PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

10 October 2002

(extract from Book 1)

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By authority of the Victorian Government Printer

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FIFTY-FOURTH PARLIAMENT — FIRST SESSION

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The Hon. M. A. BIRRELL to 13 September 2001

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The Hon. C. A. FURLETTI from 13 September 2001
The Hon. BILL FORWOOD to 13 September 2001

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

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The Hon. E. J. POWELL from 20 March 2001
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THURSDAY, 10 OCTOBER 2002

Thursday, 10 October 2002

The DEPUTY PRESIDENT (Hon. B. W. Bishop) took the chair at 10.03 a.m. and read the prayer.

COMMISSIONER FOR ECOLOGICALLY SUSTAINABLE DEVELOPMENT BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. C. C. BROAD (Minister for Energy and Resources).

QUESTIONS WITHOUT NOTICE

Industrial relations: paternity leave

Hon. P. A. KATSAMBANIS (Monash) — I refer the Minister for Small Business to reports in today's press that steelworkers at a Laverton plant are on strike claiming paid paternity leave. Does the minister support the concept of paid paternity leave, and can she advise the house what impact that would have on small business in Victoria?

Hon. M. R. THOMSON (Minister for Small Business) — This is an industrial relations issue and should be properly addressed to the Minister for Industrial Relations. I understand the new opposition shadow parliamentary secretary for industrial relations matters is trying to get his name up on the agenda, but the government has, through the Premier, made a public announcement on and in support of paid maternity leave and a scheme by the federal government in relation to it.

That was the statement made by the Premier. I reiterate that the Honourable Peter Katsambanis must regret the fact that he is in this house and is not able to create a name as a parliamentary secretary for industrial relations in this house because he does not have the minister here to address his questions to.

Supplementary question

Hon. P. A. KATSAMBANIS (Monash) — I have a supplementary question. My question was quite clear, and it related specifically to the portfolio of the minister. If the minister chooses not to answer the question, that is fine, but given that the minister has already told the house that the Premier and the government support paid paternity leave, my question to the minister was what impact would this have on small business in Victoria.

It is pretty clear that the question relates to the minister's portfolio. If she chooses to answer selectively, that is fine, but I would like her to answer my original question: what impact would paid paternity leave have on small business in Victoria?

Hon. M. R. THOMSON (Minister for Small Business) — This is a wonderful question coming from the new parliamentary secretary, given that it relates to federal legislation and we will not be legislating in relation to it. I reiterate that the Premier has come out and publicly supported a federally funded paid maternity scheme, which would have no cost for small business. I suggest the honourable member might like to look at the quotes made by the Premier at the time.

Youth: government initiatives

Hon. KAYE DARVENIZA (Melbourne West) — Can the Minister for Youth Affairs outline how the Bracks government is delivering on its promise to ensure a whole-of-government approach is taken to youth affairs? In particular I ask the minister to outline any recent initiatives undertaken by the Bracks government to ensure greater and more effective support for Victoria's young people.

Hon. M. M. GOULD (Minister for Youth Affairs) — Honourable members will be pleased to know that the Bracks government is continuing to make sure that the many wonderful achievements of young people are supported and promoted across Victoria. As a government that cares about the welfare of young Victorians, it understands that a significant number of young people have particular needs and those needs need to be met.

The Youth Services program plays an important role in meeting these needs by providing grants to agencies responsible for delivering a range of services to young people across Victoria. The previous government was content with the same number of grants in this program being rolled over year after year without any assessment of their effectiveness. In stark contrast, the Bracks government has updated the focus of the grants to best meet the needs of young people across Victoria. An amount of $6 million over 18 months has been approved for grants to 111 programs as part of the Youth Services funding. This represents an increase of 15 per cent in the number of programs currently funded.

I am pleased to say that tomorrow I will be in Shepparton to announce the names of the organisations that will receive the grants. I am pleased to inform the house of three of these organisations that will be part of

that announcement. They include the Hume City Council, which will run the program called Link In. This program supports young people from culturally and linguistically diverse backgrounds with local services. Brophy Family and Youth Services — I know the President is interested in the organisation, and the Honourable Roger Hallam would also be interested in it — will receive a grant for important early intervention and counselling services in the Portland area. The Family Mediation Centre will receive a grant to run education programs for young people in Dandenong and Frankston.

The people of Victoria know the opposition never cared about young people. It did not care about meeting their needs. It did not care then and it does not care now. The Bracks government is listening to the community. We are listening to young people, and we are acting.

Electricity: wind farms

Hon. C. A. FURLETTI (Templestowe) — I refer the Minister for Energy and Resources to her press release of 1 October last where she said that there is potential in Victoria for the development of 2000 megawatts of wind energy by the year 2010 and that this would provide enough power for a million homes. Given that the efficiency of wind turbines ranges between 0.6 and 1.2 megawatts, where in Victoria does the government propose to locate the 2000 to 3000 wind turbines required to generate that energy?

Hon. C. C. BROAD (Minister for Energy and Resources) — I am very pleased to take this opportunity to reiterate to the house the Bracks government's strong support for the development of wind energy generation in Victoria. We are very fortunate in this state that there are many areas of Victoria, and not only around the coastline, with wind speeds which make wind energy generation commercially viable.

This government has been very pleased to facilitate proposals for investments in wind energy generation in Victoria. That is the approach this government has taken to the energy industry in this state across the board — that is, a facilitation role in relation to renewable energy generation in order to contribute to ensuring that we have secure energy supplies in this state. As I said to the house yesterday, this is in marked contrast to the extraordinary actions which the Liberal opposition has taken just recently in relation to the Basslink project. This is the approach which the Bracks government will continue to take. It would be interesting to know just where the Liberal opposition stands on the matter of wind energy and support for renewable energy in this state. There has been a deafening silence on this matter, alongside the usual carping criticism in relation to individual proposals which have been put forward by proponents in different areas of the state.

The government has further acted to facilitate the development of wind energy in this state through the release of guidelines to assist investors in the industry, local government and local communities. Those guidelines, for members of the opposition who might care to have a look at them, indicate a whole range of actions which this government is taking in relation to the planning minister's responsibilities, for example, as well as business facilitation for this industry of the future for Victoria, in order to not only contribute to our future energy needs but also to assist in the development of a manufacturing industry in this state.

The estimates which have been done by Victoria's Sustainable Energy Authority of the potential of this industry are estimates which this government believes are realistic and achievable in the time frame which has been indicated. This government will continue to act at every opportunity to secure the future of this industry in this state.

Supplementary question

Hon. C. A. FURLETTI (Templestowe) — I thank the minister for indicating that she is aware of the guidelines that were recently issued. I am sure the minister is also aware that those guidelines provide that generation capacity of over 30 megawatts will give the minister automatic discretion with respect to the location of wind turbines.

Given that the minister is so reticent to indicate where the wind turbines will go, or even the general area in which they will go, will she rule out that there will be wind turbines on the Surf Coast, on the Bellarine Peninsula, at Cape Bridgewater or on the Gippsland coast?

Hon. C. C. BROAD (Minister for Energy and Resources) — As has been referred to by the opposition member, the provision in the guidelines released by the Bracks government for the Minister for Planning to play a direct role in projects for generating capacity in excess of 30 megawatts is a demonstration of this government's intention to play a strong role in facilitating this industry into the future, including the appropriate location of the industry. The guidelines have specified a range of areas which are not acceptable to this government, and this government will ensure,

through the good offices of the Minister for Planning, that proposals in other areas will be properly dealt with.

Sport and recreation: community facilities

Hon. G. D. ROMANES (Melbourne) — Can the Minister for Sport and Recreation inform the house of the contribution the Bracks government has made to community sport and recreation facilities across the state?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Since October 1991 the Bracks government has provided $48 million to funding community facilities. What is most impressive about this is that through partnerships it has facilitated an estimated $134 million worth of new investment in community sport and recreation infrastructure. This is impressive because there is no better way to build community benefit and identity and individual physical and health benefits than through supporting sport and recreation.

One of the great outcomes of this investment is that of the total investment $64 million has been in rural and regional areas. Why has there been so much? It is because the government has changed the funding ratios. Why did we change the funding ratios? We did that to give rural and regional areas more opportunities to develop a sense of community identity. The most important question is why they needed it so much, and they needed it because they were neglected by the previous government. While it had funding programs, they were not focused on rural and regional areas because the previous government did not appreciate the need. This government appreciates the need in rural and regional communities, and while maintaining the investment and growing it in metropolitan areas we have also grown the investment in real dollars in rural and regional Victoria. This shows how the government can work in partnership with local government.

I encourage members of the house to encourage their local community groups to look towards the newly released guidelines for community facility funding, and I look forward to making further announcements of this government's investments in communities across the whole state, growing the whole of the state.

I would also like to highlight, in direct contrast to the approach of the opposition, the government's strategic approach across the whole state. We ensure that there is a strategic need for these facilities, that they are not duplicated and that there are no gaps. At the moment we see the opposition going around the state promising dollars to all sorts of organisations and raising their expectations when at the end of the day, whether those facilities will be viable or not, they put increased pressure on those communities and may undermine the good work done by the members of those communities.

I also wish to highlight that one of the great benefits of the minor facilities grants scheme in this area is that it validates, supports and encourages those volunteers who put enormous amounts of work into their community clubs. The grants not only upgrade facilities but validate the fine, outstanding work done by volunteers.

The government will continue to invest in communities and continue to grow the whole of the state. We will not neglect any part of the state, unlike the previous government. It says it has changed its spots but how can you trust the opposition members when they are spreading promises across the state? All we can say is that they cannot be trusted. They could not be trusted before and they cannot be trusted now. That is illustrated by the new Leader of the Opposition in the other house — Oily Doyley!

Commonwealth Games: budget

Hon. R. M. HALLAM (Western) — My question is directed to the Minister for Commonwealth Games and I want to again go to the mystique surrounding the Melbourne Commonwealth Games budget. If, as the minister confirmed yesterday, the cost of the games is still not known, can he explain to the house how he was able to so precisely predict the allocation he would need during the current financial year and how he persuaded the Treasurer to include that amount as a line item in the state budget?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I welcome the question from the honourable member on any budget issues concerning the Commonwealth Games.

One of the key elements of the Commonwealth Games legislation is to ensure that this state delivers key infrastructure on time, and hence the need for the Commonwealth Games Arrangements Act. It is easy to identify those infrastructure developments and the costs associated with them some years out from the games.

What is critical in relation to the delivery of the games, and what has been learnt through visits to Manchester, is the degree of complexity of many of the services associated with the games. Those services will have to come from across a number of government departments. From his previous days as a minister Mr Hallam would appreciate the complexity required to be able to draw those services together through a

number of departments, and to have them source funding through one department, the Commonwealth Games office, requires an enormous amount of work and coordination. The government looks forward to making announcements in the future in relation to the amounts required for the provision of services required for the games.

Supplementary question

Hon. R. M. HALLAM (Western) — I am not sure that I am pleased I got that answer or not. I ask the minister: why should the Victorian community be comforted by his assurances that those games projects will be delivered on time and on budget if he does not yet know how much he will ask for from the public purse?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — As you would appreciate, Mr Deputy President, one of the major projects has already commenced. Any honourable members who were at the World Masters Games the other evening would appreciate that significant areas of the Melbourne Cricket Ground are inaccessible because works have already commenced at the MCG. Other projects that will require funding will be the games village and developments at the Melbourne Sports and Aquatic Centre. As those projects proceed and the costs are finalised they will be announced. As the need for services is finalised the government will make announcements.

Fishing: recreational reserves

Hon. R. F. SMITH (Chelsea) — I ask the Minister for Energy and Resources to advise the house on recent action the Bracks government has taken that will be of direct benefit to recreational anglers in Victoria.

Hon. C. C. BROAD (Minister for Energy and Resources) — I thank the honourable member for his question and his interest in fishing. As well as acknowledging the enjoyment it provides for many Victorians, the government has recognised the important contribution recreational fishing makes to the state and the large numbers of Victorians who go fishing. In one part of the state — that is, Gippsland — it is estimated that the industry is worth some $150 million to the local economy. In line with this importance the Bracks government has listened carefully to representations from the Victorian Recreational Fishing peak body (VRFish), the Futurefish foundation, members of Parliament and many individual anglers and other stakeholders. In response to those representations the government has acted to strengthen opportunities for recreational fishing in this state.

Last week I was pleased to announce the government's in-principle support for the establishment of three recreational fishing-only reserves in Gippsland and to announce also that the management plans for the Croajingolong National Park, Shallow Inlet Marine and Coastal Park and Cape Conran Coastal Park will provide for ongoing recreational fishing in Tamboon, Shallow Inlet and Sydenham Inlet.

Reserves will be established in Lake Tyers, Mallacoota Inlet and Anderson Inlet to protect fish habitat and maintain fish stocks primarily for the benefit of recreational fishing. They will, however, allow for commercial harvesting of bait and eels into the future as well as the maintenance of non-consumptive uses and values associated with these three very important estuaries.

I have requested the Department of Natural Resources and Environment, following this announcement by the government, to initiate a detailed consultation process involving not only the stakeholder peak bodies and the Gippsland community but also the broader community.

The government believes the establishment of recreational fishing reserves will build on the substantial investment recreational anglers have already made through their licence fees which have resulted in the removal or reduction of commercial fishing in Victorian bays and inlets.

As well as this, management plans will be prepared for each inlet once the declaration of the waters as a fishery reserve has been finalised. The planning process will be supported by a community-based steering committee. There will of course be fair negotiations with the remaining licence-holders. This is another action by the Bracks government, unfortunately not supported by the opposition, to strengthen recreational fishing opportunities in this state.

Snowy River: environmental flows

Hon. PHILIP DAVIS (Gippsland) — My question is directed to the Minister for Energy and Resources. The minister has acknowledged that the government during a drought is borrowing 38 000 megalitres for the Snowy River environmental flows. Will the minister advise how savings will be achieved from the water distribution system to repay this water debt?

Hon. C. C. BROAD (Minister for Energy and Resources) — Once again I welcome the opportunity to be able to talk about this very important initiative by the

Bracks government to restore environmental flows to the Snowy River. It would seem the opposition parties are still unable to bring themselves to accept this fact, even though this reality has been delivered by the Bracks government following the corporatisation of the Snowy hydro-electric scheme and the securing of agreements with the commonwealth, New South Wales and South Australian governments to implement this initiative.

In relation to the provisions in the agreement, which are very well known, to allow for a limited amount of borrowings from the Snowy hydro scheme, while the outlet in the Jindabyne Dam is being constructed — which cannot be done overnight — those borrowings come about as a result of the decommissioning of the aqueducts below the dam wall. I was very pleased to participate with the premiers of New South Wales and Victoria in a wonderful community event to mark the release of the first environmental flows following the decommissioning of those aqueducts.

It was made very clear at that time again, as it is in the agreement, that those borrowings have to be repaid through water savings in line with the whole basis of the agreements for restoring environmental flows to the Snowy River — that is, all the environmental flows will be replaced through water savings projects.

That will be overseen by my colleague the minister responsible for water resources in the other place. That work is well advanced notwithstanding the fact that the joint government enterprise which is to oversee these projects is not yet in place. That has not prevented Victoria from continuing to make progress in developing water savings projects to put to the enterprise once it is in place.

It is important to note, as I did in this place earlier this week, that the short-term borrowings do not affect irrigators' entitlements at this time. There has been no impact on irrigators' entitlements. That is a fundamental part of the agreement. It is well known to irrigators because it was one of the first elements which I personally negotiated as one of the founding principles of the agreements put in place around this very important initiative of the Bracks government.

In conclusion, nothing has changed from the points I outlined to the house earlier in the week on this issue. The Bracks government will continue to deliver assistance to farmers affected by drought in a way which its predecessor, the former Liberal government, did not. If the Liberal Party were still in government that assistance would not be forthcoming under the rules it put in place. The important Snowy River initiatives will continue and will not affect irrigators' entitlements.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — The minister has had three years to identify and achieve water savings but she failed to identify any savings in her response. Borrowing and accruing a water debt reflects poorly on the government's policy and its administration and implementation of that policy. Will the Minister for Energy and Resources confirm that the government will enter the water market and compete with drought-affected farmers to repay the water debt?

Hon. C. C. BROAD (Minister for Energy and Resources) — On the last point, that matter was subject to debate during the negotiation of the agreements and it was ruled out by the government. I suspect the member opposite well knows that, even if he did not recall it at the moment he asked the question. This indicates to the house once again that the opposition cannot accept the agreements the Bracks government has negotiated. If the opposition were in government we would not have environmental flows being restored to the Snowy River now or at any time in the future. Members opposite continue to be unwilling to accept the arrangements this government has put in place to protect irrigators. Those agreements will be honoured in accordance with the arrangements the government has put in place.

ICT: government strategies

Hon. D. G. HADDEN (Ballarat) — The Minister for Information and Communication Technology has previously indicated that the government has delivered on strategies to grow and promote emerging clusters within the Victorian information and communications technology industry. Can the minister provide the house with an example of these strategies and what emerging clusters are benefiting from them?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — I thank the honourable member for her question. Providing support for emerging clusters within the information and communications technology industry is a key component of the Bracks government's 10-year ICT industry plan, Growing Tomorrow's Industries Today. An as example, the development of policies for the computer game industry has helped Victoria emerge as the leading centre for computer game development in Australia.

Earlier this year I launched the Next Wave program. This is a competitive grant program which provides

grants of up to $100 000 to emerging ICT clusters. The government listened to the industry in regard to the clusters and what it needed for support. The government has been able to assist those clusters to reach their potential and to grow.

Two strong emerging clusters were identified under the first round of Next Wave funding. The first is Biogenix, a Victorian research consortium involving the Peter MacCallum Cancer Institute. It received $100 000 to provide a bio-informatics platform to help in the fight against diseases such as cancer. When you consider the talent that we have in both the ICT industry and bio-informatics research, Victoria has the potential to be the world leader in the emerging field of bio-informatic software development.

The second grant was awarded to Enterprise Java Victoria, an alliance formed by more than 35 Victorian organisations to focus on the development of J2EE applications. J2EE is a software platform that is used to develop multi-tiered applications by allowing different computer systems to talk to one another. The Bracks government's support of Enterprise Java enabled more than a dozen enterprise members to attend last month's JavaOne conference in Japan. This will assist Victorian software developers to be at the cutting edge of J2EE solutions, for which there is growing global demand.

I am pleased to announce that the Bracks government is conducting a second round of Next Wave grants. A total of $300 000 will be available for grants of up to $100 000 to assist in developing emerging clusters in the Victorian ICT industry. The closing date for applications is 6 December.

The former Liberal government failed to produce an industry plan. It failed to support emerging ICT industries. What we have seen from the opposition in the past three years is a policy-free zone. Under the new Liberal leadership the policy void has been replaced by scaremongering; that is what we have seen. The government will continue to work with this sector to grow our ICT industry and see it meet its full potential.

Teachers: registration fee

Hon. BILL FORWOOD (Templestowe) — The Minister for Education Services would be aware that registration of all teachers in this state commences next year. The minister would also be aware that registration forms for all teachers were sent out in August and September. Could the minister advise the house what the fee to be fixed for registration will be?

Hon. M. M. GOULD (Minister for Education Services) — Under the Victorian Institute of Teaching Act the registration fee is set by me upon advice from the council of the Victorian Institute of Teaching. I have yet to receive a proposal from the council. It is expected that I will receive a recommendation from the council in the next month or so.

Hon. Bill Forwood — You haven't got it?

Hon. M. M. GOULD — If the Leader of the Opposition knew the act, Mr Deputy President, he would know the registration is effective from February 2003.

Supplementary question

Hon. BILL FORWOOD (Templestowe) — It is ironic that the Minister for Education Services has sent out the registration forms for this tax on the teaching profession but she is yet to set the tax. I ask by way of a supplementary question: are the teachers of Victoria likely to know the level of the tax before Melbourne Cup Day, perhaps before Christmas Day or perhaps before the next election is called?

Hon. M. M. GOULD (Minister for Education Services) — This comes from an opposition which talks down and does not care about teachers. The opposition sacked nearly 9000 teachers!

The government gave a commitment that it would raise the professional standards of teachers in this state but the opposition talks them down. It talks down the institute that will be responsible for professional development and registration. Does the opposition not want teachers registered?

Honourable members interjecting.

Hon. M. M. GOULD — Opposition members do not want teachers registered. Upon receiving advice from the institute, I will make a decision on the registration fee.

MAFRI: redevelopment

Hon. E. C. CARBINES (Geelong) — I refer my question to the Minister for Energy and Resources and ask — —

Honourable members interjecting.

