	715	11,840,055.67
30/09/2001	719	10,778,986.33

Transport: rail projects group — staffing levels

2364. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What is the itemised (month by month) breakdown of the staffing levels in the Rail Projects Group since its inception.

(b) What is the cost of employing those staff.

ANSWER:

Staffing numbers are compiled by the Department of Infrastructure on a quarterly basis. The following table shows the details requested from the period ending 31 December 2000 to 30 September 2001.

Period Ending	Rail Projects Group	Salary Costs for RPG
31/12/2000	14	221,075.92
31/03/2001	26	389,227.62
30/06/2001	35	634,103.12
30/09/2001	35	647,454.38

Transport: Yarra Trams super stops

2365. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What level of community consultation has been in place in regard to Yarra Trams Super stops in Collins Street.

(b) What are the community consultation arrangements for the remainder of the Route 109 project.

ANSWER:

Yarra Trams have conducted six public and stakeholder forums and four meetings with traders and associated stakeholders. There have also been presentations to Council candidates for the City of Melbourne and to the Opposition Spokesperson for Transport and Liberal MPs, as well as various meetings with officers and Councillors of the City of Melbourne.

Details of community consultation arrangements for the Route 109 project are currently being developed. This will include the establishment of Community Advisory Groups that will provide advice on local and transport user issues, and to provide a forum for information sharing.

Transport: central business district — traffic management

2402. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of any plans to improve traffic management in Collins Street, Melbourne central business district.

ANSWER:

The Government is constructing the extension of Collins Street to the west across Spencer Street and the railway station as part of access arrangements for the Docklands development. Tram super stops have been constructed in Collins Street at Swanston Street, and are under construction at Spring Street as part of the Yarra Trams franchise agreement.

Collins Street through the Melbourne Central Business District is the responsibility of the City of Melbourne.

Traffic management in Collins Street will be considered as part of the Tram 109 Project, which will improve tram operations along tram route 109 between Port Melbourne and Box Hill.

Transport: Victoria Street, Richmond — traffic management

2404. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of any plans to improve traffic management in Victoria Street, Richmond.

ANSWER:

Traffic management plans associated with the Victoria Gardens development in Victoria Street Richmond are currently being reviewed, to ensure that access to the development is compatible with the needs of traffic in Victoria Street.

Traffic management in Victoria Street will be considered as part of the Tram 109 Project, which will improve tram operations along tram route 109 between Port Melbourne and Box Hill.

Transport: Kew — traffic management

2405. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of any plans to improve traffic management for — (i) Kew Junction; (ii) High Street, Kew; and (iii) Cotham Road, Kew.

ANSWER:

Adjustments to turning movement signage at Kew Junction are being carried out.

Traffic management in Kew Junction; High Street, Kew and Cotham Road, Kew will be considered as part of the Tram 109 Project, which will improve tram operations along tram route 109 between Port Melbourne and Box Hill.

Transport: w class trams

2407. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) How many W Class trams have been returned to service.

(b) What was the total cost of repairs for each tram.

(c) What was the amount contributed by the State for each tram.

ANSWER:

As of 30 October 2001, 6 trams are completed and available for service.

The Government share of the costs is stated below. The Private operator costs to date have been requested from Yarra Trams and will be provided when they become available.

The State has not paid costs for individual trams but has paid a total of $621,732 as at 30 October 2001.

Transport: Melbourne airport rail link

2410. **THE HON. G. B. ASHMAN** — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): In relation to the Melbourne airport rail link:

(a) What is the estimated total cost of the project.

(b) When is construction expected to commence.

(c) What is the estimated total cost of the project, and what is the Government's contribution.

(d) Has any feasibility study been carried out on this project.

(e) What are the estimated patronage numbers for the link.

ANSWER:

The construction costs of the Airport Rail Link can only be accurately determined following a formal competitive tender process involving consortia interested in bidding for the right to build, own and operate the service. That process would require a detailed Project Brief describing the route in detail and taking account of current design standards and those recommendations from the recent Panels Victoria Report adopted by government. It is not possible to quantify these costs at this time.

Construction would commence following the conclusion of a competitive bidding process and the award of a contract to build, own and operate the project. No formal request for proposals has yet been issued.

As explained above, the estimated total cost of the project cannot yet be estimated. Any contribution by government to the costs of an Airport Rail Link can only be determined with certainty following a more definitive estimate of capital costs, operating costs, passenger demand and revenues.

Business cases for a number of alternative travel modes, route options and service levels are being developed within the Rail Projects Group of the Department of Infrastructure.