The DEPUTY PRESIDENT — Order! The Honourable Elaine Carbines is about to ask a question and I ask the house to remain quiet so we can hear it.

Hon. E. C. CARBINES — Thank you, Mr Deputy President. Will the minister advise the house and the people of Geelong Province what action the Bracks

government is taking to deliver on its commitment to the Marine and Freshwater Resources Institute at Queenscliff?

Hon. C. C. BROAD (Minister for Energy and Resources) — I thank the honourable member for her question and for her tireless efforts in supporting the Marine and Freshwater Resources Institute (MAFRI) facility at Queenscliff. I am sure she will continue to be a tireless advocate for the institute into the future.

I am pleased to advise the house that earlier this week, with the local community and the staff at MAFRI, I had the great pleasure of attending a ceremony to lay the foundation stone for the new facility and turn the first sod at the site known as The Narrows at Queenscliff. Most importantly from a project point of view, I was also pleased to sign the contract for the successful tenderer, Kane Construction.

This $18 million project to relocate the institute from what are hopelessly inadequate facilities and the replacement of those facilities with an institute which is commensurate with the leading contribution which Victoria's researchers make is long overdue. I am confident the facility will be ready to open in early 2004, and that is great news for the scientists and staff at MAFRI, given the conditions they are currently labouring under.

I congratulate the Borough of Queenscliffe and the community liaison committee, which the borough established to bring together all the stakeholders to resolve a number of contentious issues coming out of the planning process for the site. When the Bracks government was elected and this project needed to be resolved and progressed, the local community was extremely concerned that under the previous government its concerns were not going to be listened to and addressed. I am pleased that, in line with this government's practice of listening to what local communities have to say and adding value to the project as a result of that listening, the government has been able to proceed with this project after resolving a number of very contentious issues and to do so with the support of the local community, which is a terrific result for everyone involved. It demonstrates that government, local communities and business can work through and resolve difficult issues and get a terrific result.

The facility is based on designs which are best practice environmental guidelines and the facility will not only be an attractive and beneficial asset to Queenscliff but also will provide a home for the leading research work undertaken by the scientists at MAFRI. The Bracks government is delivering on facilities that ensure that the state's research capacity remains at the leading edge in this country.

MOTIONS TO TAKE NOTE OF ANSWERS

Electricity: wind farms

Hon. K. M. SMITH (South Eastern) — I move:

> That the Council take note of the answer given by the Minister for Energy and Resources to a question without notice asked by the Honourable C. A. Furletti relating to wind energy generation.

The minister's pathetic non-answer to the question was an absolute disgrace. I want it put on the record that the minister left the chamber as soon as the motion to take note was addressed to her pathetic answer.

The Liberal Party is very much in favour of having sustainable energy sources; I have no doubt in my mind about that. But I have concerns about where the wind farms are to be placed. I come from an area in Gippsland with the most beautiful coastline probably in Australia. Through the actions of this government and the Minister for Planning, the coastline is going to be ruined. The government will ruin everything that is really important to the people down there, and the worst part is that it will take away from them the right to have input on where the wind towers will be placed.

One has to question just how much power is going to be generated and how many wind towers are going to have to be put in. There will need to be at least 2000 to 3000 wind towers running along the coastline of Victoria and the vast majority along the coastline in Gippsland. It is not good enough!

People do not want to go down and look at wind towers; people want to go down and look at a magnificent coastline. The decisions the government has made in regard to this show it is nothing more than an environmental vandal.

Sustainable energy is certainly the way to go, but not the way the government has planned it. Forty-three per cent of Victoria's coastline will be excluded because of national parks. This is creating community concerns because of the intensity of the concentration of the wind energy facilities along the remaining 57 per cent of the coastline — most of it in my electorate.

Where is the government going to put them? On Phillip Island? People do not want to go there! Now that the government has decommissioned Seal Rocks, it will probably put them out on Point Grant — that would

really suit the government down to the ground. It is an absolute disgrace. The government had every opportunity to come up with a proper plan about where these towers should go.

The government is not going to get away without a real fight when it comes to that, not only from the Greens, not only from the National Trust, but from me. I am going to be fighting to make sure the government does not ruin the coastline that I am going to represent and currently represent, because it has not put enough thought into where these developments should be going — 2000 to 3000 of them. That means there will be three to four towers to every kilometre of Victoria's coastline. We do not want that! We do not want huge clusters of these things that can be built within 500 metres of somebody's home.

Hon. Gavin Jennings interjected.

Hon. K. M. SMITH — That's not good enough, Gavin Jennings!

The DEPUTY PRESIDENT — Order! Through the Chair, Mr Smith!

Hon. K. M. SMITH — You should have enough input into this with your minister to make people in your government realise that the people of Victoria and in my electorate do not want this to happen. Yes, let's look at putting these towers in places where they are not going to have an effect on the visual amenity of an area. Let's start looking at putting them in places where it will not be a concern to people. You and your government have put us in a position where we are going to fight that. We will fight you in the trenches; we will fight you at the ballot box. We will show you that you are wrong, and we are going to defeat you for what you have done to the people of Victoria over this.

And what does the Minister for Energy and Resources do? She sneaks up into the back room because she does not have the guts to stand up here and be fair dinkum about it. Where is she? She is very conspicuous by her absence in this debate. She is a disgrace to the state of Victoria. The sooner the Bracks government is gone — at the next election — the better off we, and the coastline of Victoria, will be, because the Labor government will be gone and the wind towers on the coast will be gone.

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

Hon. GAVIN JENNINGS (Melbourne) — I am very pleased to take the opportunity to support sustainable energy use and the development of the sustainable energy industry in Victoria in particular. The government has indicated that it is its intention to support, and facilitate if it can, 2000 megawatts of renewable energy being generated within the next eight years. As has been discussed in Parliament today, that is the equivalent of around 2000 wind generators across Victoria and will be sufficient to supply electricity for about 1 million Victorian households. The Victorian government is very keen to support and facilitate this if it can.

It comes off the back of the release of this government's greenhouse gas strategy — an important initiative to reduce greenhouse gas emissions in Victoria significantly over the next 20 years. Within that critical report there was a glaring area of concern about the growth of greenhouse gas emissions that occurs in the electricity energy sector where urgent reform is needed to reverse the trend in order to satisfy the undertakings of the Victorian government to try to achieve the targets laid out in the Kyoto protocol, which we support. We encourage the Australian government to pursue those targets and to ratify the Kyoto protocol.

When governments make such statements and seek to obtain those outcomes it is incumbent upon them not just to live up to the rhetoric but also to deliver, and the delivery requires the urgent reform of the energy sector. Two of my ministerial colleagues have tried to play a pivotal role to turn around the level of greenhouse gas emissions in the energy sector, and that is why extensive guidelines have been created by the government and published for the consideration of the Victorian community and for the energy sector to take up this opportunity.

To respond to the concerns of the opposition and the concerns raised by the community, as a member of this Parliament I have received many emails and much correspondence from residents of the Victorian community right along the coastline who are very concerned at the potential impact on the quality of their lives and the aesthetic value of the coast. They are serious matters that the government needs to be mindful of and take action on to protect at all times the level of community support for these projects. It is true to say that there is a planning regime outlined in the guidelines which provides for ministerial discretion over planning approvals for developments in excess of 30 megawatts of generating capacity. That is an onerous responsibility, and any minister who is to exercise that responsibility has to be particularly mindful of the impact it may have on communities.

In terms of where the developments are likely to take place, honourable members should look at the

guidelines, which contain an extensive analysis of the prevailing wind patterns across Victoria, and not all of those prevailing wind patterns are conducive to this development occurring along the coast. The guidelines have a map within them which shows the prevailing wind patterns that are conducive to these developments. They are essentially the areas where the developments are to take place.

It is incumbent upon the government and any industry that wants to facilitate those developments in a considered and appropriate way to work through planning and consultative mechanisms with local communities to mitigate community concern. As a member of this government I will be very supportive of that approach. We have to be mindful that the majority of this initiative will occur in small, isolated pockets of development that will be discrete niche additions to the energy network.

Motion agreed to.

Commonwealth Games: budget

Hon. R. M. HALLAM (Western) — I move:

> That the Council take note of the answer given by the Minister for Commonwealth Games to a question without notice asked by the Honourable R. M. Hallam relating to the 2002 Commonwealth Games budget.

I begin by making the point that I, among others, understand why the Bracks government claims and craves financial responsibility. I have been here long enough to remember what a disaster it was the last time we had the misfortune of having Labor in charge of the Treasury benches. It is on that basis we should understand why they go out of their way to claim this financial responsibility.

The question this morning was put as simply as I could frame it. It simply said, 'We would like to know what the minister responsible expects to spend on the staging of the Commonwealth Games'. We were told that when he gets to determine what the projects are — apparently he has not worked that out yet — and they are identified and costed he will make an announcement; and that, by the way, when he determines what services will be appropriate and costed he will make an announcement then. I begin to wonder what the point is in going through a budget process.

I would like to know what the minister talked about when he saw the Treasurer in framing his bid in the current budget. I would like to know what they discussed, because apparently he does not even know why he got $13.8 million from the public purse this year. I would love someone from the government side to defend that, and with an explanation a little better than the last one we got from the Honourable Kaye Darveniza.

Hon. Kaye Darveniza — It was a very good response.

Hon. R. M. HALLAM — Let's go to your explanation. The Honourable Kaye Darveniza said the budget for 2001–02 was $13.2 million and that it had been increased in 2002–03 to $13.8 million. You acknowledge that is what you said? Certainly the honourable member said a budget of $13.2 million but if one goes to the budget document, one sees that the government spent $35.6 million — a blow-out of nearly 300 per cent. Why would we rely on the honourable member's explanation? Make it up as you go along!

Hon. T. C. Theophanous — You just made up those figures. Where are you quoting from?

Hon. R. M. HALLAM — Thank you, Mr Theophanous. It is at page 310 of budget paper 3 for the year 2002–03, table 2.8.1, the output summary data. They are your figures, Mr Theophanous.

Why is there so much interest in the budget for the Commonwealth Games? Because we expect that there will be a substantial investment dedicated to the Commonwealth Games. However, we take no comfort from anything that has been put before the chamber by the minister responsible for the Commonwealth Games because he has made it clear that he does not even understand the difference between expenditure and capital investment. That is the first issue.

The second issue is that the minister leaves it to others to defend him, and they cannot read the budget papers. That does not give me much joy. Then when they go to the Public Accounts and Estimates Committee they are not even sure which budget year it will fall in. We had a debate at hearings of that committee, led by the Minister for Gaming, who said that he expected this year's budget to be supplemented. The ink was not dry on the budget when a minister of the Crown was suggesting that it would be supplemented. Now we get a response from the Treasurer, who at least says that it will be in the budget next year.

Why are we hanging around with bated breath for this minister to announce it in the next few days, which is what he told us as recently as this week? It is an absolute joke! It is an insult to the Parliament, an insult to the appropriation process upon which the budget is framed and an insult to the Victorian people. I call upon someone from the government benches to give us

something like an indication of what the investment in the Commonwealth Games will be.

Hon. T. C. THEOPHANOUS (Jika Jika) — I find it extraordinary to have the Honourable Roger Hallam raising issues such as this, he having formerly been a minister himself and having had to deal with rather complex issues when he was the minister. Harking back to how difficult it was to get any information in relation to projects that were undertaken by the previous Kennett government, I remember two years of debate in this place when we were trying to find out how much the government would put into the grand prix and we could not come within cooee of what would go into the budget, how much it would cost and whether cost-benefit analyses had been done. All of these issues were swept under the carpet.

One of the hallmarks of this government, of which Mr Hallam is jealous, is that it is about openness and accountability, particularly when it comes to the financial management of this state.

Mr Hallam is on the Public Accounts and Estimates Committee (PAEC). He has been on that committee for the last three years during the course of this government. He has also had extensive experience both as a finance minister and on the former Economic and Budget Review Committee before that. He comes in here and attempts to pull what one can only describe as a political stunt. That is what it is! It is beneath the sort of thing we expect from Mr Hallam, because he knows very well that putting together the Commonwealth Games both from a financial and organisational point of view is a very complex problem and a very complex task for the current government — and it will be achieved!

Do you know what the difference is, Mr Deputy President, between our approach and the approach of the former Kennett government? Listen to this!

Hon. Bill Forwood — Why?

Hon. T. C. THEOPHANOUS — When the former Kennett government put in the bid and acquired the Commonwealth Games, went out and said how successful it was because it had acquired the Commonwealth Games, it also put in an ultimate estimate of what it thought the Commonwealth Games would cost. Guess how much the estimate was for the cost of the Commonwealth Games? I will tell you what it was — in the order of $10 million. That was the estimate proposed by the previous government — the whole of this massive event was going to cost in the order of $10 million.

Hon. I. J. Cover — Can you quote the source?

Hon. T. C. THEOPHANOUS — The Honourable Roger Hallam, who has access to the PAEC, is quite at liberty to raise these matters at the PAEC and can certainly provide questions to the department and others in relation to trying to find out the details of this. He comes in here with a slippery little thing and says, 'This is the number I found in this particular budget paper'.

Hon. I. J. Cover — He's describing his own budget paper as slippery!

Hon. T. C. THEOPHANOUS — No, I have described him as slippery — just get it straight!

He comes in here and quotes a number out of the budget papers and says, 'This is the number that appears in the budget papers as an estimate'. He knows very well that those budget papers are about estimates. Whether the $35 million he has found in the budget papers has been spent or not is a separate question, but he comes in here and tries to mislead the house by saying, 'This amount is different' and tries to make a spurious comparison between one set of figures and another set of figures.

The Commonwealth Games will be delivered on time. They will be done responsibly, and they will be done within a budget. That budget will be transparent and available to the Victorian people, as all other budgets of this government are.

Motion agreed to.

Industrial relations: paternity leave

Hon. P. A. KATSAMBANIS (Monash) — I move:

> That the Council take note of the answer given by the Minister for Small Business to a question without notice asked by the Honourable P. A. Katsambanis relating to paid paternity leave.

It was an absolutely extraordinary answer. I asked the minister, quite simply, whether she supported the concept of paid paternity leave and what impact the introduction of paid paternity leave would have on small business in Victoria.

At first the minister refused to even accept the fact that the question was one related to her portfolio. It may be news to the minister but it is not news to anyone else in here or out in the real world that she is the Minister for Small Business — that she is a floundering and struggling Minister for Small Business, but nonetheless Minister for Small Business. She should not try to

buck-pass or duckshove legitimate questions asked of her in an area of portfolio responsibility.

Eventually the minister was pulled back to the topic and she started to answer it. The answer to the question became even more extraordinary. I heard the minister say that the Premier of Victoria had committed the government to a federally funded scheme for paid paternity leave.

Hon. M. R. Thomson — On a point of order, Mr Deputy President, I referred to the government's position on paid maternity leave, not paternity leave, and I wish to make that clear. Paid maternity leave! That is what I referred to, and any inference by the honourable member would be misleading.

The DEPUTY PRESIDENT — Order! There is no point of order. The minister has responded and put her point of view on that particular issue.

Hon. K. M. Smith — Don't change *Hansard*!

Hon. P. A. KATSAMBANIS — I will address this point, Mr Deputy President. It is great that these issues are recorded for posterity. I expressed 'paid paternity leave' and I must say that I am not a person who is known for my quietness in the chamber. The minister knew exactly what I was talking about. She may have been caught on the hop, but she did tell this house that the Premier had committed this government to a concept of federally funded paid paternity leave in response to my question.

Hon. M. R. Thomson — Maternity leave! I said 'maternity leave'.

Hon. P. A. KATSAMBANIS — Obviously the minister is agitated. This is the first time since we introduced the concept of taking note of ministers' answers to questions that a minister has deigned to favour us with their presence in this place. It is quite obvious that the minister is concerned, and the minister is worried — and so she should be!

Unfortunately, the small business people of Victoria are even more worried than the minister is, because it relates to their livelihood and the fact that her government's inaction, her government's acquiescence to the trade union movement will ensure that far too many small businesses close down when they should be continuing to operate.

The minister is creating a climate and a culture in this state so that small business people fear for their existence. Small business people have had enough of this government buck-passing and duckshoving, and today we saw a perfect example of it — an uninformed Minister for Small Business putting words in the Premier's mouth, words that he himself did not say.

The concept of federally funded paid paternity leave had not been mentioned in any debate anywhere in Australia until the minister got to her feet this morning. She was caught unawares and came up with an irrational concept. Why did she do it? She did it in order to justify the fact that her mate Bill Shorten's campaign for paid paternity leave would have no impact on Victoria's small business.

She stood up here and said, 'Because it will be a federally funded scheme, it will have no impact on small business — zero costs'. That is what the minister said — zero costs for paid paternity leave.

My question was about paid paternity leave. The minister said it would have zero costs for small business. That is patently wrong because no-one is talking about a federally funded paid paternity leave scheme. The strike at A Straightening Company in Laverton is orchestrated by the minister's mate Bill Shorten of the Australian Workers Union and is not about a federally funded paid paternity leave scheme. It is about employers being forced to pay for paid paternity leave. Unfortunately the brunt of any introduction of such paid paternity leave is going to be borne by small business operators in Victoria — the sorts of small business operators that the Australian Retailers Association, in a 2001 survey, referred to — —

Hon. T. C. Theophanous — On a point of order, Mr Deputy President, I have heard the honourable member going on and on about what the minister is purported to have said. I want you to rule on this because it is a question of whether the house can continue to hear what is clearly incorrect and therefore misleading. I listened to the question of the honourable member and the fact is that he mumbled his question in such a way that I was not sure what he was asking, but what I am sure about when he asked about paternity leave is that when the minister got to her feet she thought, or she answered by referring to maternity leave. There is no doubt about that. I am happy to have that — —

Honourable members interjecting.

Hon. T. C. Theophanous — Indeed, as one of the people sitting behind the minister, I heard another member correcting the minister by saying he was asking about paternity, not maternity, leave.

I do not mind proper debate in this place, but if the minister simply misheard the question, it is not appropriate to simply have an ongoing barrage based on an incorrect and inappropriate assumption by the honourable member that the minister had heard it in a particular way. She heard it differently and she has explained that to the house. Mr Deputy President, you should ask him to desist in continuing to assert that the minister had answered the question in one way on hearing it, when in fact she was answering it in a completely different way.

Hon. Bill Forwood — On the point of order, Mr Deputy President, the question Mr Katsambanis asked earlier today referred to metalworkers at a sheetmetal works in Laverton, from memory. The issue was about paternity leave. He said it more than once. If the minister believes she has been put in a position where she answered a question that she misheard, she can now at the earliest opportunity make a personal explanation to say — —

An honourable member interjected.

Hon. Bill Forwood — Absolutely you can; you will quite happily be given leave. If she believes that the question — —

Hon. T. C. Theophanous — She did; that is what she said before.

Hon. Bill Forwood — She did not seek to make a personal explanation.

Hon. T. C. Theophanous — No, she said she was talking about maternity leave.

Hon. Bill Forwood — The issue is clear to us. The question was asked about paternity leave; a supplementary question was asked about paternity leave. As far as we on this side of the house are concerned, taking note on the issue of paternity leave is entirely appropriate. If the minister now appears to be leaving the room — —

Hon. M. R. Thomson — No, she is not.

Hon. Bill Forwood — Okay; if the minister now believes she found herself in a position where she answered a different question to the one that was asked by this side, it is within her capacity to make a personal explanation and explain it to the house.

Hon. M. R. Thomson — Mr Deputy President, on the point of order I am saying that in my response I referred to the government's position on maternity leave.

The DEPUTY PRESIDENT — Order! The rules of this place are quite clear. If one member wants to challenge the other in relation to situations like this, they can move a substantive motion. However, it might be best if the minister would consider a personal explanation — not now while this debate is going on — and she may wish to have a check of the tape. The circumstances are there, and she has that opportunity available to her. I think that is probably the best way to clear up the situation.

Hon. P. A. KATSAMBANIS — I will wind up by making the point that this minister did not mishear the question. This minister misrepresented the policy of her government because she was simply caught unawares; she was not quite sure what she was talking about — ill informed and not knowing even what her government's policy is. That offers no comfort for the small businesspeople of Victoria.

I want this minister to let the public of Victoria know what impact paid paternity leave, introduced by people like her mate Bill Shorten, would have on small business in Victoria.

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

Motion agreed to.

Teachers: registration fee

Hon. BILL FORWOOD (Templestowe) — I move:

> That the Council take note of the answer given by the Minister for Education Services to a question without notice asked by the Honourable Bill Forwood relating to teachers registration fee.