Patronage forecasts are currently being prepared by Booz, Allen and Hamilton for the Department of Infrastructure and will be the subject of a formal Report, which has not yet been delivered to government.

Police and Emergency Services: first responder emergency medical response

2416. THE HON. B. C. BOARDMAN — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): In relation to the 'First Responder' Emergency Medical Response (EMR) service provided by the Metropolitan Fire and Emergency Services Board:

(a) What types of medical emergencies are Board personnel actually responding to.

(b) How much longer will the EMR pilot scheme continue before the program becomes a formalised regular service of the Board.

(c) What level of medical training have board personnel attained to date.

ANSWER

I am informed that:

(a) The Emergency Medical Response (EMR) Firefighter First Responder program is designed to provide early access to basic life support skills, particularly defibrillation, in cases of suspected cardiac arrest. Fire Brigade vehicles with First Responder trained crews, are dispatched simultaneously with MAS ambulances to time-critical life threatening medical emergencies focusing on patients who are unconscious and non-breathing (which implies a high probability of cardiac arrest).

The types of calls attended have included, – cardiac arrest, severe breathing difficulties, drowning, suicide and drug overdoses. The services provided by firefighter First Responders' have included defibrillation, airway management, CPR and, assisting The Metropolitan Ambulance Service (MAS) with patients on-scene and, when required, en-route to hospital.

(b) In early October 2001, the Minister for Health, The Hon. John Thwaites MP, agreed that the EMR pilot be confirmed as a continuing program. This followed the release of the assessment of the first twelve month's (February 2000 to February 2001) operation of the pilot program and a recommendation from the Steering Committee overseeing the pilot program.

Each of the emergency services involved was advised of the Minister's approval and asked to inform staff accordingly.

(c) The medical training and skills set determined appropriate for MFESB First Responders concentrates on those procedures with major value in the first few minutes only. These include performance of an emergency patient primary survey and vital signs survey, airway management including suction, oropharyngeal airway insertion, oxygen administration and fitting of cervical collars. Defibrillation using a computerised external semi-automated defibrillator is also an integral part of the First Responder protocols within the EMR program.

Medical and clinical oversight for the program is provided by an MFESB medical officer and ambulance paramedics. The MFESB medical officer reports to the Metropolitan Ambulance Service Medical Standards Committee.

First Responder training program for firefighters was developed in conjunction with the MAS and delivered by the Centre for Ambulance and Paramedic Studies at Monash University. The training program comprises of 8 days training and is delivered by ambulance paramedic instructors.

Ongoing skill maintenance training and continuing education is incorporated into the operations of the First Responder program with support from MAS ambulance paramedics. As appropriate, paramedics undertake clinical review of cases attended, support and debrief attending firefighters about the operational and clinical aspects of cases attended.

Currently there are 59 MFB Fire Brigade EMR-capable vehicles, with over 1350 First Responders trained firefighters.

Transport: fast rail project

2417. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) In what order will the regional fast rail projects to Bendigo, Ballarat, Traralgon and Geelong be commenced.

(b) What is the estimated date for the commencement of construction of each of those projects.

ANSWER

The Request for Tender (RFT) document asks the tenderers to propose the program for the works for which they are tendering. The Government has indicated it would wish to see the works start as early as practical given the size of each of the country works packages, with all works completed by mid 2005. The Government has set no priority order for the commencement of construction on any of the four corridors and will await the responses to its RFT in mid February 2002 with the tenderers proposing sensible start times to achieve the Government's overall objectives.

Transport: fast rail project

2418. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What are the current cost estimates for the fast rail projects to Bendigo, Geelong, Ballarat and Traralgon, respectively.

(b) What will be the Government's contribution towards this final cost for each destination.

ANSWER

Costs associated with works on each line were estimated as part of the original feasibility studies for the project. Further information was made publicly available in the Expression of Interest documentation.

Any verification of these estimates undertaken by the Government is commercial in confidence.

The cost of works on each line in the country areas is the subject of the current competitive tender process.

The Government's contribution to the Project is $550m.

Transport: metropolitan rail network — fast rail time objectives

2419. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What changes will be required to the metropolitan rail network to ensure regional fast rail time objectives are achieved.

(b) What will be the cost of any necessary works to the metropolitan rail system.

(c) What will be the impact on metropolitan rail services.