We have had an extraordinary question time today and the take-note motions raised on this side of the house and by my colleagues in the National Party have indicated how this government is floundering around the place. The government is trying to hide from the people of Victoria what it is trying to do. This government is hiding from the people of Victoria on all sorts of different things — not the least of which are the sorts of charges it will put in place.

The reason I raised this issue is that, as I pointed out during my question, the mandatory registration forms that every teacher in Victoria will need to fill in in order to continue to teach next year have already been sent to teachers. But what was missing? It was the fee under section 81. One wonders why the fee was missing. This legislation was passed in November last year, nearly a year ago, so the government has had a long time to set

the fee. But I should say that rumours are rife that the fee will be in the vicinity of $300. I note that there is no denial from the people opposite that the fee will be in the vicinity of $300. This is a mandatory tax on teaching — if you do not pay the tax, you do not teach. Yet, despite the fact that people are being asked to register now, they are not being told what the level of this tax will be.

Hon. I. J. Cover — No tax, no start.

Hon. BILL FORWOOD — Thank you, Mr Cover — no tax, no start under this government.

We now have the position where the registration forms are out and teachers are being informed that they need to register in order to have a job, but they do not know how much the fee will be. As the minister said in her answer, the fee will be set by the minister. So what are we doing? We now have the situation where we do not know when the fee will be announced. We know that registration forms are out and that teachers must be registered to teach next year, but no-one knows the level of the fee. No-one knows the level of the tax. The government is holding it back — and why is it holding it back? Because it is desperately scared of the backlash from the teaching fraternity when it realises it has to pay a tax to teach. The rumours that have come to us are that this tax will be in the vicinity of $300 for every single teacher in Victoria. There will be an annual tax — every year — of $300.

I say to the government: why does it not come clean and tell the teachers and the people of Victoria what the level of the tax will be?

The DEPUTY PRESIDENT — Order! The question is:

> That the house take note of the answer of the Minister for Education Services.

Hon. T. C. Theophanous — Mr Deputy President, on a point of order, given that the honourable member finished early, under the rules is there an amount of time remaining?

The DEPUTY PRESIDENT — Order! I advise there is a minute left. The arrangement between the whips was to cease at the conclusion of Mr Forwood's motion.

Hon. BILL FORWOOD — No, I stopped early so my colleague could move to take note of another one. I stopped earlier than my 5 minutes so my colleague could ask another one.

Hon. T. C. Theophanous — How many do you want?

Hon. BILL FORWOOD — As many as we can to use up our time.

The DEPUTY PRESIDENT — Order! If there is a minister left, the rule would be that the next call would go to the government. Does Mr Theophanous wish to speak on an issue?

Hon. T. C. THEOPHANOUS (Jika Jika) — Yes, I do; thank you, Mr Deputy President. I would like to make some comment about what has just been said by the Leader of the Opposition, who is trying to have it both ways. The opposition does not support the registration of teachers as professional people. A whole lot of other professions are registered; they have to be registered to gain benefits. It is not a tax; it is a registration form. This debate has shown that the opposition does not support the registration of teachers, and it does not support teachers as a professional body. It wants to set this state back so far as teachers are concerned to the bad old days when teachers had no rights under the system.

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

Motion agreed to.

QUESTIONS ON NOTICE

Answers

Hon. M. M. GOULD (Minister for Education Services) — By arrangement with the opposition I advise the house that later today I will seek leave to table a number of papers that need to be properly processed through the Parliament.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — Yesterday I raised for the attention of the house outstanding question 2757. I received an undertaking from the Minister for Energy and Resources — —

Hon. M. M. Gould — Come on, talk to your leader.

Hon. Bill Forwood — The answers will be tabled later in the day.

Hon. G. K. RICH-PHILLIPS — Including no. 2757?

Hon. Bill Forwood — They will table them later in the day. When we do them we will do it then.

The DEPUTY PRESIDENT — Order! Is the answer satisfactory to Mr Rich-Phillips?

Hon. G. K. RICH-PHILLIPS — Yes, Mr Deputy President.

DRUGS AND CRIME PREVENTION COMMITTEE

Motor vehicle theft

Hon. B. C. BOARDMAN (Chelsea) presented report, together with appendices and minutes of evidence.

Laid on table.

Ordered that report and appendices be printed.

Hon. B. C. BOARDMAN (Chelsea) — I move:

That the Council take note of the report.

At the outset I inform the house that at the time the motion for the inquiry reference was debated and subsequently passed by this chamber on 21 November last year, motor vehicle theft in Victoria and the whole country was escalating at a very alarming rate. For the financial year 2000–01 there were 37 345 individual vehicle thefts recorded in that 12-month period, which was up from 28 780 in the 1997–98 financial year and there was a progressive incline in the years between.

That in itself was quite an alarming and serious situation. Irrespective of what was happening on a state-based level — which was very little, unfortunately — the federal government took a lead and established the National Motor Vehicle Theft Reduction Council whose participants included representative and stakeholder groups from all states and territories.

I place firmly on the record that the way in which the National Motor Vehicle Theft Reduction Council approaches its task is incredibly admirable. It is a very professional outfit led extremely well by the executive director, Mr Ray Carroll, and the initiatives taken by the council in implementing its strategic plan as part of its ongoing development have had a demonstrable effect in reducing the rate of theft both in Victoria and nationally. Thankfully, because of some of those initiatives and from the most up-to-date data the committee was able to ascertain, for the financial year 2001–02 the number of motor vehicle thefts in Victoria reduced to 32 952.

Another initiative that has contributed to that reduction was the re-establishment of the Victoria Police organised motor vehicle theft squad. The Victoria Police needed to re-establish that squad. The squad was abandoned in the late 1990s and because of that there was a dramatic increase in the rate of professional motor vehicle theft.

It is appropriate to inform the house of the differences between the two main categories of theft, professional and opportunistic. Professional motor vehicle theft is one aspect of this offence which is very much misunderstood. It is usually coordinated, financed and organised by highly evolved and sophisticated criminal networks with linkages to other forms of organised crime.

The way in which they go about their task is initially to have a professional car thief steal the vehicle, and they subsequently go through a process of rebirthing it by changing the identity, component parts and other identifying factors associated with that vehicle, for example, by purchasing a wreck at an auction, allowing them subsequently to go through the process of reselling the vehicle, which is quite a serious situation.

Without specialist and professionally trained and coordinated investigators with the time and expertise to home in on this type of operation and utilise their resources to try and capitalise on it, unfortunately that type of offence will proliferate.

The other type of offence which is equally of concern but for different reasons concerns opportunistic motor vehicle theft, tragically, caused by young juveniles and in most cases young men. A factor only recently taken to heart by the community has been the associated costs that unfortunately play a part in this tragic event. There is nothing more devastating that having an inexperienced and at times quite reprehensible young person in charge of a stolen motor vehicle.

The associated potential for road trauma that that places both themselves and members of the community in is an area that needs to be looked at. For that reason the committee has highlighted the difference between those types of offences and the way the policies and initiatives used to try and counter these situations have to be quite separate and specific.

A number of recommendations in the report target issues relating to manufacturers with regard to the compulsory fitting of self-voiding compliance labels, labelling a new vehicle with data dots and a code of practice for the auto parts industry. The report also contains recommendations concerning Vicroads, local communities, car parks, juvenile diversion programs,

insurance practice and data collection. The committee also recommends a compulsory immobiliser scheme.

There are a number of examples where the law is quite inadequate, including aggravated motor vehicle theft, offences covering motor vehicle theft for alteration, tampering, resale of a stolen vehicle, the actual alteration, and one that targets the planning coordination. The report is very comprehensive, and in excess of 300 pages were necessary to outline how difficult and complex this issue is.

I place on the record my sincere appreciation to all of the committee, particularly Dr James Rowe, who was instrumental in researching this report. Unfortunately he has left the committee to go to the Royal Melbourne Institute of Technology. We wish him well. I thank the members of his staff particularly for their assistance.

Hon. S. M. NGUYEN (Melbourne West) — The report on the *Inquiry into Motor Vehicle Theft* is a very good report. I thank the staff who were involved in completing the report: the executive officer; Dr James Rowe, the committee researcher who drafted the report; and Pete Johnston and Michelle Heane. The report gives us a lot of information about how to improve the situation in Victoria. It is one of the important issues we have to tackle: how to reduce theft.

The report analyses much information. There are three categories of motor vehicle theft: the opportunist, the professional, and insurance fraud. A lot of people steal cars because they want to drive around from place to place. A lot of them are young people. That causes many car accidents because they drive without licences and use stolen cars. In many towns we see police chasing stolen cars driven by young kids. It also makes society very anxious. On many occasions the cars are stolen, and 89 per cent of cases involve fraud. A lot of times professionals steal cars and use them for other reasons, including insurance fraud.

There are a lot of things we can do about the problem, such as providing information to help the police, the insurance companies and many communities that are related to our car industry. Often people do not know how to lock their cars or keep them safe at home. Cars are also stolen from car parks, shopping centres and so on. Recently we heard the Minister for Police and Emergency Services mention the massive reduction in the number of stolen cars. As of a few days ago there had been a 40 per cent reduction in stolen cars. That is a very good result; and it shows the government's commitment to changing the situation.

The committee conducted public hearings. We went to Perth and received a lot of submissions from the car companies and insurance companies. Public hearings were held in Melbourne. We also visited car auction companies and talked to the police. We wanted to know how to better control the issue. We heard from many witnesses who had experience in or were involved in these matters. We also wanted and obtained input from overseas, so the report is unique.

At the end of the day we want to reduce car stealing in Victoria. We need a national standard so we can work together with other states. It is not only a Victorian issue. It is a national issue, because the people who steal cars can sell them in other states. Without working with the authorities in the other states it is very hard to stop that from happening. We want to show the public that all together we can — —

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The honourable member's time has expired.

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

Debate adjourned until next day.

PAPER

Laid on table by Clerk:

Subordinate Legislation Act 1994 — Minister's exemption certificate under section 9(6) in respect of Statutory Rule No. 92.

SELECT COMMITTEE ON THE URBAN AND REGIONAL LAND CORPORATION MANAGING DIRECTOR

Final report

Debate resumed from 8 October; motion of Hon. N. B. LUCAS (Eumemmerring):

That the Council take note of the report.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — For the last 10 months I have had the honour to serve on the select committee inquiring into the Reeves affair. The culmination of that inquiry this week with the tabling of the report and the successful discharge of the committee marks the shedding of light on a tawdry affair.

It is a credit to the chairman, the Honourable Neil Lucas, that the report has been successfully completed

and tabled despite the attempts of the Premier, the Attorney-General, and the Treasurer through the Speaker, to frustrate and impede the progress of the committee.

The circumstances of the Reeves affair are straightforward. The government decided it wanted to appoint the Premier's mate, Jim Reeves, as managing director of the Urban and Regional Land Corporation. Everything flowing from that was a contrivance to ensure that it took place. Despite the fact that it was the government's intention to appoint Mr Reeves as managing director it was the board's responsibility to undertake that appointment. To facilitate the appointment of Mr Reeves, the government, through its agent Professor Lyndsay Neilson, the Secretary of the Department of Infrastructure, simply contrived a process to ensure that Mr Reeves was appointed. The reality is that the board did not recommend Mr Reeves for appointment. He was not even short-listed or in the final three candidates recommended by the board. Yet through the process that was contrived by Lyndsay Neilson we reached a situation where the board was directed by the then Minister for Planning to appoint Jim Reeves as managing director of the Urban and Regional Land Corporation.

It became even more farcical when the minister then signed off on an agreement by which the senior management team in the Urban and Regional Land Corporation would be restructured, despite there being no cost-benefit analysis, so Mr Reeves's weaknesses were catered for. The government's preferred candidate had clearly identified weaknesses with respect to the job yet the minister, John Thwaites, was willing to restructure the management team so those weaknesses could be compensated for. I urge members of the Parliament to read the report.

Hon. T. C. Theophanous — What about the minority report?

Hon. G. K. RICH-PHILLIPS — I also urge them to read the extracts, the proceedings and the minority report. There is a reason I would urge them to read the minority report, and I will come to that shortly.

Since the report was released we have seen the Attorney-General and other senior members of the government claim that this inquiry was a witch-hunt. The facts in the report repudiate that and indeed the contents of the minority report repudiate that.

I refer the house to the minority report. There are a number of headings that the government members — the cabinet secretary, the Honourable Gavin Jennings and Mr Theophanous — have included. These include headings such as 'Overview: not a conspiracy, just a …', 'The conspiracy spin', 'Diversions and sideshows' and 'The partisan nature of the select committee's deliberations'. Nowhere in the minority report is there a section on repudiating the findings. The government members — the cabinet secretary and Mr Theophanous — —

Hon. T. C. Theophanous — Haven't you read our report?

Hon. G. K. RICH-PHILLIPS — I have read the minority report from cover to cover, all 54 pages of it, and nowhere has the government repudiated the findings of the committee. There is a lot of innuendo; they have accused the chairman and other members of collusion and so forth.

Hon. T. C. Theophanous — What about the divisions?

Hon. G. K. RICH-PHILLIPS — I will come to the divisions Mr Theophanous, but the minority report does not include any sections which repudiate the findings of the majority committee and we can only assume from that that the two government members — the cabinet secretary and Mr Theophanous — are in agreement.

I turn to the issue of the divisions, which Mr Theophanous raised. There are 20 or 30 pages of divisions. If the government members were in fierce disagreement with the report you would think that would be reflected in the divisions but that is not the reality. The government voted against the report — as it was expected to do — but only divided on 22 paragraphs in a 122-page report. We can only assume from that that the government, the cabinet secretary, and Mr Theophanous are in agreement with the majority of the report.

I turn to some of the findings of the majority report. Finding 1 is a key finding. It states that Mr Reeves was identified as the government's preferred candidate before any process began for the recruitment or assessment of candidates. From day one Mr Reeves was the government's preferred candidate and this is not repudiated by the government members in the minority report.

Finding 10 shows that the committee found that the integrity of the consultative process between the corporation and the minister was compromised by the accessibility candidate Reeves had to the ministers and the Secretary of the Department of Infrastructure. Again, this is something the minority report does not repudiate. Finding 11 states:

> The committee finds that, in intervening to commence a separate interview process, departmental secretaries Neilson and Moran inappropriately undermined the consultation process which was underway between the board, the minister and the Treasurer.

Again the government members did not repudiate the finding. They had a 54-page minority report and although they criticised the chairman, Mr Hallam and me, they did not repudiate the findings.

Finding 15 states that the Treasurer, who played a role in the process of the appointment of the managing director, did not meet his obligations under the act by failing to be proactive. Not only does the minority report not repudiate that but the first finding in the minority report actually supports it. The cabinet secretary and Mr Theophanous in their own minority report indicate that the Treasurer's involvement was limited and support the committee finding that he did not uphold his responsibilities under the act. Finding 17 states:

> The committee finds that the Deputy Premier, and then-Minister for Planning, Mr John Thwaites, MP, in conjunction with the Secretary of the Department of Infrastructure, Professor Lyndsay Neilson, directly interfered in the process of selecting a managing director of the URLC by identifying, promoting, choosing and appointing a favoured candidate, Mr Jim Reeves, to the position.

That is the crux of this issue. On behalf of the government, Professor Neilson, acting for the Minister for Planning, the Deputy Premier John Thwaites, intervened in the process to get the Premier's mate up. They did not care about the correct process that the board was following. They did not care about the responsibilities the board had under the act. All they wanted to do was to get the Premier's mate into that job.

One other finding in the minority report I would like to address is the first finding which is titled, 'No inappropriate intervention by any minister'. The cabinet secretary and Mr Theophanous have written that the evidence has demonstrated that there was no inappropriate intervention by any minister. That is completely wrong. There was no evidence whatsoever which indicated that there was no intervention by any minister and I challenge Mr Theophanous if he is following me to tell us which piece of evidence showed that there was no intervention by a minister, because there isn't any. It is just an absolutely false statement! So it is with the majority of the minority report. It has been patched together by Mr Theophanous and Mr Jennings. It reminds me in some respects of a ransom note cut out from a newspaper. They have picked words out here and there and put it together to make a story. It in no way repudiates the majority findings and it does not in any way repudiate the fact that John Thwaites was inappropriately involved in this process.

In conclusion I take this opportunity to thank the secretary of the committee, Ray Wright, for his work and also Sarah Davey, who did considerable research in putting this report together.

Hon. G. D. ROMANES (Melbourne) — The opposition has gone to extraordinary lengths to find someone, in the words of the former opposition leader, Denis Napthine, 'guilty of circumventing a proper process'. It has gone to great lengths to set up, at great expense, a select committee on the process of selecting the managing director for the Urban and Regional Land Corporation (URLC). Actions such as this were never allowed to happen during the Kennett era when there were many occasions when the opposition in the 1990s would have liked the same opportunity to scrutinise appointments made by the Kennett government.

The opposition has failed dismally in its attempts to point the finger at someone in government in relation to inappropriate interventions by any minister in the process of selecting the managing director for the Urban and Regional Land Corporation. The select committee has undertaken an extensive process in its efforts to try to nail a so-called guilty party and it has failed to deliver the result it is after, despite extensive documentation provided to the committee — 448 documents in all — and subsequent hearings by the select committee, which involved 19 witnesses and some 424 pages of transcript. They all demonstrated that there was no inappropriate intervention by any government minister in the process of selecting a new managing director for the Urban and Regional Land Corporation. The majority report the house has before it identifies only limited and appropriate involvement of ministers in the selection process.

I would like to outline the involvement of the relevant minister in the process relating to Mr Reeves's appointment. The Minister for Planning at that time, John Thwaites, was involved in the selection process on only three occasions.

Hon. Bill Forwood — Only three!

Hon. G. D. ROMANES — On 9 April 2002 his departmental secretary, Professor Lyndsay Neilson, briefed him on the forthcoming process to select and appoint a new chief executive officer for the URLC. It was an appropriate briefing for such a senior appointment. On 3 August 2001, Mr Thwaites requested that the chairman of the URLC be invited to

fully participate in the second round of interviews and approve Professor Neilson's advice to him that a second round of interviews be conducted to allow proper advice to be provided to ministers. On 20 September 2001 he wrote, on the basis of advice from his departmental secretary and the unanimous recommendation of the second selection panel, to the chairman of the URLC to advise its board of the view of both himself and the Treasurer that the URLC board should consider the appointment of Mr Jim Reeves as managing director to provide the necessary change management and experience in a large complex urban renewal activity and also to provide leadership in responding to the URLC's new role and functions.

The action of the Treasurer, Mr John Brumby, the other relevant minister, was limited to one letter only, dated 25 September 2001 — on advice from his department to the chairman of the URLC acknowledging the chairman's letter of 17 August and advising that he would consult with the minister responsible for the URLC act, the Minister for Planning. Finally, the Premier was not involved in the selection process at any stage.

This selection process related to a key position in one of Victoria's key organisations. It followed important changes that were introduced through the Urban and Regional Land Corporation Act in this chamber last year that sought a new direction for that corporation. You could therefore expect the process of appointment to be subject to substantial consideration by the board of that corporation.

However, under the act, as honourable members would be well aware from the discussion in this chamber, the Urban and Regional Land Corporation is required to make the appointment following consultation with the Minister for Planning and the Treasurer.

That issue of consultation comes up again and again in both the majority and minority reports of the select committee. One of the recommendations in the select committee majority report was that consultation in these circumstances of quite senior appointments needs to be much clearer and more explicit in the future to preclude the sorts of difficulties faced by the various parties in this process.

The initial selection and interview processes involved board members Angie Dickschen and Frank Davis. Following a meeting with the chairman of the URLC, Marek Petrovs, it was agreed that Professor Neilson, the Secretary of the Department of Infrastructure, should join the selection committee. In retrospect there was obviously some misunderstanding about the nature of Professor Neilson's role on this selection subcommittee; there was some difference between Professor Neilson's understanding and that of the board. At a critical point, when the report of the interview panel was finalised, Professor Neilson was frozen out of the process and the URLC board made a decision on the basis of a recommendation from the two board members on the selection subcommittee, Ms Dickschen and Mr Davis.

It is interesting that finding 6 of the majority report says:

> The committee finds that the failure of the selection subcommittee to advise Professor Neilson (even if informally) of its decision to recommend Mr Henesey-Smith to the ULC board, and the failure of the ULC board in turn to advise him of its 27 June 2001 decision, represents a discourtesy to Professor Neilson.

Members on this side of the house maintain that it represents much more than a discourtesy. The actions of Ms Angie Dickschen, as chair of the selection subcommittee, in preparing the 1½ page interview panel report ensured that the candidacy of Mr Reeves was represented to the board in the worst possible light while Ms Dickschen's preferred candidate was shown in the best possible light. It was unfortunate that Ms Dickschen, for whatever reason, chose to intervene in that way, to downplay one candidate and, through inadequate communication to the board, sought to influence the decision of the board at that point in time.

Evidence before the select committee demonstrated that the board failed to adequately meet that vital requirement to consult the Minister for Planning and the Treasurer on its decision prior to appointing a new managing director. The board presented its decision as a fait accompli and failed to provide full information to the ministers who would support the board's decision. Further action at that point led to a second round of interviews.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The honourable member's time has expired.

Hon. P. R. HALL (Gippsland) — I welcome the opportunity to make a comment on this report of the *Select Committee of the Legislative Council on the Urban and Regional Land Corporation Managing Director*. I wish to begin by thanking and congratulating all members of the committee on the completion of this very important task. Despite the fact that the committee of five could not reach a consensus position and there was a minority report, which I have had a look at, this was an important function of the

Legislative Council and I thank each of those five members of this house for contributing to the report.

The reference given to the committee by this chamber to undertake this task was dated 5 December 2001 so the five committee members have been working on that report for a significant period of time, the best part of 10 months. It is a very comprehensive report. We have had not only this final report but also two interim reports so the committee has worked diligently to the point where its work has now been completed with this final report.

I would personally like to acknowledge the members of the committee. The Honourable Neil Lucas chaired the committee. He led it very well and we appreciate his work in presenting the interim reports and now the final report. The deputy chairman was my colleague the Honourable Roger Hallam whom I mentioned yesterday. His involvement in this report has required him to spend a great deal of time travelling from where he lives. I thank the Honourables Gavin Jennings, Theo Theophanous and Gordon Rich-Phillips for their contributions, as I do the staff involved, Ray Wright and Sarah Davey. It has been 10 months of fruitful, productive work.

Having said that, I have to say that I enjoy a good novel and the document I flipped through last night had all the ingredients of what could one day be a bestseller. There were plenty of twists and turns in content, it had intrigue, tones of deceit and corrupt processes suggested throughout and it certainly had mentions of political interference with an overriding theme of massive cover-ups. I immediately thought of someone like Jeffrey Archer and how he could well adopt this plot and make it into a world bestseller. Not all parliamentary reports are easy to read but this one keeps the reader intrigued with all the different twists and turns and comments. Perhaps the committee might like to consider selling the rights to the report as the plot for a future bestseller!

Even the minority report added to the enjoyment of reading this report. On reading the minority report I could envisage the committee in operation with two sides, one against the other. I could well envisage the banter and the cut and thrust enjoyed by people like the Honourables Gordon Rich-Phillips, Neil Lucas and Roger Hallam against the Honourables Theo Theophanous and Gavin Jennings. One can imagine the great fun and contests they had doing that committee work. There is plenty in this report to keep readers occupied and interested.

Although one might have views about the content of the minority report, I appreciate that those members have a differing view and it is perfectly their right to put that view forward. I think anybody who participates in committee work has the right to put forward their personal view. It was a good read and I recommend it to others. The overwhelming impression I gained from reading this report was the extraordinary length that members of the government went to to thwart the processes of the inquiry. I do not mean the members who participated directly in the inquiry but members of the government in the Parliament of Victoria.

I will mention a few of the points I picked out of the report. After publicly saying that he would fully cooperate with the inquiry the Premier refused to appear before it. I note the refusal of the former Minister for Planning and the Treasurer to appear before the committee to answer some vital questions about aspects of the inquiry.

Hon. T. C. Theophanous — They were disallowed by the lower house.

Hon. P. R. HALL — I am coming to that. We even had the Labor and Independent members of the lower house refusing a request from this chamber for the ministers to appear before the committee. It is not just the ministers who have shown some political interference in this process, it is every member of government in the lower house and the Independents.

Hon. T. C. Theophanous — What a stupid statement!

Hon. P. R. HALL — You just said that yourself by way of interjection.

Hon. T. C. Theophanous — You cannot have one house interfering with another.

Hon. P. R. HALL — As an operation of the Parliament this house is quite entitled to establish an inquiry into a matter of public importance, and one would expect the Parliament as a whole to cooperate with such an inquiry. This was a matter of public importance.

The Legislative Assembly — the Labor and Independent members — thwarted the public interest by refusing to allow leave for the ministers to appear before the committee. The Attorney-General took the extraordinary step of forbidding ministerial advisers to appear before the committee. We had the Attorney-General, the state's senior law officer, advocating that people should break the law by not responding to the committee's summonses. That was a

shameful exercise undertaken by the Attorney-General. We even had a case where the Speaker interfered with a request from the committee to Telstra for telephone records. Then the government refused to deliver a number of documents requested by the committee. Throw all that together and one cannot help but get the overwhelming impression from the report that this has been a massive political cover-up.

If there is nothing to hide about the process, why the cover-up? If there is nothing to hide and it is all squeaky clean, like the government said, why could those ministers and advisers not go before a committee made up of members of all political parties and explain their actions in a full and frank manner. If there is nothing to cover up, I do not see how that political interference was justified at any step of the way. When I was speaking for the establishment of this inquiry I recall saying there was a stench in the air that needed to be cleared. The committee was set up to try and resolve the issues and clear the stench. All I can say on reading the final report is that I think that stench has simply got worse with the demonstrated extent of the political cover-up.

I do not believe that the minority report presents a justifiable argument for why government ministers would not appear before the committee. The government was largely silent on that issue and certainly did not present a case as to why ministers would not appear before the committee. Again I say: if there was nothing to hide, why not come forward and explain the actions?

The other thought I had on concluding my reading of this report was: if everything was clean and above board why did Jim Reeves resign soon after his appointment, even before he took it up; and why did the government walk away from Jim Reeves at that point? If everything was squeaky clean and the position of managing director of the Urban and Regional Land Corporation was won on merit, why did Mr Reeves resign within 10 days of his appointment? Why did he decline the committee's invitation to come down and appear before it to explain the issues? Again, if everything was squeaky clean and above board why did he not justify his position? What was he afraid of in meeting with the committee? Why did the government not try to talk Mr Reeves back into staying on? It simply washed its hands of him. It dumped him like a hot potato and said, 'No, sorry'. I suspect that it tried its hardest to get him the job but having got it for him it became too hot to handle, so it said, 'Sorry Jim, you had better stay in Queensland'. The government certainly did not try to encourage him to stay in the position to which it had appointed him.

Honourable members on different sides of this house will agree or disagree with aspects of this report to some extent, but I hope that we can all agree on at least one aspect of it — that is, the recommendations put forward by the committee. Essentially there are two commonsense recommendations. The first one states:

> The committee recommends that in circumstances where appointments to senior government positions are predicated on some form of defined consultative process, that such consultation:
>
> (1) be specified in the relevant statute;
>
> or
>
> (2) be the subject of an obligatory pre-process meeting of all relevant stakeholders in order to devise an agreed understanding of what constitutes 'consultation'.

If nothing else, we do not want this sort of sham to happen again. Those two recommendations — and I have no time to read the second one — will clearly prevent this sort of thing from happening again. None of us wants to go through this exercise again. Let us at least adopt both of the select committee's recommendations.

Hon. T. C. THEOPHANOUS (Jika Jika) — This was a pretty unfortunate chapter in the history of the upper house, and again displays why it needs to be reformed. What you get in this house time and again is political opportunism, witch-hunts and no attempt whatsoever to come to the truth of propositions in relation to important issues.

I agree with Mr Hall that the process was tarnished, but not by the government. It was tarnished by the opposition. In the first instance the opposition set up a committee of inquiry — the first time it had been interested in setting up a committee of inquiry in the upper house. In opposition the Labor Party tried time and again to get committees of inquiry set up when the previous government was involved in an unbelievable number of incidents which were spurious and which ought to have been inquired into by this house, but the previous government rejected every single one of them. It provided political protection to the then Premier, Mr Kennett, to keep him out of court, through a vote in the other place. That is the extent to which it was prepared to go to protect the previous government.

The opposition tarnished the process by establishing a 3:2 situation. Not only did it do that, but it appointed the chairman and the deputy chairman from its side of the political fence. That was extraordinary and was outside all convention followed in the past. I have no doubt that the process for establishing the Seal Rocks inquiry will be the same kind of process. The

opposition will want all the positions; it will want to try to dominate the process and produce a report using the talents of the officers in this place, because it could never do it itself. I congratulate Ray Wright and Sarah Davey for their efforts, because they helped to produce a report under extremely difficult circumstances.

What this report ultimately shows is that when you have this kind of political witch-hunt all you get in the end is a non-result. You do not achieve anything except putting this place in the position where it has even less respect from the public than it had in the past.

A witch-hunt was established under this committee where there was no preparedness at all by opposition members on that committee to look at the facts. They had a task: to produce a guilty verdict — and that is what they were going to do, irrespective of the evidence, irrespective of what came out. It was totally irrelevant to their pursuit.

In the time I have available, I want to take the house through some of what happened. The board at the Urban and Regional Land Corporation (URLC) had been there for a considerable period of time and was largely appointed by the Kennett government. This government, when it came to office, decided to change the focus of the board. It did not do it behind the scenes, it did not do it in secret: it did it by changing the act — coming into this house and doing it in a direct way. It sought to change the focus of URLC from basically being a residential developer to a focus on urban and community design, affordable housing, and so on — a different and broader function.

It was the view of just about everybody, including the people on the board, who gave evidence to the inquiry, that URLC's chief executive officer, Desmond Glynn, was not the appropriate person to drive this new focus or the changes that were to be put in place. Everyone knew it. When he ultimately decided that he was not going to seek another term, his job came up. What did the government do? It waited for the board to come to a decision. The board came to that decision by establishing a subcommittee, which was headed by Angie Dickschen, a member of the board. She turned out to be a self-confessed friend of Ted Baillieu, an appointment of the Kennett government, and had totally inappropriate telephone discussions with Ted Baillieu — who was obviously trying to give her advice about what she should say — before she appeared before the committee. That is the person Jim Reeves faced in order to get an appointment or a fair go. She and Frank Davis — another Kennett government appointment, appointed directly by the then planning minister — were the two people who were going to come up with a recommendation. And what did they do? They totally hijacked this selection process.

This is how they did it: they had the consultants, Heidrick and Struggles, prepare some reports. Heidrick and Struggles came back with the reports on the various applicants for this particular position, which listed strengths to specifications and weaknesses to specifications for each of the candidates. But instead of taking those to the board and asking it which one to choose, or looking at these in deciding who was the appropriate person to appoint in this case, they concocted their own report, which went to the board.

Not only did this report glean out any criticism of their candidate, it heavily criticised Jim Reeves as being inappropriate. Why did it criticise him? It criticised him and said he should not be appointed because he would be seen as a political appointment. That was the reason given in this doctored report that went to the board — he should not be appointed because he would be seen as a political appointment.

It is a pity they did not apply those standards when they were appointed to the board by the Kennett government previously. That is the standard that was applied. Not only that, they did not even have the courtesy to put the name of Jim Reeves on top of this candidate. They named him as the 'other candidate'. Every one of the other candidates being considered had their names at the top, but not this one.

This is what went to the board for its consideration. How would it be possible for any minister to accept such a process. Then what happens? Angie Dickschen decides to write to the minister and says, 'This is the person that we are going to appoint'. In her letter on 27 June she said that:

> The board proposes to appoint (the board's recommended candidate) as executive officer. A copy of his curriculum vitae is attached.

To drive a point home the letter says that:

> It is the understanding of the board that the chief executive officer is to be appointed to the board.

That is true, but she forgot one fact: the legislation says she is supposed to consult with the minister. When we put this and tried to discuss it, the opposition on the committee was not prepared to accept that the words 'the board proposes to appoint' was in fact a proposal to appoint and not a proposal to consult. They were not even prepared to accept fundamental English.

If you were a minister and received something like that you would think it was an inappropriate appointment,

and that is why the other process was put in place which was the proper process to appoint someone for that position.

Hon. C. A. FURLETTI (Templestowe) — I am pleased to contribute to the motion and to note the report of the *Select Committee of the Legislative Council on the Urban and Regional Land Corporation Managing Director*. The committee was established by the Legislative Council to clear the air on matters relating to the selection, appointment and resignation of Jim Reeves as managing director of the URLC, but it was also appointed to determine the involvement and role played by the state's three most senior government ministers — Premier Bracks, the Minister for Health and the Treasurer — and by two of Victoria's most senior bureaucrats, Professor Lyndsay Neilson and Mr Terry Moran.

Firstly, I congratulate in particular the chairman of the committee on his professionalism not only in the conduct of the inquiry but also in the preparation of the report. I note the incisiveness and the great capability of the chairman.

Hon. T. C. Theophanous interjected.

Hon. C. A. FURLETTI — Yes, I do it freely. I particularly refer to his ability, and I urge honourable members to read his foreword. It identifies the main reason for the committee, the principal absences and the conduct of the government which gave the committee every reason to come to the findings it did. I note that the respect and courtesy which the chairman and the Liberal members showed to witnesses was in very serious contrast to that of the Labor members, and more of that in a moment.

Hon. T. C. Theophanous — How would you know?

Hon. C. A. FURLETTI — Because I have read the transcript. Mr Theophanous in his contribution said that this was a witch-hunt and an unfounded inquiry. He said the committee had a commission to find blame. The findings of the committee speak for themselves. The most outstanding issue, if there is something that literally hits the reader between the eyes, is that the main players of this whole drama were at liberty to explain themselves, to explain their involvement and to proclaim or explain their innocence. None did. Why not? Premier Bracks, the Minister for Health, the Treasurer and ministerial advisers were subpoenaed.

The main player, Jim Reeves, was subpoenaed. Did they answer those subpoenas, notwithstanding every opportunity to do so? No. It gets worse than that. The Attorney-General, the principal legal officer of this state, advises persons on subpoena not to answer the subpoena.

Some of us would reach the conclusion that perhaps there was something to hide. I would not reach the conclusion. The committee had more than appropriate grounds for reaching the conclusions that it reached. Our criminal justice system includes in it very firm and strong rewards for those who cooperate with the system, who exercise frankness and honesty, and refer to the guidelines in the Sentencing Act. People who cooperate with inquiries are rewarded, as they should be. Those who do not can only leave a nasty sense about their involvement in these issues.

I indicated earlier that in his foreword the Honourable Neil Lucas identified four significant instances of, as he calls them, interference, obstruction and contrivance. That was the conduct of the three very senior ministers of the Crown to whom I referred, the intervention of the Attorney-General, the refusal of the advisers to answer the subpoenas to which I have referred and, of course, the crowning glory, which was the intervention of the Speaker of the Legislative Assembly into the subpoenas which had been issued by the committee and concerned the inquiries the committee was making.

For one second let us accept the argument of privilege, which I do not, because it would have involved a constitutional crisis of some magnitude to have determined the procedures, practices and rules with respect to the relationship of the two houses. I read of the involvement of the Speaker in the other place — I say this with the utmost respect to the Speaker because he is a very fair and respectable member of Parliament. However, for him to become involved in the inquiry by the committee when it sought telephone records, which would have been significant in the findings the committee made, is questionable. The fact that Telstra itself sought its own legal advice and found that it was appropriate for it to provide the evidence that was being sought by the committee indicates that the Speaker's role was not warranted.

Notwithstanding the barriers put in front of the committee, it found that there was very strong evidence that:

> … Mr Thwaites, either on his own behalf, or on behalf of the Premier, sought to arrange for Mr Reeves to be appointed as managing director of the Urban and Regional Land Corporation.

The chairman concluded his foreword by saying:

> The government was caught out providing a 'job for a mate'.

The inquiry made 21 formal findings which affect ministerial integrity. They affect the integrity of the consultative process that was used. They clearly show cover-ups and deception, if not worse, by a range of participants. They show the use of undue influence, and they show an improper use of ministerial office. That is a very distinct finding that came out of the inquiry. Mr Jennings is over there giggling, laughing and seeking to interrupt.

Hon. Gavin Jennings — Where is the evidence?

Hon. C. A. FURLETTI — The behaviour of the Labor members of the committee was such as to make a member of Parliament embarrassed in reading the transcript. In typical style, especially the Honourable Theo Theophanous — and I use the word liberally, and I will quote Mr Jennings as well — can be accused with some basis of an abusive and bullying use of the committee to seek to deflect the real purpose of finding evidence. It was intimidating and demeaning to witnesses. Indeed, one of the findings of the committee was that the conduct was embarrassing.

Hon. Gavin Jennings interjected.

Hon. C. A. FURLETTI — Perhaps Mr Jennings should apologise to Mr Glynn and Ms Dickschen because the way he interrogated, not examined, those two particular witnesses you would have thought they were the criminals and not the then Minister for Planning, Mr Thwaites, the Treasurer, Mr Brumby, and the Premier. I suggest to Mr Jennings — —

Hon. Jenny Mikakos — On a point of order, Mr Acting President, I ask the honourable member to withdraw the statement he just made. He referred to a number of ministers of the Crown as criminals, and I take great objection to that.

Hon. C. A. FURLETTI — I thought I said 'criminal behaviour', but I am happy to say 'entirely inappropriate behaviour for ministers'. I withdraw my earlier comment.

Honourable Members — Withdraw!

Hon. Bill Forwood — He said that.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! I will hear Mr Furletti in silence.

Hon. M. M. Gould — We asked him to withdraw!

Hon. Bill Forwood — He did withdraw.

Hon. C. A. FURLETTI — If anybody doubts the comments I made, I urge them to read the transcript to see that the bullying tactics and the deflective tactics that these members use in this chamber are obviously part of their nature.

It is time to say that the Deputy Premier, the Honourable John Thwaites, should resign: he should go; he is in this up to his teeth — here we go, the government has been caught out providing a job for his mate.

Hon. BILL FORWOOD (Templestowe) — I rise to briefly comment on the Select Committee of the Legislative Council on the Urban and Regional Land Corporation managing director. At the outset I place on record my appreciation to the members of the committee and the staff who did such a diligent job on this in the face of what I believe was quite some difficulty.

If you read the report you will see the number of times obstacles were placed in the way of the committee in going about its work, but, as I said, it proceeded diligently, actively and intelligently to achieve an outcome which was well outlined in the contributions we have heard over the last two days by Mr Lucas, Mr Hallam and Mr Rich-Phillips. I commend Mr Rich-Phillips for his analysis of the minority report, which demonstrated that in fact, despite much huffing and puffing, the government did not have a feather to fly with when it tried to hide the result.

I also commend the foreword to this document by the committee's chairman, the Honourable Neil Lucas, who talks about the effects of the political obstacles thrown in its way, but he ends up by saying — and it seems to me this is a salutary paragraph:

> Despite such interference, based on the evidence received … it is reasonable to conclude that Mr Thwaites, either on his own behalf, or on behalf of the Premier, sought to arrange for Mr Reeves to be appointed as managing director of the Urban and Regional Land Corporation. The committee has further concluded that Professor Lyndsay Neilson, secretary of the Department of Infrastructure, was the public servant responsible for ensuring that Mr Reeves would be so appointed. In conjunction with Mr Terry Moran, secretary of the Department of Premier and Cabinet, Professor Neilson contrived to overthrow the recommendation of a legitimately constituted job selection panel in order to ensure the appointment of the government's 'preferred candidate'.

The next paragraph is most instructive:

> The carefully and cleverly constructed arguments put by Professor Neilson and Mr Moran, and the government's persistent interference in the committee's inquiry, failed to conceal this contrivance. The government was caught out providing a 'job for a mate'.

I say: full credit to members of the committee for being able to deconstruct the contrivance put together by the government as it sought to subvert the processes of the state.

Make no mistake about this: this was a shoddy deal from the beginning, a very shoddy deal, and as others have said, this government — and one minister in particular — stands condemned for behaviour inappropriate in a member of Parliament, let alone a member of the cabinet.

I believe, as others do, that in circumstances such as this there is no option other than for Mr Thwaites either, if he had a skerrick of integrity, to actually say, 'I resign because it is the right thing to do', but if he does not have a skerrick of integrity — and let's face it, the guy has gone to ground: he has not been seen for two days; he is hiding from the result — and if he will not come clean and will not resign I believe there is no other choice than that the Premier should sack him for bringing the state into absolute disrepute.

I pick up a comment made by the Honourable Glenyys Romanes in her contribution when she said that Angie Dickschen interfered in the process.

Hon. Gavin Jennings interjected.

Hon. BILL FORWOOD — She did, they were her words — 'interfered in the process'. I make the point, in case she did not understand it, that the URLC appointed a selection subcommittee comprising board member Ms Angie Dickschen as the chair of the subcommittee, yet the government's argument is that she interfered in the process. What an absolute nonsense!