ANSWER

Present plans for Regional Fast Rail are to seek achievement of travel time objectives as much as possible outside of the metropolitan area. Verification of this strategy depends on assessment of the tenders to be received in mid-February 2002. Additional changes to the metropolitan rail network may also be required and are under consideration with the franchisee.

The cost of metropolitan works will depend on the need, if any, for them, and the nature of the works required. Neither of these are known at present.

The impact of works proposed to date for Regional Fast Rail in the metropolitan rail network has been to cause no degradation of metropolitan rail service.

Transport: fast rail Bendigo

2420. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): Will the regional fast rail to Bendigo be provided on a single or a double track for the full distance between Melbourne and Bendigo.

ANSWER

The double track between Bendigo and Melbourne will be retained. It will be up to the Tenderers to propose works needed to achieve the RFRP objectives for the Bendigo line.

Transport: fast rail project

2421. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What government resources have been committed to the regional fast rail project.

(b) What is the total cost for the provision of those resources.

ANSWER

Government resources committed to the Regional Fast Rail Project include a capital expenditure and management and technical services.

The Government's commitment to the project is presently $550 million.

Transport: fast rail project

2422. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What land acquisitions have been identified as necessary for each of the regional fast rail projects to proceed.

(b) What process will be used for the acquisition of this land for each project.

ANSWER

The Government has not identified areas where land acquisition will take place. Tenderers are required to provide details of any land outside the existing rail corridor that may be required to meet each country express run time nominated as per section 2.11 of the Request for Tender.

The process for land acquisition is set out in section 2.11 of the publicly available Request Tender document. (See www.linkingvictoria.vic.gov.au).

Transport: fast rail project

2423. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What environmental issues have been identified during the preliminary research into the regional fast rail project.

(b) What action has been taken to manage those issues.

ANSWER

Tenderers have been provided with existing planning, cultural, heritage, archaeological and environmental information that relates to the corridors and are required to comply with relevant laws and policies pertaining to these issues. This information forms part of the confidential suite of tender documents.

The Government has approved in principle the requirement for contractors to prepare a Site and Environmental Management Plan (SEMP) prior to works occurring. The SEMP must take into account all relevant environmental issues along the corridor during construction and provide details of appropriate management and mitigation measures. The SEMP must be prepared in consultation with local government and any other relevant Government agency or other normal referral agency, and undergo a peer review from an appropriately qualified person. The SEMP must be prepared to the satisfaction of the Minister for Planning.

Transport: fast rail project

2424. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What endangered flora and fauna have been identified along the proposed route of the regional fast rail project.

ANSWER

Further information is required on the habitat of the striped legless lizard and warty swamp frog as it relates to the rail corridor. If these fauna are extant on the corridor, the contractor will need to ensure that appropriate environmental management regimes are put in place.

Endangered flora on the corridors have been identified in surveys undertaken for the Department of Natural Resources and Environment and are:

– Senecio macrocarpus (Large-fruit Groundsel)
– Rutidosis leptorrhynchoides (Button Wrinklewort)
– Pimelea spinescens ssp. Spinescens (Spiny Rice-flower)
– Dianella amoena (Matted Flax Lily)
– Diuris fragrantissima (Sunshine Diuris)

Transport: Transurban — tolling technology

2425. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): In relation to the negotiations with Transurban to allow for the expansion of the tolling technology outside the single purpose agency:

(a) What other issues were negotiated.

(b) Was an annual royalty payment to the State suggested as opposed to the one-off $10 million fee.

(c) Was the issue of State Government access to the electronic tolling system (TAG) raised and/or agreed to.

(d) Were concessions for off peak tolls raised and/or agreed to.

(e) Were lower City Link fines raised and/or agreed to.

(f) Was the Warungerway compensation part of the negotiations.

(g) If those issues were not negotiated, why not, or have they been negotiated in another forum.

ANSWER

A range of matters were discussed with Transurban in the recent negotiations and the announcement by the State and Transurban on 19 September sets out the agreed position between the parties.

There remain matters that are of interest to the State and these will be pursued in different forums. In order to maximise the benefit to the community in the outcome of any future negotiations, it is not appropriate to reveal information that may prejudice the State's negotiating position.

Transport: passenger numbers — Melbourne airport

2426. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What have been the passenger numbers at Melbourne airport in each of the last 12 months.

(b) What percentage of these passengers are international, domestic, business and tourism.

ANSWER

This question deals with matters outside the responsibility of the Minister for Transport and should be directed to the Minister for Regional and State Development, The Hon John Brumby MP.

Transport: Geelong regional fast rail project

2428. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What will be the cost for the electrification of the Geelong regional fast rail project.