We remember the contortions of the government when the Premier and his colleagues were caught out in this little fiasco. We remember the Premier having difficulty with the truth sometimes when he said 'past friend' — that famous phrase — 'no longer my friend', 'past friend', et cetera.

In my hand I have some important contact numbers that came to me by means unknown. Basically they belong to ministers and the Labor Party, and other people. The first page talks about Steve Bracks and Tim Pallas. You can date this because it has Bill Scales in it. It runs through the names Sharon, Colin, Matt and Phil; then it gets down to advisers Dan O'Brien, Bruce Cohen — they are all here. Then it gets down to the speech writers.

Hon. Gavin Jennings interjected.

Hon. BILL FORWOOD — No, you are down the back. Then we get to the Victorian ALP contacts — David Feeney, Greg Sword and of course, Roland Lindell and Daniel Andrews. Then it gets to the national context.

Hon. Gavin Jennings interjected.

Hon. BILL FORWOOD — You're right, Mr Jennings, it is a telephone directory. This is the government's internal telephone directory. Where do we get ranked? Just after cabinet, the Premier, the chief of staff, media advisers, Victorian ALP contacts, the national ALP and the trade unions comes the other category!

Hon. T. C. Theophanous — On a point of order, Mr Acting President — —

Hon. Gavin Jennings interjected.

Hon. T. C. Theophanous — Exactly my point! It is all very interesting for the Leader of the Opposition to read out the telephone directory of the government, but he has been going on about this — —

An honourable member interjected.

Hon. T. C. Theophanous — Well, it is a telephone directory, and he has been going on about it for some time. I fail to see how this has anything to do with the committee report. I do not know what the relevance of all this is, but I ask you, Mr Acting President, to bring the honourable member back to discussing the committee report, for which I might say the government side gave him an extra few minutes in order to say something about it.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! While the motion to take note of this report allows for a reasonably wide-ranging debate, it would be incumbent on the honourable member to relate the material he is using at the moment to the report or move on.

Hon. BILL FORWOOD — I would be delighted to relate the material to the issue before the house. Let me quote from the report. At page 19 the report says that Des Glynn:

> advised … that … he heard that Mr Jim Reeves, a longstanding friend of the —

Premier. I have just been demonstrating that the Premier knew Mr Reeves and that later on he backed away. He backed away from that friendship when he called him a past friend. What I am just demonstrating —

Hon. Gavin Jennings interjected.

Hon. BILL FORWOOD — And am about to demonstrate, as the Deputy Leader of the Government so succinctly picked up, is that the next name from the departmental internal telephone directory, starting with the Premier and his advisers and contacts, is none other than Jim Reeves. There he is! This is the guy they are — —

Hon. G. R. Craige interjected.

Hon. BILL FORWOOD — Do you want the phone number? No, that is inappropriate. I have everybody's phone numbers; I have them all, but I will not release them. I am just demonstrating to the house — —

Hon. W. R. Baxter — Is it a Brisbane number?

Hon. BILL FORWOOD — It is a Brisbane number. I am just demonstrating that in this little book of contacts that belongs to the Department of Premier and Cabinet, high up — —

Hon. Gavin Jennings — Well why have you got it?

Hon. BILL FORWOOD — Don't know; don't even know where it came from — but I am using it. It demonstrates that he was the Premier's mate — longstanding mate, current mate — and was offered a job contrived and fixed up by a shonky process led by Lyndsay Neilson from the department and the then Minister for Planning, John Thwaites.

We know about the dinner in Brisbane beforehand and we know there is no doubt — on the evidence — that there was a set-up job to get the Premier's best mate into this job, a job for which he was not suited and to which the evidence showed he was absolutely and patently not up to — to the extent that the then Minister for Planning, John Thwaites, signed off on the elevation of two other officers to be 24-hour 'nurse maids' of a man who did not have any qualifications for the job, other than that he was a mate of the Premier.

We have here a pattern of behaviour and a pattern of deceit. We have a government that will do anything: subvert, contrive, construct, hide, prevaricate, delay — anything it can to prevent the truth coming out. But in this case, because of the work of the committee established by this chamber, the truth is out — and the truth is that the Deputy Premier should resign!

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The time for motions to take note of reports and papers has expired.

Motion agreed to.

AGRICULTURE LEGISLATION (AMENDMENTS AND REPEALS) BILL

Second reading

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

That this bill be now read a second time.

The bill makes a number of amendments to the Plant Health and Plant Products Act 1995 which aim to maintain productivity and market access for Victorian plant produce by enabling more effective measures to prevent, report on and respond to incursions of exotic pests and diseases, such as fire ant, fire blight, branched broomrape and fruit flies.

The bill amends the Sale of Land Act 1962 to require vendor statements to include a warning to prospective purchasers of land that commercial agricultural production could affect their enjoyment of the land. The bill also repeals the Wheat Marketing Act 1989 and the Egg Industry (Deregulation) Act 1993 which are both redundant.

Proposed amendments to the Plant Health and Plant Products Act 1995

The presence of branched broomrape and fire ants in other parts of Australia increases the urgency for Victoria to improve its product movement and certification measures to minimise the risk of such exotic pests and diseases entering this state.

Early reporting and rapid response capability is essential for effective containment of exotic pests and diseases. Experience has shown that the current provisions in the act do not allow for a sufficiently rapid incursion response because of delays in diagnosing the organism prior to its declaration by Governor in Council for purposes of the act. Under a new section 5A, the minister will be able to make an interim order for a maximum of 28 days duration to declare a suspected pest or disease to be an exotic pest or disease if he or she is of the opinion that it is harmful to the growth or quality of plants or plant products. As the order can be made on the basis of a description of the organism or on symptoms or the condition of the affected plants, it should reduce the response time to a few days rather than the two to three weeks currently being experienced. This provision reflects similar legislation in other states.

The act is clear about the reporting requirements for plant pests and diseases by landowners and other persons, who grow, own or possess plants and plant produce. An amendment to section 7 will also make it mandatory for consultants and contractors who are employed by growers as pest monitors and laboratory owners to report suspect or identified exotic pests and diseases without delay. It has been necessary to clarify the reporting responsibilities for laboratory owners as many have confidentiality arrangement with clients.

Bees, livestock and livestock products are known vectors of pests and diseases such as fire blight and branched broomrape. Livestock and livestock products within the meaning of the Livestock Disease Control Act 1994 are to be defined as plant vectors. The bill amends sections 17 and 20 of the act to include plant vectors which will enable the making of orders to restrict their movement both within and from quarantine and restricted areas where pests, such as branched broomrape, are present.

Other amendments to section 24 will allow the minister to place controls on the movement of plant vectors from interstate quarantine or restricted areas into Victoria and to make it mandatory under section 6 for persons receiving plant vectors from such areas both within and outside Victoria to obtain the appropriate certification. The livestock industry has accepted the need for such powers provided that industry is consulted before the making of any order and on the basis that the need for such an order is likely to be rare.

Other amendments under section 6 seek to ensure consistency by requiring Victorian importers of produce from fruit fly outbreak and other pest-affected areas within Victoria to obtain certification similar to what is required for produce from quarantine or similar restricted areas interstate.

While the amendments emphasise prevention, the new provisions will also allow importers of plant material, plant vectors and equipment more flexibility to deal with consignments that do not comply with the act. Rather than having to treat, dispose of or destroy the consignment, an amendment to section 10 will allow importers to opt to have an inspector authorise its re-consignment back to the owner or to an alternative market under security. An amendment to section 6 will also relax movement conditions so that only a general ministerial approval is needed for the entry of routine plant samples for diagnosis within Victoria provided the laboratory observes certain conditions. However, ministerial approval will still be required for individual introductions of material that is affected by exotic pests and diseases for the purposes of scientific research. This approval can be sought for entry of material designed to protect the environment, for example, biological control agents and for use in trials and varietal testing designed to further agricultural interests.

There has been some concern expressed by producers and market users about dirty packages transferring unwanted pests and diseases, particularly back to farms. The word ‘clean’ has been defined in section 34 of the act to enable inspectors and package users to benchmark a standard for the cleaning of such packages, including bins. Changes to section 35 will enable growers and packers to incorporate, electronically or otherwise, place-of-production codes on packages of fruit and vegetables. For many producers and packers who use generically branded packages, this will remove the need for packages to be printed with the full name and postcode of origin, as is required at present.

Section 38 of the act and associated sections, which require packages of fruit and vegetables to be labelled with the grade description, where such a grade system is in operation, have been revoked. This followed a recommendation from a national competition policy review of the act, which found that these sections have no direct bearing on the main purposes of the act, which are about plant health. The provisions had been retained in the event that horticultural industries elected to adopt industry grade standards but industry has not developed such standards. Alternative arrangements are being discussed with the table grape industry, which is still interested in implementing national grade standards.

Seed labelling provisions under sections 30 and 31 have been revoked because the Australian Seeds Association has successfully implemented a national code of practice for labelling. Discussions with various seed industry sectors have indicated that they are happy for the legislation to be revoked because there is a high degree of compliance with the code and it has received widespread support from seed producers, packers and consumer groups.

Further amendments will improve existing enforcement and offence provisions. Changes to section 59 will allow inspectors to seek information from landowners and owners of plants and produce that are suspected of being infested or infected with exotic pests and diseases. Under amendments to section 48, a minimum time of two days, rather than the current minimum of seven days, will be able to be fixed for a person to comply with an order, direction or notice. This is particularly important for situations where pests or diseases could quickly spread if prompt action is not taken to control them.

Changes to section 66 are designed to increase the time limit for commencing proceedings for a number of offences from one to three years. This has become necessary because a significant proportion of compliance is now checked through periodic audit arrangement, rather than ongoing inspection, which can lead to later detection of offences.

The list of offences in section 60 for which an infringement notice can be issued has been increased. The option to use infringement notices for an expanded number of offences reflects a need to back up compliance programs with an appropriate penalty, particularly for first offenders or for minor infringements, without the need for court proceedings that may prove expensive and time consuming for all parties.

Proposed amendment to the Sale of Land Act 1962

Last year the government endorsed the six recommendations of a right-to-farm working group the Minister for Agriculture set up to tackle mounting tensions in urban–rural areas of Victoria. Increasing numbers of people are seeking rural lifestyles but their expectations are not always compatible with the realities of modern agriculture. This, combined with inadequate knowledge of rights and responsibilities, leads to conflicts and disputes that can be very time consuming and stressful for all concerned.

Adoption of the six recommendations of the right-to-farm working group forms the basis of the Victorian government's strategy Living Together in Rural Victoria. Progressive implementation of the recommendations saw the launch, in February 2002, of a Rural Disputes Settlement Centre to improve mediation services across regional Victoria. In April the Minister for Agriculture launched an extensive education campaign to deliver information about rural living so that complaints against farmers engaged in legitimate business activities will be minimised. The education campaign particularly targets people thinking of moving to rural areas, as does the recommendation implemented by this bill, an amendment to the Sale of Land Act 1962.

This bill amends the Sale of Land Act 1962 to insert, in section 32(2), a warning to purchasers that the property may be located in an area where commercial agricultural production activity could affect their enjoyment of the property. It is therefore in the purchaser's interests to undertake an investigation of the possible amenity impacts from nearby properties and the agricultural practices and processes conducted there.

The extensive educational material developed, and now widely available in printed form and electronically, will allow potential purchasers of rural property to access information on agricultural impacts such as noise, odour, dust, visual amenity and livestock on roads. They will also find, at the same time, information on responsibilities regarding matters such as controlling weeds and animal pests, as these can also be an underestimated impact of moving to the country.

Repeal of redundant acts

The bill repeals the Wheat Marketing Act 1989 and the Egg Industry (Deregulation) Act 1993 which are both redundant.

The Wheat Marketing Act 1989 repealed the Wheat Marketing Act 1984 and conferred certain functions and powers on the Australian Wheat Board to allow the board to trade within Victoria.

The Wheat Marketing Act 1989 became redundant when the commonwealth amended its legislation and privatised the Australian Wheat Board. The Wheat Marketing Act 1989 now refers to arrangements which no longer exist and is inconsistent with the relevant commonwealth legislation.

The Egg Industry (Deregulation) Act 1993 repealed the Egg Industry Act 1989 and provided for the transfer of the property, rights and liabilities of the Victorian Egg Marketing Board to the Egg Industry Cooperative Ltd on 12 June 1993, which was the day on which the Egg Industry Act 1989 was repealed. Repealing the Egg Industry (Deregulation) Act 1993 does not adversely affect the transfer of the Victorian Egg Marketing Board's property, rights and liabilities to the Egg Industry Cooperative Ltd.

I commend the bill to the house.

Debate adjourned on motion of Hon. PHILIP DAVIS (Gippsland).

Debate adjourned until next day.

Sitting suspended 12.57 p.m. until 2.02 p.m.

MEMBERS STATEMENTS

Water: resource management

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — Over the course of the 21st century, access to water will be a seminal issue. In some parts of the world it will be the issue on which wars are fought.

In recent months the Victorian people have received conflicting messages from the Bracks government about water management. The Premier and the Minister for Environment and Conservation have been vocal in their rhetoric on water, but silent when it comes to offering a long-term plan. At the same time their actions have been contradictory.

It is widely recognised that Victoria is experiencing a period of particularly low rainfall. The government acknowledges this with its campaign for Victorians to save two buckets of water a day. Yet while urging Victorians to save water due to low rainfall, the Premier was refusing to acknowledge the drought in northern Victoria.

Perhaps the most contradictory action of all was the government's undertaking in August 2002 of diverting 38 billion litres of water a year down the Snowy River, despite the commensurate water savings not being available. The environmental reason for this may be sound, but in a time of regional drought and potential urban water restrictions, the timing is highly inappropriate and nothing more than a political pay-off to Craig Ingram, the honourable member for Gippsland East.

Water management is extraordinarily important. It should be the goal of all parties, parliaments and governments to develop a long-term bipartisan policy by which Australia's water resources are managed.

CPA: study tours

Hon. D. G. HADDEN (Ballarat) — I was most fortunate in being given the opportunity of undertaking a Commonwealth Parliamentary Association overseas study tour this year. This important opportunity would not have been possible but for the state parliamentary Labor Party selecting me as one of its members of Parliament to participate this year and because of my membership of the Victorian branch of the CPA.

My tour took place during the winter recess, and during that time I visited eight houses of Parliament. I visited the House of Lords and the House of Commons at Westminster Palace in London; the National Assembly for Wales in Cardiff; the Scottish Parliament in Edinburgh, and the Irish Republic, Tithe an Oireachtais at Leinster House, Dublin. I also visited the Parliaments of the Republic of South Africa in Cape Town.

This tremendous opportunity enabled me to see how commonwealth and republican parliaments function and has certainly broadened my knowledge of parliamentary protocols and systems.

As a member of the 54th Parliament, I am grateful for this most educative and invaluable experience of having undertaken a CPA overseas study tour and for the opportunity of meeting some wonderful people, all of whom helped to make my study tour as memorable as it has been.

I especially thank Mr Ray Purdey, honorary secretary of the Victoria branch and his assistant, Ms Shanthi Wickramasurya, for the great assistance and guidance they gave me.

Goulburn-Murray Water: resource management

Hon. W. R. BAXTER (North Eastern) — I want to follow on from the Honourable Gordon Rich-Phillips and talk about water. Last evening, together with some of my colleagues, I received a briefing from senior officers of Goulburn-Murray Water — Mr Geoff Earl, in particular, and Mr John Pettigrew, who is a board member. I understand a similar briefing might have been provided to the government this morning. The briefings had been arranged at the request of the Minister for Energy and Resources and I commend the minister for arranging them.

The briefing really brought home to those of us who attended how we — and Goulburn-Murray Water in particular — are charting new territory in terms of water management. We are now facing a situation at Lake Eildon which has never been experienced before in the history of that lake. It is at the lowest point that it has ever been for this time during any year and its inflows are at their lowest level since 1902. The predictions are now that the main spring inflow period is passing us by rapidly, we will see that lake virtually depleted by the end of the irrigation season and it may well be that consideration has to be given to pumping out what is known as the dead water — that is, the water that will not run out naturally over the sill of the dam. So we are charting new territory and Goulburn-Murray Water is doing a tremendous job.

One thing that did disturb me, though, was the reports that its officers are being subjected to some poor behaviour from some of its customers due to the stress they are under. I think this confirms what I told the house in my motion yesterday: we have to look at the psychological implications of this drought.

Eastern Freeway: extension

Hon. B. N. ATKINSON (Koonung) — I wish to comment on the decision of the government on 23 September to abandon the timetable that had been

established for the construction of the Eastern Freeway extension from Springvale Road, Nunawading to Ringwood and the long tunnel project that was part of that construction.

This decision was announced by the Minister for Transport in another place. I would have thought that the Premier would have made himself available to explain such an important decision by the government, but I notice from another press release issued by the Premier that he was busy that day enjoying himself at the Royal Melbourne Show.

The Premier took the good news and got the show bags, and the Minister for Transport got the bad news. The people of Mitcham and the eastern suburbs of Melbourne, and indeed the suburbs that run to the south of seats like Mitcham and Warrandyte, copped the bad news that this project has been delayed.

The government has called it by another name and changed the timetable so that it will not be completed before 2005. Given the government's track record, we doubt that timetable. No matter how the government dresses it up or packages it, the fact is it has let down the people of the eastern suburbs and abandoned a vital project in the transport network of the eastern suburbs.

Women: community leadership grants

Hon. KAYE DARVENIZA (Melbourne West) — I am pleased to have the opportunity to congratulate two recipients of women's community leadership grants who are based in my electorate. Ms Kelly Linnell has received $2000 to build on her leadership skills by pursuing a range of leadership training activities, including training on project management, public speaking and information technology.

The Women's Health West organisation provides excellent service and support to women in the west. It has received a $5000 grant to fund leadership programs for young women aged between 16 and 24. These programs are designed for women from culturally and linguistically diverse backgrounds in Melbourne's west. This initiative will help to empower these women and encourage them into leadership roles. It will also help to bridge the cultural divide between mainstream society and ethnic communities.

These are important grants and important initiatives of the government. They will build on projects that assist women in their leadership skills. I am delighted to have the opportunity to inform the house of this Bracks government initiative and to congratulate these grant recipients and wish them very well.

Bendigo Bombers

Hon. R. A. BEST (North Western) — The matter of public importance I raise today relates to the proposed merger of the Bendigo Diggers Football Club and the Australian Football League club, Essendon, to create the Bendigo Bombers.

A number of meetings have been held to try to resolve the concerns of those who would be most affected if the merger were to succeed. Essendon has stated that if the Bendigo Football League clubs do not want the merger, it will not proceed. However, two days ago the Bendigo Football League decided that it could not endorse the merger because of the lack of detail, and the potential adverse impact of this merger on Bendigo Football League clubs if the Bendigo Bombers football club were created.

I understand and sympathise with the Bendigo Football League clubs and appreciate the difficulties that all country clubs have in raising funds and keeping their players on the field. I acknowledge the fantastic role played by many volunteers in serving their clubs as club administrators. However, there is a bigger issue to be addressed here, and it is a decision that those of us who are in positions of influence must consider as leaders of our country communities. How do we maximise opportunities for our most talented athletes and keep them as part of our local communities? Too often we complain about the loss of our young people to the metropolitan area. I would like to urge the Bendigo Football League club presidents and their committees, and representatives of the Essendon Football Club, to keep trying and to seek a resolution that has the potential to benefit not only football in Bendigo but most importantly our home-grown talent, so that these athletes can compete at the highest level.

Schools: East Yarra Province

Hon. D. McL. DAVIS (East Yarra) — The matter of importance I raise today relates to schools and school funding in my electorate of East Yarra Province. I note a document obtained by the opposition under freedom of information headed 'Summary PRMS x priority condition 13-05-2002'. It is an important document that indicates there was a $9.4 million maintenance backlog in government schools in East Yarra Province on that date in May. In addition, if you tally up the listings for schools in the City of Boroondara the total is $7.4 million, and for the City of Whitehorse it is over $7 million. This is of great concern to many people in my electorate.

I note that the Minister for Education Services said in the *Progress Leader* of 30 September:

> … the opposition had tallied figures that were three years out of date.

The minister is quite wrong. This is a government document provided under freedom of information, and it is dated 13 May 2002.

Hon. M. M. Gould interjected.

Hon. D. McL. DAVIS — That is the day it was tallied and the day it was provided for the opposition. There is no doubt that this is what the school maintenance situation was as at that date. The Minister for Education Services has gone around the countryside trying to weasel her way out of this difficult conundrum. The fact is that the minister should apologise to Victorians, including the people in my province and the municipalities of Whitehorse and Boroondara, for her misleading statements.

Keon Park Soccer Club

Hon. JENNY MIKAKOS (Jika Jika) — On 15 September 2002 I attended a celebration of the establishment 20 years ago of the Keon Park Soccer Club, which is based in my electorate. Sport builds communities, and soccer in particular brings together people from different cultures, breaks down barriers and generates community understanding and friendship.

I commend the Keon Park Soccer Club for encouraging young people to participate in a sport that teaches them responsibility and commitment, builds their confidence, keeps them healthy and away from negative influences, and teaches important lifestyle values such as goal setting and dealing with winning and losing. As a soccer enthusiast I am pleased that soccer has become the biggest participatory sport at junior levels. The Bracks government has supported the upgrade of local soccer facilities with more than $1.4 million in funding.

I take this opportunity to congratulate the committee of management of the Keon Park Soccer Club; its president, Chris Rousalis; and its members and supporters for achieving 20 years as a club. Twenty years is a long time to keep a club strong, and it takes a lot of hard work, particularly voluntary work, to organise the day-to-day requirements of a club such as fundraising, training and administration. I wish the club well in the future.

Narre Warren South: services and infrastructure

Hon. N. B. LUCAS (Eumemmerring) — I raise an issue under the heading of capital works, broken promises and problems in the new Narre Warren South electorate. My concerns are shared by the Liberal candidate for Narre Warren South, Mr Michael Sheppardson.

The first issue comes under the heading of broken promises in this electorate. I draw to the attention of the house the promises made by the Bracks government in relation to the Narre Warren premium station. It has been promised again but there are still no works. The underpass on the Narre Warren–Cranbourne Road has been promised two or three times but nothing has happened. The government has promised to upgrade the Narre Warren–Cranbourne Road, but we still have a very unsafe road with increasing traffic volumes.

There is also the issue of the Berwick hospital. The opposition has raised this many times but not a brick has been laid. The hospital has been promised. It was going to open in 2002 but nothing has happened. We now have a situation where the Monash Freeway extension known as the Hallam bypass will open next year and pour a lot of traffic onto the Berwick–Cranbourne Road, which will not be ready for it. People will use that road as a bypass to the South Gippsland Highway, and it needs to be four lanes all the way to Five Ways. The fact is, it will not make it, and we will have a big debacle there, as we already have with the buses.

The extension of the public transport bus system was not sufficient to provide us with an appropriate service in Narre Warren South.

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

Police: Bellarine Peninsula

Hon. E. C. CARBINES (Geelong) — In stark contrast to the Kennett government, which totally ignored the calls from Bellarine residents for improved policing, the Bracks government made an election commitment to build a 24-hour police station on the Peninsula.

On Monday I was pleased to accompany the Premier and the Minister for Police and Emergency Services to the site of the new $5 million, 24-hour police station at Ocean Grove. What a great day it was! We were joined by representatives of community associations from across the peninsula and Labor's Bellarine candidate,

Lisa Neville, in witnessing a sod turning by the Premier and the minister to signify the commencement of construction. The government has delivered its promise to Bellarine residents. The 24-hour police station at Ocean Grove will complement the stations at Portarlington, Drysdale and Queenscliff, thereby increasing the police presence across the peninsula. Bellarine residents called for improved policing, and the Bracks government has listened and acted.

Police: government advertising

Hon. B. C. BOARDMAN (Chelsea) — Given her recent contribution in the house, I am sure that the Honourable Elaine Carbines would acknowledge the independence of Victoria Police. I am sure she, as a member of the government, would be quite appalled by the quite overt and blatant political advertising and the way Victoria Police has been used to promote government propaganda. This misrepresents the facts and the reality of the situation. Victoria Police has always had a proud tradition of being at arm's length from government, and that tradition must continue.

It is totally unacceptable for this government to use the emblem, the uniform and the men and women of the Victoria Police to promote its political propaganda. It is not sufficient to simply suggest that placing additional men and women is something the Victoria Police itself needs to promote. This is not worth while when it is trying to divest itself from what is a clear political mandate. The government's advertising credentials are a sham. Its whole policy and approach to Victoria is a sham and that will be reflected at the ballot box.

QUESTIONS ON NOTICE

Answers

Hon. M. M. GOULD (Minister for Education Services) — I have answers to questions on notice: 2757, 2842–66, 2868–72, 2877, 2878, 2880.

UTILITY METERS (METROLOGICAL CONTROLS) BILL

Second reading

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

That this bill be now read a second time.

The purpose of the Utility Meters (Metrological Controls) Bill is to extend the operation of current trade measurement laws to utility meters, which are used to measure quantities of reticulated electricity, gas or water.

In 1990 all states and territories except Western Australia agreed to the adoption of uniform trade measurement legislation (UTML). UTML was designed to ensure that transactions involving quantifiable measures are conducted accurately and consistently across all states and territories. The incentive for UTML was to promote commercial certainty and bring about a reduction in business costs and greater efficiency in the trade measurement industry that services the marketplace and that the confidence of consumers in the market should be maintained through suitable protection provisions.

The Victorian Trade Measurement Act 1995, along with the Trade Measurement (Administration) Act 1995, forms the basis of Victoria's UTML commitments.

Some trade transactions, however, (and the measuring instruments employed in making them) have been exempted from UTML through section 6 of the Trade Measurement Act 1995. Among the exempted items are utility meters used to measure the consumption of reticulated electricity, gas and water.

The utility meter exemption was agreed at a time when utilities were publicly owned. Since the 1990s, however, privatisation and corporatisation of utilities in Victoria means that direct government control no longer applies.

While the commonwealth regulates the design of utility meters (under the National Measurement Amendment (Utility Meters) Act 1999) to ensure their initial accuracy, responsibility for ensuring ongoing accuracy once meters have been installed rests with states and territories.

This bill will ensure that utility meters will be subject to the same regulatory framework and scrutiny that currently applies to other measuring instruments under Victorian trade measurement legislation. Effectively this means that those utility companies responsible for meter accuracy will now be subject to oversight by Trade Measurement Victoria inspectors and licensees.

The bill provides for separate commencement in respect to each of the utility sectors (gas, electricity and water) and will ensure a consistent and systematic approach to ensuring utility meter accuracy that will enhance both business and consumer confidence in relation to the ability of utility providers to accurately measure consumption.

I will now deal briefly with the main provisions of the Utility Meters (Metrological Controls) Bill.

Part 1 of the bill deals with definitional matters and explains what is meant by use of a utility meter 'for trade'. Consistent with the Trade Measurement Act 1995 the bill binds the Crown.

Part 2 of the bill is concerned with the administration of the act, and the functions and powers of the administering authority.

Part 3 of the bill deals with the use of a utility meter for trade. It prohibits the use of a utility meter unless the utility meter bears an inspector's or licensee's mark. The bill will create the offences of supplying, installing or using for trade a utility meter that is incorrect or not of an approved pattern, or causing a utility meter that is in use for trade to give an incorrect reading.

Part 4 of the bill relates to reverification and certification of utility meters. Servicing companies may be licensed to certify the accuracy of utility meters. The requirements for reverification and certification of a utility meter are that it must operate within the appropriate limits of error that may be tolerated under the National Measurement Act, be of an approved pattern, and meet the requirements of the National Measurement Act for metric graduations. Part 4 also makes it the responsibility of the administering authority to arrange for the reverification and certification of utility meters that are in use for trade.

Part 5 of the bill relates to licensing. A person who certifies a utility meter is required to hold a servicing licence or be the employee of a licensee. Individual service personnel will not be licensed but the licensing authority is able to exclude dishonest or incompetent personnel from the industry by issuing an order that they may not be employed to certify utility meters. The bill makes provision for disciplinary action to be taken against licensees in certain circumstances and outlines an appeals procedure.

Part 6 of the bill sets out the powers of inspectors in relation to search, entry, inspection and seizure of instruments and records. The powers are almost identical to those under the current Trade Measurement Act 1995. Inspectors may at any reasonable time enter and search a building or a place for the purpose of investigating an offence against the act or the regulations. The bill proposes that an inspector is not entitled to enter a part of premises used for residential purposes, except with the consent of the occupier or under the authority of a search warrant. In addition, part 6 provides for an increase by five times the maximum penalty for any offence committed by a body corporate and makes the director of a body corporate guilty of the same offence committed by the body corporate if the director knowingly authorised or permitted the offence.

Part 7 of the bill is concerned with general matters. Under current arrangements, some utility service providers operate in accordance with codes of conduct forming part of their contract with the Essential Services Commission. The bill provides that the administering authority may adopt and approve a code of conduct which applies in respect of utility meters used for trade in an industry and is in force on the relevant prescribed date for the industry. Part 7 also make provision for the Governor in Council to make regulations for or with respect to any matter or thing required or permitted by the act.

Part 8 of the bill relates to consequential amendments. This part essentially places a limit on the power of an authority to make by-laws under the Water Act 1989 which are inconsistent with the Utility Meters (Metrological Controls) Act 2002.

In conclusion, the bill will provide for a consistent and systematic regulatory framework for ensuring the accuracy of utility meters used for trade, and is consistent with current Victorian trade measurement legislation.

I commend the bill to the house.

Debate adjourned for Hon. W. I. SMITH (Silvan) on motion of Hon. C. A. Furletti.

Debate adjourned until next day.

WRONGS AND OTHER ACTS (PUBLIC LIABILITY INSURANCE REFORM) BILL

Second reading

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

That this bill be now read a second time.

This bill continues the government's wide-ranging response to problems in the insurance sector that have impacted on all sectors of the Victorian economy and community.

An insurance sector is vital to the performance of the Victorian economy and the security of our community. Without insurance, a lot of economic, social and community activity would not take place.

The government's objective is to ensure insurance is available and affordable for business and the wider community, to protect Victoria's reputation as a good place to live and do business.

The insurance market has always been cyclical in nature. But the collapse of major insurer HIH and the impact on worldwide insurance markets from the tragic events of 11 September make the current episode unique in its extent and impact. This is why this government is taking action to address the problems that have emerged.

The pressures on the availability and price of insurance are not unique to Victoria, or indeed Australia. However, it is important that the strategy adopted by government specifically addresses the Victorian situation.

The government has listened to the community. We have seen the cost that instability in the public liability insurance market is imposing on Victoria's small businesses and tourism operators, our sporting and cultural activities, and our local communities.

The Minister for Finance outlined the government's strategy in his ministerial statement to the legislative assembly on insurance on 26 March 2002.

The government's approach has tackled the insurance problems on several fronts. The focus has been primarily on prudent and short-term interventions to help the most severely disadvantaged.

We recognise that some areas have their own special problems requiring specialised analysis. To this end the government has convened a medical indemnity working group to provide expert advice on a series of reform measures in relation to medical indemnity.

The major components of the Victorian government's response to problems in the insurance sector are as follows:

First, the government is making useful information available to insurers and consumers so they can make informed decisions. Potential new insurers will be provided with information on claims, premiums and profitability making it easier for them to enter the Victorian market.

Second, the government has targeted those sectors where insurance has been withdrawn meaning no insurance cover is available for a particular group or activity. The Victorian government is proud to have led Australia in bringing specific groups — such as not-for-profit community groups and pony clubs — and the insurance industry together to develop appropriate coverage and group buying arrangements.

Third, where necessary the government is making changes to the institutional and regulatory arrangements faced by insurers and some industry sectors. For example, the government successfully averted an insurance crisis in the plumbing sector by reforming the licensed plumbers insurance order and has made other regulatory changes to help the construction sector more broadly.

Fourth, the government is providing short-term, last-resort insurance to areas suffering 'insurance market failure' such as the building and adventure tourism sectors to ensure goods and services remain available. Importantly, this type of intervention has included incentives for private sector insurers to re-enter the market.

Finally, the government is introducing a comprehensive range of legislative reforms, including tort reform, to tackle a range of areas that over the longer term have put upward pressure on insurance prices.

None of these approaches in isolation will provide a solution to the complex insurance problems being experienced. It is essential to complement and coordinate government policy initiatives to make insurance more readily available and affordable to Victorians.

In relation to tort reform, the government has strongly maintained that Victoria would move cautiously in the absence of reliable data and a strong indication that changes to tort law would benefit the community.

At the same time, the government reserved the right to implement further tort reform should the lack of affordable and accessible public liability insurance coverage threaten the state's economic and social objectives.

The government has now had time to carefully consider the findings of the Trowbridge report on public liability insurance; to monitor and assess developments in the insurance market; and to consult key community stakeholders.

The Trowbridge report proposed measures for tort, compensation and process reform to improve the affordability and availability of insurance. Importantly, the report and subsequent data have shown that Victoria does not face, to the same degree, the problems experienced by other states such as New South Wales.

Nevertheless, the information does suggest that without further government tort law reform, there is a risk that the trend in public liability claim costs will remain unchecked. Failure to act now would only continue to create uncertainty about movements in premiums and the availability of insurance products.

The bill I am introducing today builds on the commitment the government made on 30 May 2002 to introduce specific legislative changes into this sitting of parliament. This bill includes:

provision for waivers that will allow people to accept responsibility for their participation in risky activities;

protection of volunteers and good Samaritans from the risk of being sued;

provisions that substantial amounts of damages can be paid in regular instalments (structured settlements) instead of one lump sum;

ensuring that saying sorry does not represent an admission of liability;

providing that the fact that some people have suffered injuries as a consequence of their own criminal activity, or their own ingestion of alcohol or drugs, is taken into account by the courts;

protecting food donors from liability where they have donated food to charities in good faith;

enabling the Essential Services Commission to collect insurance data to ensure transparency and fairness in the pricing of premiums;

requiring insurers to account clearly for the collection and remission to the fire brigades of amounts the insurers collect from insurance policy holders as 'fire services levies';

creating a cap on loss of earnings of three times average weekly earnings;

creating a cap on non-economic losses of approximately $370,000; and

setting the discount rate at 5 per cent and adjusting this rate from time to time to reflect actual real investment returns.

These Victorian legislative measures are well targeted and comprehensive to our circumstances here in Victoria. But part of the government's strategy also involves cooperating in coordinated actions at the national level. This reflects the government's position that insurance is both a local and national product, with the federal government being primarily responsible for insurance supervision, regulation and consumer protection.

Going forward, the Victorian government will emphasise to the federal government their responsibilities. These will include seeking measures that will increase the competence of the national regulator of the general insurance industry, the Australian Prudential Regulation Authority, the quality of data collection, oversight of consumer interests and premium movements.

I now turn to the specific proposals in this bill.

Intoxication and illegal activity

There is a perception in the community that the courts have been too quick to establish a duty of care owed by a defendant in some situations where the plaintiff should have exercised greater care for their own safety. This concern has focused on plaintiffs who have been intoxicated by alcohol or drugs, or engaged in illegal activity, at the time they were injured. It is important that these concerns are addressed.

This bill amends the Wrongs Act 1958 to provide that in actions in negligence for personal injury or death the court must always consider: the plaintiff's level of intoxication by alcohol or drugs; and whether the plaintiff was engaged in illegal activity, in determining whether a defendant owed a duty of care to a plaintiff and, if so, whether it has been discharged. This bill also imposes a specific duty of care in relation to occupiers' liability.

These amendments are significant as they will provide the courts and the public with certainty by establishing intoxication and engagement in illegal activity as matters that must be taken into account by the courts in cases of personal injury or death.

Apologies

There is considerable confusion in the community about whether a person who is alleged to have injured a third party admits legal liability by simply apologising to that third party.

This bill aims to encourage the use of apologies. It applies to expressions of regret, sorrow or sympathy by any person, where a death or personal injury is relevant to specified proceedings. The bill provides that the giving of an apology, or a waiver of fees otherwise payable for a service, does not in itself amount to an admission of:

legal liability in civil proceedings (such as in negligence, or for breach of a statutory duty or a contract); or

unprofessional conduct or professional misconduct; or

responsibility for the cause, or regarding the manner, of a death, in coronial proceedings.

The bill does not render an apology inadmissible, where it could be admitted or taken into account under the general law for another purpose.

If an apology includes a statement of fact, this statement may be relevant to a fact in issue that is to be determined by the court or body.

This bill does not apply to an apology where there is a clear acknowledgment of fault. In such a case the maker of the apology has in effect fully admitted legal liability, or unprofessional conduct, or that they bear responsibility for a death.

Caps on certain heads of damages

The introduction of caps in this bill provides increased certainty to the public liability insurance market. They define potential claimants' rights more clearly in terms of their potential claim while also providing insurers with greater certainty with respect to potential claim costs.

The principle underpinning the award of damages by courts, where negligence has been proved, is that plaintiffs should be restored to the same position that they were in before their losses or injuries. It is the responsibility of the courts to determine, in a particular case, such matters as:

what costs has the plaintiff incurred, or will incur, that he or she would not have incurred if the incident had not taken place;

what income will the plaintiff not receive that would have been received had the incident not taken place; and

what amount will compensate the plaintiff for non-economic losses the plaintiff has suffered, such as pain, or loss of enjoyment of life?

Such matters necessarily involve some level of subjectivity and estimation. No-one can know with certainty whether a permanently incapacitated plaintiff would have enjoyed the same real income, or a higher or lower real income, for the rest of his or her working life. Compensation is generally based on an assumption that the current real income of the plaintiff would have continued into the future.

It is appropriate that a reasonable limit be imposed on the amount of damages for loss of future earnings that can be awarded by a court. This bill imposes a limit of three times average weekly earnings. This is a high level of earnings, enjoyed by only a few per cent of the Australian population. A cap at this level will therefore apply to only a few per cent of successful plaintiffs.

Similarly, the bill imposes a cap on general damages — that is, on awards for pain and suffering, or loss of enjoyment of life. Such awards by the courts are necessarily subjective. No-one can doubt that there is a genuine loss of amenities suffered by a formerly healthy and active person now, say, confined to a wheelchair for life. Imposing a cap sets out for the court a community expectation of the maximum monetary compensation that is reasonable for these non-economic losses.

The bill provides that the maximum amount that may be awarded for non-economic loss is $371 380. This is the same as the maximum currently provided for court awards for these damages under the Transport Accident Act 1986. As with the maximum under that act, the bill provides for this cap to be indexed annually by the consumer price index.

Discount rate

In making an award for lump sum compensation, the court has to determine an amount that can be invested to provide the claimant with an income sufficient to cover the claimant's ongoing economic requirements, for as long as the claimant needs.

Discount rates are used to turn projected future streams of dollars into an equivalent lump sum amount now. In cases of major permanent injury, lump sum compensation is intended both to replace loss of future earnings and to provide funds for payments that will have to be made in the future, such as ongoing medical expenses and attendant care.

In Victoria, a discount rate of 3 per cent per annum currently applies to all court awards of lump sum compensation. Outside transport accidents and workers compensation, most Australian jurisdictions have now legislated to apply a discount rate of 5 per cent, or higher. In Tasmania, for example, it is 7 per cent.

The bill sets a basic discount rate of 5 per cent for awards for economic loss, with a power to vary this rate by regulation. This rate reflects the five-year average return on 10-year commonwealth bonds (the best proxy

for risk-free investment) since the Australian financial markets were deregulated in the 1980s.

It is the government's policy that any such regulation will specify a rate based on the average real rate of return, over at least the previous five years, on 10-year commonwealth bonds. It may be reasonable, in some circumstances, to vary this basic rate. If so, the amount of such variation and the reasons for it will be stated in the regulation.

Structured settlements

A structured settlement is a settlement in which all or part of a damages award is paid in the form of an annuity or annuities and may include a deferred lump sum. It is only reached when all parties agree and the defendant, or defendant's insurer, purchases the annuity or group of annuities out of the lump sum compensation payment.

The primary barrier to the broader use of structured settlements in Australia has been the current uncertainty regarding their tax treatment.

The federal government has now introduced amendments to the commonwealth Income Tax Assessment Act 1997 to provide an income tax exemption for annuities and certain lump sums paid under structured settlements to seriously injured persons, where a structured settlement meets certain eligibility criteria. The written agreement of both parties is necessary for the structured settlement to be tax exempt. These amendments are expected to pass in the current spring sitting of the commonwealth Parliament.

The amendments contained in this part of the bill encourage effective financial management of compensation to promote the financial security and independence for the seriously injured. These amendments, coupled with the federal tax amendments, help ensure that more after-tax dollars can be provided to the accident victim in a way that does not impose additional administrative burdens on defendants or any additional cost.

Good Samaritans

The legislation in respect of good Samaritans, volunteers and apologies will clarify issues of indemnity and risk, so that members of the Victorian community continue to act in a socially responsible manner without fear of litigation for negligence.