(b) What proportion of those funds will be provided by the State.

ANSWER

With respect to the Geelong Corridor, electrification and the use of EMU trains is an alternative approach for achieving the Government's objectives, as is the alternative of using diesel powered fast trains (DMUs). Tenderers for the infrastructure works on the Geelong line are being asked to bid on both alternatives. The tenderers' response will therefore set the cost of infrastructure works for both alternatives - including electrification. The State will assess these responses in the context of its financial commitment to the whole project and other issues that are relevant to its decision such as the re-allocation of any residual rolling stock and the impact on operating franchises. Section 6.14 of the Request for Tender outlines the approach the State will take to evaluating electrification tenders.

Transport: fast rail project

2429. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What is the Government's estimated ongoing operational subsidy to the regional fast rail project in cash or foregone revenues.

ANSWER

Broad estimates only have been made of the on-going financial subsidy adjustment to be made as a result of the RFRP, as the estimates are based on a wide range of commercial factors subject to significant volatility and variability.

Disclosure of the Government's estimates at this stage could prejudice negotiations to be held with the operating franchisee and lessee of the work and hence are considered as commercial-in-confidence. The RFT describes the

way the Government's $550m commitment to the project is likely to be allocated - including the broad estimates for infrastructure capital costs, and other costs (including subsidy adjustments not defined separately).

Transport: fast rail project

2430. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the performance incentives established for the regional fast rail project.

ANSWER

The Request for Tender (RFT) details the Government's objectives for the project - which include these items - and places expectations on the tenderers to address these issues in their responses. The evaluation criteria listed in the RFT will be used to evaluate tender responses also against these issues. The contractual arrangements that will ultimately be put in place with the selected tenderer(s) will clarify the performance obligations to be met by the contractor and the mechanisms and processes that will be adopted to ensure these obligations are met.

The competitive tendering process presently under way is an important incentive for achieving value for money and the specifications for the work define the service delivery objectives and the requirements for quality certification to international standards as well as the right of the State to audit quality systems and performance.

Transport: revenue protection officers

2435. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What has the Government done to ensure public transport commuters are not treated unfairly by heavy-handed and unreasonable tactics by Revenue Protection Officers and other forms of ticket inspectors.

ANSWER

Fare evasion is a serious problem, which impacts on the financial viability of the public transport franchise businesses. The Franchise operators are required under the Franchise Agreements to take action to minimise the level of fare evasion. This is the role of Revenue Protection Officers.

Revenue Protection Officers are trained for several weeks by their employer and then must pass training under the auspices of the Legal Services Branch of the Department of Infrastructure before they are authorised by DOI to start work and to issue Reports of Offence.

Revenue Protection Officers are empowered by law to seek the name and address of any suspected offender and, where necessary, to detain the person until the information is obtained. In situations where a suspected offender acts violently, the Revenue Protection Officers are authorised to use reasonable force to detain that person.

However, there is an element of discretion available to Revenue Protection Officers in the application of their powers. Following recent complaints, the Director of Public Transport has requested the three transport franchise operators to review their protocols and report back to the Director of Public Transport. The Director of Public Transport has also obtained agreement from all three transport franchise operators to adhere to a common set of protocols and practices. Procedures and practices for the enforcement of fare evasion are also the subject of ongoing monitoring by the Office of the Director of Public Transport.

Transport: public transport — fare evasion

2436. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport):

(a) What initiatives has the Government taken to tackle fare evasion on Melbourne's public transport system.

(b) Will the Minister provide details of the success or otherwise of these initiatives and the costs involved.

ANSWER

Under the contractual arrangements entered into by the previous Government, the franchise operators became responsible for the management of fare evasion across the public transport network.

Franchise operators has advised the Government that as a result of the automated ticketing system introduced by the previous government, fare evasion has increased significantly.

In order to tackle the high level of fare evasion, the Government is working in conjunction with Franchise Operators who are deploying Customer Service Employees and Revenue Protection Officers at City Loop Stations, on-board Trams and at outer Metropolitan Stations.

Consistent with its earlier election commitment, the Government has agreed to fund 100 additional Station Staff and 100 additional Conductors. The full complement of staff are now deployed on the metropolitan train and tram network.

The additional staff are fully accredited in the same manner as Revenue Protection Officers and are able to conduct ticket checks when required to do so.

Franchisees are taking an active part in reducing the level of fare evasion across the metropolitan train and tram network and have increased the level of revenue protection exercises conducted by their staff at city and outer metropolitan stations and on-board trams.