This bill provides good Samaritans with protection from civil proceedings where they have rendered assistance, advice or care in good faith to other persons in an emergency or accident. Well-intended efforts voluntarily undertaken by would-be rescuers, including health care professionals, are protected and encouraged by this government.

The bill covers the actions of any emergency worker, Country Fire Authority member or volunteer whose actions as good Samaritans are outside the scope of the relevant acts that establish their duties and authorised activities.

The proposed bill seeks to provide immunity from civil proceedings for good Samaritans as long as they have acted in good faith. By providing an immunity with a good faith requirement, it is proposed that the legislation will reflect the position of rescuers or good Samaritans at common law and that the flexibility of the common law will be retained in determining whether a person has acted in good faith in emergency type situations. A flexible standard of care in such circumstances will also provide for the differing competencies brought to the scene by good Samaritans, including professional health carers.

Food donors

The bill provides protection from legal liability for food businesses to encourage them to donate safe food that would otherwise be thrown away. The bill will provide immunity to those who act in good faith in donating food to charities. In 1996 the estimated amount of food thrown out each year in Melbourne was 280 000 tonnes — a figure likely to be significantly higher today.

The immunity only applies in certain circumstances:

A donor will be exempt from liability from a negligence claim if the food is donated to a not-for-profit charity distributing free food to those in need;

The food must be safe to eat at the time it is donated. The immunity does not protect a food business that donates unsafe food. It therefore does not detract from the approach encouraged by the Victorian food safety regime that if there is any doubt, food should be thrown out. The definition of safe food is adopted from the Food Act; and

The legislation provides that a donor must inform the charity receiving the food of appropriate arrangements for the safe storage and processing of the food after donation.

A person harmed by the consumption of donated food may still take legal action, but only if the food was unsafe when it was received from the donor will the food business be liable.

Volunteers

Volunteers play an invaluable role in the life of the Victorian community. In Victoria it is estimated that around 1.2 million of the adult population participate each year in voluntary activities. Voluntary work in the areas of sport and recreation, welfare and community and religion and education accounts for most of the volunteer hours worked in Victoria. The government wants to foster and encourage volunteering in the community.

This bill strikes a reasonable balance between the need to protect volunteers against personal liability and the interests of those who suffer injury. This balance is achieved by providing that a volunteer cannot be held personally liable for anything done, or not done, in good faith by the volunteer while providing a service within the scope of community work organised by a community organisation. However, the personal liability that the volunteer would otherwise have had is transferred to the community organisation.

Waivers of implied conditions

The bill will strike the right balance between risks inherent in the supply and participation in recreational services.

This bill amends the Goods Act in line with proposed amendments to the commonwealth's Trade Practices Act, which has similar implied conditions, to allow waivers for recreational services. All providers of recreational services in Victoria will then be able to use the waivers.

The bill goes further than the commonwealth's proposed amendments, and ensures that some consumer protections are preserved. A waiver will not be effective if the provider is grossly negligent, meaning that the provider has done an act or has omitted to do something with a reckless disregard for the consequences, the provider has not complied with a prescribed form of waiver or the provider has made a false or misleading statement in relation to the waiver.

Essential Services Commission

One of the most frustrating issues that all governments have faced in responding to the current problems regarding availability and affordability of insurance is the lack of consistent, comprehensive, accurate and up-to-date data.

The Australian Prudential Regulation Authority (APRA) is now examining the issue of compulsory provision of insurance data on a national basis. It is hoped that APRA will proceed quickly to develop an agreed aggregated data reporting set for insurers. However, there remains a need for such data to be provided at the state as well as the national level.

The bill empowers the Essential Services Commission (ESC) to collect data from insurers on their Victorian risks. It is the government's aim and expectation that the ESC will work closely with APRA to ensure that, as far as possible, the data set required by the ESC on a state basis is identical to that required by APRA nationally. The ESC will also only seek information that cannot be obtained from another commonwealth, state or territory regulatory body.

I emphasise that the state requires this data for policy development purposes, and therefore is interested in aggregated data for insurance products. It is not part of the state's role to examine the financial results and commercial viability of individual insurers — that is APRA's responsibility. The bill therefore does not make the insurance industry an essential service regulated by the ESC nor extend the powers of the ESC, other than information collection, to cover the insurance industry.

Statements under section 85(5) of the Constitution Act

I wish to make the following statements under section 85(5) of the Constitution Act 1975 of the reasons why it is the intention of this bill to alter or vary that section.

Clause 7 of this bill proposes to insert new sections 28D and 28J into the Wrongs Act 1958. Section 28J states that it is the intention of section 28D to alter or vary section 85 of the Constitution Act 1975. Section 28D provides that a court cannot award damages to a claimant contrary to new part VB of the Wrongs Act 1958. Section 28D therefore has the effect of limiting the Supreme Court's ability to determine the amounts that may be awarded in respect of both non-economic and economic losses in claims for damages for death or injury.

The purpose of part VB is to restrict the amounts of damages that defendants will be liable to pay if they have been found negligent. In order for this purpose to be achieved it is essential that this limitation applies to the Supreme Court. This will ensure that defendants,

and their insurers, can be confident of the maximum liability they will face for these categories of damages in the event of a successful claim.

Clause 9 of this bill proposes to insert new sections 31B and 31D into the Wrongs Act 1958. Section 31D states that it is the intention of section 31B to alter or vary section 85 of the Constitution Act 1975. Section 31B provides that good Samaritans acting in good faith in the circumstances set out in the section are not liable in civil proceedings for anything done, or not done, by them. It therefore has the effect of preventing the Supreme Court from exercising its jurisdiction in relation to certain possible claims arising from the activities of good Samaritans.

The purpose of section 31B is to encourage members of the community to come to the aid of people in need of assistance in situations of emergency or accident. In order for this purpose to be achieved it is vital that the immunity that the section provides to good Samaritans applies to the Supreme Court. This will ensure that good Samaritans can act confident in the knowledge that they will not be liable in civil proceedings before that court for any mistakes that they make in good faith in trying to help someone in the circumstances set out in the section.

Clause 10 of this bill proposes to insert new sections 31F and 31H into the Wrongs Act 1958. Section 31H states that it is the intention of section 31F to alter or vary section 85 of the Constitution Act 1975. Section 31F provides that a person donating food in the circumstances set out in the section is not liable in any civil proceeding for any death or injury that results from the consumption of the food. It therefore has the effect of preventing the Supreme Court from exercising its jurisdiction in relation to certain possible claims arising from food donations.

The purpose of section 31F is to encourage members of the community to donate for charitable purposes edible food that they do not want, rather than to throw it away. In order for this purpose to be achieved it is vital that the immunity that the section provides to food donors applies to the Supreme Court. This will ensure that food donors can donate food confident in the knowledge that any incident arising from food that they donate in good faith in the circumstances set out in the section will not expose them to civil liability in that court.

Conclusion

This bill enacts substantial reforms that will provide the opportunity for significant insurance premium relief. It will help attack the culture of blame and make insurance more affordable and accessible over the longer term. It is a balanced approach that meets the government's commitments to act in the interests of the people of Victoria in dealing with the current insurance industry problems. It represents the result of considered and detailed research and analysis into these issues, rather than knee-jerk reactions.

I commend the bill to the house.

Debate adjourned on motion of Hon. D. McL. DAVIS (East Yarra).

Debate adjourned until next day.

SPORTS EVENT TICKETING (FAIR ACCESS) BILL

Second reading

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

That this bill be now read a second time.

I introduce this bill with a determination to see greater transparency and fairer access in the ticketing for major sports events in Victoria. The bill reflects the government's resolve to ensure the maximum number of tickets to major sports events are made available to sports fans at face value. Poor ticketing practices are known to sustain ticket scalping activity, which clearly disenfranchises the average sports fan and, in respect of the AFL Grand Final, only serves to cause ongoing resentment amongst club members.

The bill empowers the minister to direct event organisers to arrange their ticketing in such a way so as to minimise opportunities for scalpers to sell tickets contrary to the arrangements established by the event organiser. The bill is based on considerable research and incorporates world best practice in ticketing legislation.

For more than two years the government has made it known that unless the industry took steps to both improve their ticketing practices to ensure greater transparency in distribution arrangements and to discourage unauthorised or undisclosed reselling arrangements then legislation would be introduced.

A discussion paper was released to the industry and community in August 2001. That paper canvassed a broad range of issues and evidence pertaining to ticket scalping practices and the related issues of ticket distribution and allocation for major events, and in particular major sports events such as the AFL Grand

Final. The discussion paper outlined various actions taken around the world to curtail unauthorised ticket sales at inflated prices.

The discussion paper noted that consumer protection and consumer rights are presently compromised by poorly managed ticket distributions and clandestine reselling practices. Consumers are not able to ascertain the bona fides of most ticket resellers and have difficulty in identifying agents that are essentially operating in the market as de facto authorised resellers.

The discussion paper concluded that consumers, and the sport event industry, would benefit from enhanced standards of conduct and disclosure as well as better industry monitoring and control of organised and commercial but unofficial ticket reselling.

The industry's response to this discussion paper was disappointing. The few responses which were provided offered little new information or insight into ticket reselling and ticket distribution practices in Victoria. Critically no evidence was presented to demonstrate how the reselling of tickets for sports events was in the public interest or in the best interests of sport.

Yet as the number and popularity of hallmark major sports events grow, the complex network of persons actively deriving huge profits from the resale of tickets continues to evolve and flourish in this state. To leave unchecked the growth in ticket distribution systems that favour wealthy individuals and companies but greatly limit or otherwise deny access to ordinary fans is not in the public interest. Certainly such ticketing arrangements fail to sustain and reward the grassroots support base upon which major sports events ultimately rely, and on which Melbourne's reputation as a great event city is based.

Ticket distribution and allocation practices are obvious areas where strategic enhancements must therefore be made. Improved ticket distribution management and monitoring practices have the potential to minimise the opportunity for professional ticket resellers to obtain significant quantities of premium tickets and then profiteer at the expense of the general public, club members and the sport.

The development of a legislative framework has become necessary to help deliver such improvements in the ticketing practices for major sporting events and discourage the growth of the unauthorised and highly inflated ticket reselling industry.

The government is firm in its intention to ensure that major Victorian sports events are not diminished by a lack of affordable access by the general public. As such the guidelines developed in the context of the legislation will seek to ensure that event owners and the government work together to protect affordable spectator access to hallmark events and prevent such events from becoming the sole domain of the wealthy or the well connected.

The purpose of the Sports Event Ticketing (Fair Access) Bill is to put in place a legislative framework for the development of a code of industry self-regulation. This legislative framework will promote equitable access to prescribed major sports events and be one that is subject to independent government inspection and audit supported by an appropriate penalty system.

The bill is designed to:

maximise the access by members of the general public to major sporting events by ensuring a fair and transparent process of ticketing;

entrust the industry to establish the appropriate processes and standards to ensure maximum access to tickets by the general public but provide for penalties when this trust is broken;

provide scope for the government to develop, in consultation with event owners, guidelines for fair access to tickets to prescribed major sports events;

reduce the growth in unauthorised ticket reselling and pirate corporate hospitality service provision by individuals and companies.

The legislation is envisaged ultimately to have four substantive parts dealing with the declaration of events, the approval of ticket schemes, guidelines for the development of ticket schemes, offences and the powers of authorised officers.

An appropriate level of authority is vested in the minister administering the act to make orders facilitating the implementation and approval of ticket schemes for prescribed major sports events.

It is the intention of the government that the act will operate both within and outside Victoria to the extent that the legislative power of the Parliament permits.

Part 2 of the bill provides an administrative process whereby the minister gives notice of an intention to declare an event. Such notice must however be given no less than nine months before the event is held. The bill is about fairness and it is only fair that there is appropriate notice to event organisers to arrange their ticketing processes. The process will also ensure the

event organiser has the opportunity to make a submission on whether an event should be declared.

Part 3 of the bill makes provision so that the minister may, by order published in the *Government Gazette*, declare an event and require the submission, within 60 days, of a ticket scheme proposal from an event organiser. The minister may require the event organiser to submit further details within 28 days of receiving the proposal or may refuse to approve the ticket scheme should the event organiser fail to comply with the guidelines or fail to submit further details if requested to do so by the minister. The event organiser will also be required to ensure that any authorisation to sell or distribute tickets to the event is given in writing and that the minister is notified in writing of the name and contact details of each person who is given such authorisation.

Where an event has not been declared under part 2, an event organiser may at any time seek to have their event declared by submitting to the minister a ticket scheme proposal for the event. If the minister considers it appropriate to do so, the minister may declare the event and approve the ticket scheme with or without modifications.

Provision is also provided for the submission of replacement proposals and for variation or cancellation of proposals.

The bill contains a number of provisions necessary to facilitate the development of ticket scheme proposals. Thus, part 4 specifies that the minister must make written guidelines setting out the requirements for ticket scheme proposals.

Part 5 of the bill sets out offences related to the holding of a prescribed event before an approved ticket scheme is in place or where there is failure, without reasonable excuse, to comply with an approved ticket scheme. The sale of tickets contrary to any event ticket conditions imposed by the event organiser will also be an offence.

The inclusion in the bill of measures to prosecute companies or persons that sell tickets in contravention of the ticketing schemes instituted by organisers has been included specifically at the request of a number of sports that have taken measures to curtail the unauthorised distribution and resale of tickets to their events.

Under part 5 each time a person knowingly contravenes an approved ticket condition for a prescribed event, which is required under an approved ticket scheme to be printed on a ticket and prohibits the unauthorised sale or distribution of that ticket, will attract a fine. The fine payable for each offence will not exceed 60 penalty units in the case of a person or 300 penalty units in the case of a body corporate. The total fine payable for multiple offences in respect of a declared event held on a particular day is capped at 600 penalty units in the case of a person or 3000 penalty units in the case of a body corporate.

Part 6 of the bill enables the appointment of authorised officers for the purposes of monitoring compliance with approved ticket schemes. The enforcement functions and powers of the authorised officers are clearly established and are similar to those provided to inspectors under the Fair Trading Act.

Part 7 sets out the review functions of the Victorian Civil and Administrative Tribunal in the context of certain decisions made under the legislation and also enables regulations to be made.

Part 8 amends schedule 4 of the Magistrates' Court Act 1989 in respect of providing for indictable offences under the legislation.

The government is delighted to present this bill as the first step in protecting the rights of sports fans. In summary, the provisions contained within the bill will:

encourage proper and transparent ticketing processes;

assist event managers in discouraging the diversion of tickets, to unauthorised or undisclosed ticket resellers, which were intended for direct access by sports fans and club members at face value;

make prescribed sports events more attractive to fans by reducing public scepticism in respect of the fairness of the ticketing arrangements.

I commend the bill to the house.

Debate adjourned on motion of Hon. I. J. COVER (Geelong).

Debate adjourned until next day.

AGRICULTURAL INDUSTRY DEVELOPMENT (FURTHER AMENDMENT) BILL

Second reading

Debate resumed from 8 October; motion of Hon. C. C. BROAD (Minister for Energy and Resources).

Hon. PHILIP DAVIS (Gippsland) — I am pleased to speak today on the Agricultural Industry Development (Further Amendment) Bill, which seeks to establish a more contemporary legislative framework to facilitate citrus marketing in northern Victoria. Before indicating the opposition's view of the bill I would like to give a little background information.

Firstly, there was a national competition policy review of the Murray Valley Citrus Marketing Act 1989 established by the Victorian and New South Wales governments in 1998 — that is, the previous coalition government established the NCP review — and each of the acts relevant to the operation of the Murray Valley Citrus Marketing Board were reviewed in the context of determining whether there were any constraints on competition and clearly trying to enable a more effective marketing scheme arrangement.

I am pleased to observe that the net outcome of the review was to make some contemporary legislative changes in the way that the marketing operations were established and to repeal some direct marketing intervention powers, but essentially the outcome was to give the imprimatur to the continuation of the Murray Valley Citrus Marketing Board structure, which is a cooperative structure between two states. It is a great model for our agricultural enterprises in recognising that even though they are organised by legislative arrangements on various state bases there can be a cooperative model across state borders. To put it in context, the Murray Valley orchard area is just over 6500 hectares in total but is in a very productive region of the state. It is important because it is not just in the state of Victoria — it straddles the Murray River. New South Wales is therefore vitally interested in the efficacy of the marketing arrangements, as are Victorian producers.

Clearly the bill sets out to repeal the Murray Valley Citrus Marketing Act 1989 and establish a new committee under the Agricultural Industry Development Act 1990. It proposes to make orders to allow a committee to operate both within Victoria and in a participating jurisdiction, to provide for Victoria to recognise an instrument made under an act of another state or territory which corresponds to the Agricultural Industry Development Act 1990 so as to apply in Victoria, and to provide for the repeal of the Murray Valley Citrus Marketing Act 1989.

The Murray Valley Citrus Marketing Board was established to provide a range of research and market development services to the citrus industry in Victoria and New South Wales areas of the Murray Valley. The national competition policy review, to which I referred earlier, made 12 recommendations which reflected the key conclusions: that the boards should continue to be underpinned by legislation and compulsory levies; that the direct marketing intervention powers of the board should be repealed; and that other elements of the legislation should be changed to improve the board's accountability to growers, and particularly to enable larger growers who produce most of the fruit to have a greater influence on the board's operations.

It is important that the New South Wales and Victorian governments have agreed to implement the recommendations of the NCP review because it demonstrates cooperation at state government level, but also that these reforms have the imprimatur of the industry and even the Murray Valley Citrus Marketing Board makes clear its support for these changes.

Whilst there will be necessarily a restructure of the way the board is formally established, materially there will not be a change in the mode of operation from that which has now been in place for about four years. It will continue to be the facilitator for collective and cooperative marketing arrangements for the citrus industry in the Murray Valley. Therefore it will continue to play an important role.

We need to be aware that clearly there are market pressures in relation to the sales of citrus as we have progressively moved into a global market. With 30 per cent of Australia's citrus crop now being exported, the industry has been increasingly sensitive to overseas trends, and on the domestic front it is evident that there has been a static or declining consumption of citrus fruit. That trend will continue no doubt with the substitution of convenience foods.

We need to be aware that in all agricultural marketing arrangements there needs to be a progressive and contemporary structure to enable industries to maximise market opportunities. I am pleased to indicate that the opposition will not delay the passage of this bill because it has the support of the industry, and the critical issue is that there will be benefits arising to growers.

Hon. B. W. BISHOP (North Western) — I am pleased to rise to speak on the Agricultural Industry (Further Amendment) Bill on behalf of the National Party. The National Party supports the bill and we certainly understand that the industry also supports these changes which have occurred over a number of years.

I find this a quite fascinating piece of legislation. I must say that I am often suspicious, coming from an

agricultural background, of national competition policy reviews, because sometimes the people who do those reviews do not always see them in the same light as agricultural producers do. The review in 1998 was jointly commissioned by the Victorian and New South Wales governments to have a look at the Murray Valley Citrus Marketing Act of 1989. The board is based in Mildura in an operational sense, and it has worked as a single entity in an operational sense for some time. It has provided market research, market development and research initiatives to the industry in Victoria and New South Wales along most parts of the Murray Valley. I believe it does an excellent job.

My understanding of the bill is that there are two boards, one in Victoria and one in New South Wales, and they have that legal entity. As I have said, even though there are two legal entities, in an operational sense they have operated as one for some time. The bill deals with the issue of disbanding the current legal entities or status of those boards and providing a reconstituted board. That will provide one true entity in a legal sense. One organisation will produce savings, better accountability and the bill will provide recognition of the volume produced by various growers in a representative sense. It will also provide a democratic poll to determine the future structure of the industry, and how levies will be spent on research, et cetera, and of course those levies will continue to be underpinned by government. There is a real chance of future cooperation amongst states and territories relative to agricultural products. I believe I am interested in this because it could apply not only to Victorian and New South Wales areas, not only to citrus but to other agricultural products as well, and it could be a real way forward in relation to having a cooperative approach, particularly to providing products for the export market. As I read the bill, it would allow strong cooperation between the states and the territories.

It would enable us to link up and put together agricultural industries across the states and territories. I believe it could put in place a process and a structure that would give us the chance to take advantage of the seasons that we have in Australia and that could be put under a government umbrella to best coordinate our Australian advantage.

There are a couple of good examples and I will give one, and that is table grapes, which at the start of October come from the far north, around Ayers Rock, into Robinvale to be packed. During the season they work their way down through Queensland to Menindee, Mildura, Robinvale and Swan Hill. That provides an opportunity right across Australia to maximise the market opportunities and the productive sector. We must maximise that seasonal opportunity by utilising the maximum gift that we have in Australia. It is a big country so we can maximise the export potential.