In addition, the Government in conjunction with the Franchise Operators is in the process of developing a strategy to investigate common issues across all franchisees such as:

– fare evasion policies and strategies;
– staff training and deployment;
– a consistent approach among operators in dealing with fare evaders;
– public education about the penalties if commuters avoid purchasing Met tickets.

The strategy will also include conducting surveys to measure levels of fare evasion and to understand the influence of various factors.

The current cost of the additional 100 station staff and 100 Conductors is $11.7 million for 2001/2002. It is important to note that fare evasion is a small part of the overall functions carried out by these staff.

The costs associated with the employment of Customer Service Employees / Revenue Protection Officers is the responsibility of the franchisees and does not involve any additional funding from Government over and above the existing subsidy levels.

Transport: Burnley and Domain tunnels

2437. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What is the itemised (month by month) summary of the number of hours which the Burnley and Domain tunnels have been closed for maintenance or any other reasons.

ANSWER

The table attached indicates the periods when the Burnley and Domain tunnels were closed for maintenance or other purposes, as recorded by Transurban's operator, Translink Operations (TLO).

By way of comparison, TLO advises that the Sydney tunnels under the Harbour are closed for maintenance every six weeks for five consecutive nights. It is an aspect of tunnel operation that the many safety and operational systems require regular maintenance and performance checks. To ensure the safety of maintenance staff, such work is sometimes carried out under tunnel closure conditions. Wherever possible, such works are aggregated to make the most efficient use of the period of closure. As a general rule, programmed maintenance is undertaken in the early hours of the morning when the impact of diverting traffic along the old surface routes is least inconvenient.

Burnley Tunnel

January 2001				**0.0 Hours**
February 2001				**161.0 Hours**
19-Feb-01	to	26-Feb-01	Arch Wall Failure near Fire Box B27	
March 2001				**14.0 Hours**
7-Mar-01	21:00	5:00	Preparatory works for repairs to arch wall failure	
28-Mar-01	0:00	5:00	Establishment of work site at Fire Box B30 for wall rectification works	
30-Mar-01	18:30	19:30	Critical Mass protest	
April 2001				**7.0 Hours**
11-Apr-01	22:00	5:00	Asphalt Pavement replacement near Fire Box B10, joint sealing and reinstatement of NJB near Fire Box B33	
May 2001				**5.0 Hours**
16-May-01	0:00	5:00	Maintenance (inc. jet fans, toll gantry repairs, joint sealing and tunnel inspections)	
June 2001				**12.0 Hours**
16-Jun-01	22:00	10:00	Removal of work site near Fire Box B30, test of extensometer, various maintenance (inc drainage flushing, inspection of smoke duct)	

DomainTunnel

May 2000				**0.0 Hours**
June 2000				**5.5 Hours**
25-Jun-00	22:30	4:00	Maintenance-Inc. Jet Fans and system testing (CCCS)	
July 2000 - October 2000				**0.0 Hours**
November 2000				**14.0 Hours**

	12-Nov-00	21:00	5:00	Maintenance (inc. jet fans and signage) and systems testing (inc.smoke dampers, traffic plans, deluge, METS phones, signage) & Emergency Services tours
	26-Nov-00	22:00	4:00	Burnley Tunnel ventilation system test (required Domain system to be shut down), maintenance and AID & RRB system test.
December 2000 and January 2001				**0.0 Hours**
February 2001				**7.0 Hours**
	4-Feb-01	22:00	5:00	Maintenance-Inc. Jet Fans, AM antenna, tunnel lighting, air monitoring equipment, signage and Tunnel Inspections
March 2001 and April 2001				**0.0 Hours**
May 2001				**7.0 Hours**
	20-May-01	22:00	5:00	Maintenance-Inc. Jet Fans, joint sealing and system testing (CCCS)
June 2001 - September 2001				**0.0 Hours**
October 2001				**10.5 Hours**
	6-Oct-01	21:00	7:30	Maintenance-Inc. Jet Fans & joint sealing

Transport: fast rail project

2438. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What has the Government identified as “practical completion” of the Regional Fast Rail.

ANSWER:

Practical Completion is a term used in the tender documentation to describe the point in the process when the infrastructure works have been completed, fully tested, commissioned and handed over into operation. This applies to each contract for each of the four country works packages. Tenderers for each country works package will nominate the dates for practical completion within their program of works. Government has indicated in the Request For Tender that it expects all works on all four corridors to be ‘practically completed’ by June 2005