If we are going to be fully successful, particularly in the export market, we must have a range of varieties. We must be able to service a time frame in the long term and we need coordination and cooperation from producers and everyone else to put that in place. It is essential to do all those things to ensure we have adequate volumes of product in order to satisfy those export market opportunities.

If we can put those measures into place we are well protected if problems occur in the productive areas. There could be frost or disease, but if the system is coordinated you can be assured that you can supply the market on an ongoing basis from year to year.

The bill repeals the Murray Valley Citrus Marketing Act 1989 and enables the setting up of a single cross-border committee with New South Wales. It provides for the reconstitution of the board. It also sets up a poll of citrus growers in both states which will enable them to vote on the structure that they require for the future. That poll will need to be completed by 2003 and the final process by 2004. The National Party hopes that at the end of the process we will end up with a structure that provides a government umbrella over marketing and industry research across all levels. I believe that if we really worked at it we could have a coordinated market process to maximise the seasonal advantage that we enjoy in Australia and on the export market.

The citrus industry has two parts. We have the fresh fruit area, where innovative variety breeding and research has seen good marketing opportunities for our fresh fruit not only domestically but around the world. We also have the juice market, and that is a very tough market due to the subsidies in other countries which compete strongly against us. Countries such as Brazil with its very low wage levels and production costs make it very hard for our growers to compete.

Our citrus growers in the Murray Valley have had a real roller-coaster ride over the past few years. I commend them for their capacity to adjust their production and marketing methods to meet the market demand and to ensure they get the maximum return out of both the domestic and export markets. They have put in a lot of work.

I have visited and seen first-hand a number of packing sheds and I will mention one — the Mildura

cooperative. It is a good example of world-class packing and processing of citrus fruit. It uses huge advances in technology: full computerisation with photo cells measuring the size and weight of the fruit. There are also skilled people who do the final check to ensure top quality products hit the shelves. I understand there are over 73 registered packers and processors along the Murray Valley area. It is a substantial industry.

Not so long ago I attended a well-attended horticultural industry seminar at Mildura. The latter part of the seminar involved visiting farms. You could go to wineries or dry fruit plants; I chose to go to a citrus farm which has its own packing facilities, and it was Mansell farms at Colignan. The present chairman of the Murray Valley Citrus Marketing Board, Robert Mansell, took us on a tour of inspection. It is a farm owned by a family well known in the Mildura area and they do their own packing. The farm had excellent equipment: computerisation, photo cells, facilities for weighing the fruit and the same skilled people sorting out the fruit at the end of the line to ensure that only top quality went into the packs as they headed off to the market. That fruit looked absolutely magnificent. It was coming out in good order. The citrus industry with the Murray Valley Citrus Marketing Board has done a remarkable job with the industry of maximising our opportunities in the United States.

I should inform the house that the United States has just brought in a new regulation or law that we now must register all our packing houses and factories with it if we wish to put the product in there, and we must also advise it 72 hours before arrival. This is the battle we have on international markets with the so-called non-trade barriers that spring up in relation to our agricultural products in particular. Against all odds, in the US market the industry has done very well and in fact has been pretty innovative.

It has established in that market what I call a notional single desk, where there is about a 10-week window of opportunity. In the United States one organisation is used with which to place product, and this process has proved very lucrative for the citrus growers. They have made the most of the opportunity, and it has worked very well. I suspect that other countries are now edging into the market from the side because they have seen the opportunities provided by that marketing process. The citrus industry has been very innovative in putting that in place. I congratulate it and hope it can maintain that development into the future.

I believe this bill could build on that type of cooperative marketing. It would be great if that could happen; it would certainly maximise our export returns. I strongly believe that collective bargaining would stop traders competing against one another in the market and thereby trading the market down.

One of the difficulties the citrus industry has struck in this bill is its concern with the point of production levy collection, but I understand that may change over the next four years. I would expect the citrus industry and government to work through that difficulty over that period.

At this point I congratulate the boards that have served us under the Murray Valley Citrus Marketing Board. They have done an excellent job; they have been innovative and they have some excellent people in management. They have been well served over the past few years by their chief executive officer, John Braniff, and people like Des McNamara, who have an enormous amount of experience and practical understanding of the citrus industry. They are always prepared to brief you and provide you with up-to-date information on that industry. As I said, the boards have also been innovative. They have been instrumental in campaigning strongly to control fruit fly across three states. This has taken a fair bit of doing and they have put an awful lot of work into that campaign and been highly successful in that area. Interestingly enough they have had strong agripolitical representation. Two names spring to my mind as being very strong performers: Peter Crisp and Kevin Cock. There are also others whom I am sure will keep an eye on this process as the changes take place.

To sum up, the National Party supports this bill and believes that it moves the citrus industry ahead. The bill recognises production volumes of various growers in a representative sense. It provides greater accountability across the industry. It gives growers a democratic choice about their future structure via a poll. It will ensure better use of resources, resulting in cost savings. Again I come back to the most important part — that is, that it provides extra opportunities in the future to better coordinate market research and development and maximise returns across a number of products.

The National Party will watch with interest how this process unfolds over the next few years. We wish the bill a speedy passage through the house.

Hon. R. F. SMITH (Chelsea) — I rise to speak on the Agricultural Industry Development (Further Amendment)Bill. Having heard the previous speakers I am pleased to note that there is cross-party support for this bill. That is as it should be, given that the industry is very supportive of it, the current marketing boards

approve and obviously both the New South Wales and Victorian governments have agreed on it.

By way of background, I commence by saying that in 1998 the then Victorian and New South Wales governments commissioned a review under the national competition policy of the Murray Valley Citrus Marketing Board. They used independent consultants to conduct that review, and some of the recommendations of those consultants are contained in this bill.

The Murray Valley citrus industry comprises some 600 producers, who I think use 6500 hectares of land for their citrus trees et cetera. They produce 150 000 tonnes of citrus product annually, 40 per cent of which is exported. Export markets are a huge and important factor for this industry for the economic wellbeing of not just the producers but of the Murray Valley area as well. The actual area I am talking about extends from Mildura, through Robinvale down to Swan Hill, and as far south as Wangaratta. It covers quite an extensive area of Victoria and parts of New South Wales as well.

Whilst 40 per cent of their product is exported, the Australian citrus market has 1 per cent of the global citrus market. Whilst that is not significant in percentage terms it certainly is in money terms for not only the states but the country in general. I suppose it emphasises the importance that a lot of people place on the new, if you like, global economy or marketplace. There are some critics of globalisation et cetera, but I think this market success demonstrates that there are genuine benefits for consumers. It has only been in recent times, over the last two years even, that people like me, who have a great fondness for cherries, for instance, can go into a supermarket when they are out of season and buy Californian cherries. Mind you, they are extremely expensive! It is a development that I think is beneficial to the community at large, and obviously we export in our season into some states in America, particularly in their off season.

It has developed new markets which are obviously of much benefit to producers. It is an example of how the global economy is starting to work to the benefit of most people; not all people agree with that point of view.

This bill is more of an administrative measure. It benefits the boards, marketers and administrators of the industry more than the producers directly. The producers will not see much difference, in my view, but the administration of the industry will be streamlined and obvious benefits will flow from that for both governments.

There are two marketing boards working in tandem, which is interesting. I believe they operate out of Mildura and work collectively as one body even though legally they are separate entities. This bill will allow the amalgamation, if you like, of those bodies. As I said in my opening remarks, the boards approve of these changes and it seems to me to make some sense to do what we are doing now.

The process that will be used to allow this to take place starts with a poll of the producers. The New South Wales Parliament is also going through this process and it is expected to legislate for this in its spring sitting. Once the poll has taken place, within six months of royal assent being given to the bills in each state a new poll will take place and the new board will be established. The current boards will form the new committee for the industry and produce that more streamlined administration.

There will be an ongoing need for the producers to demonstrate their desire to keep this new entity. That will be done through polling every four years in Victoria, while the New South Wales government will conduct reviews every five years to ensure that the committee works. It is important to state that this is an important development insofar as the extraterritorial issues are concerned. It demonstrates that with goodwill and commonsense these issues can be dealt with to the benefit of all. I suspect that this may extend to other industries as well; one would hope so. The current board was recently elected for three years and it will roll over into this new committee as part of this process.

As I have already noted that this bill has the support of all parties, I do not think there is much more that needs to be said. I therefore commend this bill to the house.

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.

I thank members for their contributions to the debate on this bill.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

JURIES (AMENDMENT) BILL

Second reading

Debate resumed from 8 October; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. P. A. KATSAMBANIS (Monash) — The Liberal Party supports the Juries (Amendment) Bill and it is my pleasure to speak briefly on the bill and highlight the fact that it appears yet again that we have taken a bipartisan approach to amending the Juries Act to ensure that it operates effectively.

Members of this and the other place have often made the point that the right to a jury trial is an axiomatic right within our justice system. The Liberal Party believes the jury trial is an important aspect of our legal system and that any changes which enable juries to be better convened will help speed up and improve the process of justice.

Through the 1990s this Parliament undertook an extensive inquiry into the operation of the Juries Act through the Law Reform Committee. That inquiry was started by my predecessor in Monash Province, the Honourable James Guest. I wish to put on record my sincere appreciation of James's good work in undertaking the onerous task of researching the operation of the Juries Act as it stood when he commenced his work in 1994. After 1996 that work was continued by the new chairman of the Law Reform Committee, the honourable member for Doncaster in the other place. I also place on the record my appreciation of his good work.

It was a long task and it took until 2000 before the changes that were recommended as a result of the inquiry begun in 1994 saw the light of day in legislation. However, the fact that it had been a long process was probably a good thing because we got full support from all parties in the Parliament for the changes that were made. When we make changes to such a vital part of our justice system, it is important that those changes are seen to be supported by all sides, that there is no politicking involved and we endeavour to ensure that our jury system works to empanel the most representative juries and enable fair trials to be undertaken.

Trial by jury has been a part of our legal system since before the establishment of Australia or any of its colonies. Back in 1789 Thomas Jefferson spoke about juries and their importance to a nation and to the democratic basis of a nation. In a letter to Thomas Paine he said:

> I consider trial by jury as the only anchor ever yet imagined by man, by which a government can be held to the principles of its constitution.

Learned people like Jefferson, even back in the 18th century, saw the jury trial as an axiomatic part of our system of justice. It remains so to this very day. It remains so because legislators are able to make changes to give effect to representative juries. Properly informed and representative juries are the only ones which can ensure continued faith and confidence in our justice system.

This bill continues that process of change with bipartisan support to ensure that we have representative juries that can be properly formed without placing an undue burden on various sectors in society; juries that will ensure that our criminal and civil justice processes are well served.

The bill makes minor but important changes. The first change is as a result of the redistribution of electorates that will come into effect at the next election. In the Legislative Assembly there has been a link between the empanelment of juries and divisional boundaries, and that can create some anomalies. One particular anomaly highlighted by the recent change to electoral boundaries is that in western Victoria, the court in Horsham will find it difficult to empower jurors from the neighbouring town of Warracknabeal, which will make the pool of available jurors a lot smaller and may impede the speedy operation of jury empanelment. The government and certainly the opposition do not want to see that happen.

The bill breaks the link between jury panels and electoral districts. In its place will be a new system where the Governor in Council, on the recommendation of the Victorian Electoral Commissioner in consultation with the Juries Commissioner, will be able to designate jury districts to cover the anomalies of arbitrary electoral districts that can be created especially in country Victoria. Opposition members believe that is a good thing; we support it and we wish the bill a speedy passage.

There is no magic attached to empanelling juries based on electoral boundaries, and the flexibility given to the Electoral Commissioner and the Juries Commissioner under clause 4 is welcome in our modern age. It will be particularly welcomed in rural and regional Victoria by those courts that might have struggled to find properly qualified jurors with the new electoral boundaries.

This bill addresses a number of other issues. I will go through the main ones in brief because they are well described in the second-reading speech. There are

issues relating to notification of jurors and appeals. The bill makes it clear that people can lodge appeals at any time before they become members of jury panels if they feel aggrieved by decisions of the Juries Commissioner. That gets over issues to do with whether notification is received by telephone call or by subsequent notice, and when the actual notification period starts running. If you can appeal up until the time you are empanelled and you become a member of a jury, it gets rid of any issues to do with when notification was received.

Other matters dealt with by the bill relate to publicly calling out a juror's name and address. In this day and age we place more store on a person's individual privacy and the privacy of their name and particularly their residential address. Many jurors have made the comment to me and to other members of Parliament that they feel as though what they consider to be private information is made public in a way that may in some cases not be in their own best interests. We want jurors to feel safe and secure and to know that their privacy will be protected. We want to encourage more people to serve on juries.

A large part of the review of the Law Reform Committee that I spoke about earlier dealt with getting rid of the excuses that people make for not serving on juries and trying to extend the pool of jurors. Making people feel safe and secure in the knowledge that their private information will not be unduly revealed is an important part of encouraging as many people as possible to take part in the process of jury empanelment.

This bill will alter the current situation about calling out a person's name and address in front of the accused person — and that is a good thing. The bill provides that the only time a juror's name will be called in front of the accused person is during the empanelment process itself. There will not be any major broadcasting or rebroadcasting of that person's name. In 2002 we place a big store on individual privacy — with good reason. This provision will increase the protection of the privacy of people empanelled on juries.

The bill makes another significant change in relation to majority verdicts in civil trials. In most civil trials a jury comprises 6 people and there can be a majority verdict where 5 people agree and 1 person disagrees. But if someone is empanelled onto the jury panel but later has to leave for health or other reasons and the jury panel is reduced to five, a majority verdict cannot be achieved: you must achieve an absolute verdict of those five. That sometimes makes it very difficult and often the judge has to dismiss the jury and empanel another one and start the trial from scratch. That adds to the cost, adds to the time and leads to delays in our legal process.

The changes made in clause 7 of the bill ensure that where a jury in a civil trial is reduced from 6 to 5, the opportunity to have a majority verdict with 1 dissenter will still remain. That is a significant change, but a good one. It is a change that still ensures that a vast majority of the verdict — not a majority of 50 per cent plus 1 but a vast majority of a jury as it is empanelled — makes the decision, yet it still allows that flexibility where one juror drops off and ensures that a trial that has been properly conducted and properly heard in a court of law can continue rather than be delayed and have to start again.

It means that people who undertake civil proceedings are not at risk of paying double the legal fees or wasting double their time in court. It will certainly speed up the clearing of the backlog we are currently seeing in some of our superior courts, especially in civil trials. That is why it should be supported.

I notice also in clause 7 that part of these provisions also enable a judge to discharge a civil jury if members of that jury cannot reach a verdict after 6 hours. I take it that will be left to the discretion of the judge, as it should be. Sometimes a judge has a fair idea whether a jury that has met for 6 hours can adequately reach a verdict if given a bit more time or whether after those 6 hours it is pretty clear that the jury will remain hung for as long as it meets. It is easier to make that call after 6 hours than wait for days, occasionally, and still at the end of it have no verdict. Again, I think this is a good thing, and hopefully will speed up the operation of our legal system.

They are the main substantive provisions of this bill. As I said, the second-reading speech covers the provisions in great detail, and the Liberal Party fully supports them. As I said at the outset, we support the operation of our legal system with the important safeguard of jury trials. We also support any initiative that expands the pool of potential jurors and any initiative that sends a strong message to the community of Victoria that participation in the jury process is part of every Victorian's civic duty. It is not something that people should look at as a burden. People should not, when they receive their notification of jury duty, see it as something to be avoided at all costs and make up any old excuse, as used to happen in the bad old days. To do so simply reduces the pool of available jurors, placing an unfair burden on a small section of our society.

If we believe that trial by a representative jury of peers is the fairest system for achieving justice in our state — as I and other people in the Liberal Party certainly do — we need to send a strong message to the community of Victoria that it is not only their right but also their duty, as beneficiaries of our rule of law and the protections afforded under our legal system, to ensure that they make themselves available for jury duty.

A bill such as this makes it easier for people to participate and takes away the excuses for non-participation. That is why we in the Liberal Party believe that a bill such as this will continue to ensure that the anchor that Thomas Jefferson spoke about more than 200 years ago — that anchor of our legal system and protection of the public — will remain. We wish this bill a speedy passage through the rest of its legislative process.

Hon. R. M. HALLAM (Western) — Under the Kennett government, the Law Reform Committee of this Parliament was commissioned to investigate and report upon the operation of our jury system and, more particularly, the extent to which the exclusionary rules had made it difficult to empanel truly representative juries, particularly in our country areas where distance had also become a major factor.

That all-party committee report entitled *Jury Service in Victoria* eventually became the basis of the Juries Act 2000, which introduced a whole package of sensible changes designed to improve the operation of our jury system. I remember saying then, as I do today, that it was to the credit of the Bracks government that it was prepared to put aside any notion of partisan politics and to implement the product of that earlier committee work.

Today we have a relatively small bill which contains some finetuning of those earlier changes, changes that have become necessary with the practical application of those earlier reforms. We are accommodating the smaller changes which have emerged as necessary in a practical sense. None of the changes is controversial; they are supported across political lines and supported by the Law Institute of Victoria and the Victorian Bar Council. The National Party is happy to give its blessing to the bill. We say that this is more of a tweaking of the existing rules than anything else.

One feature of the bill I want to mention is the issue covered by clause 4, which goes to the question of jury districts. I note in particular that the second-reading speech makes reference to the new seat of Lowan which, in my view, is a very good example of the effect of the bill, but beyond that a very sad example of where the current rules relating to redistribution apply across country Victoria. To borrow from the second-reading speech, it states:

> This amendment is necessary because the latest electoral boundaries, which will come into operation upon the calling of the next election, have restricted access to potential jurors for various courts throughout Victoria.

It gives the example, and states:

> For example, the proposed electoral boundary for the new Legislative Assembly district of Lowan encompasses both the towns of Horsham and Hamilton. Both the Supreme and County courts sit in these towns.

It then explains:

> As section 18 now operates, under the new electoral boundaries jurors for the court in Horsham could not be selected from a nearby towns such as Warracknabeal —

It explains that Warracknabeal is less than 60 kilometres away and will be located in a different electoral district.

The bill finds a way around that by allowing jury districts in the future to be determined by the Victorian Electoral Commissioner in consultation with the Juries Commissioner. Effectively we have a practical solution to the Warracknabeal situation in so far as it relates to jury service. But the mere fact that we have to change the rules in respect of jury districts, in my view, highlights a bigger problem in respect of the structure of our electoral boundaries because they are certainly not fixed by this bill. What we see highlights some of the inadequacies of the current rules.

I make the point that what I am suggesting is not to be taken as a criticism of our Electoral Commissioner because he is bound by the rules of the game that we in this Parliament set. But it is time we looked at those rules because they require that there be no greater than a 10 per cent variation between the largest and the smallest electorate. The commissioner is bound by the rule and the practicalities of the shape of Victoria. He has no choice other than to start at Nelson in the south-west and Mildura in the north-west. So it follows that those communities which happen to be somewhere in between will be caught in a pincer movement when it comes to redistribution. Having towns shift across electorate boundaries is hardly a new phenomena in my part of the world. Indeed, as you know only too well, Mr Deputy President, the community of Donald is particularly familiar with that experience.

I make the point that the exclusion of Warracknabeal from the electorate based on Horsham simply defies all

the practicalities of the Wimmera region. It is a very bad outcome because it strips Horsham of a great slab of its recognised hinterland. If nothing else, including the cities of Hamilton and Horsham in the same lower house electorate puts enormous pressure on the local member.

I make the point that both those cities are important service centres to rural regions of the state, but the point beyond that is that those regions have virtually no connection and very little in common. What we see with Horsham and Hamilton, and in this case the ramifications for Warracknabeal, make a nonsense of the concept of the boundaries drawn on compatibility.

More than that it makes an even bigger nonsense of the 10 per cent variation rule. It is obvious that with Melbourne growing strongly, even if we are able to retain the population levels across rural Victoria — that is a very big ask as we would all understand — those rural electorates must grow bigger over time, and we will need the Electoral Commissioner to fashion more Warracknabeal get-outs in the future. The ultimate irony perhaps is that over time the Warracknabeal problem is likely to be solved when a future redistribution needs to capture even more of the territory to satisfy the 10 per cent ceiling in respect of population variation.

I know that is a debate for another day, but it is appropriate to highlight the irony that it comes up in the context of this debate and we have to modify the rules to allow our jury system to accommodate what is in my view a very bad outcome. I hope my comments are not seen to be partisan simply because my electorate is in that part of the state. I care a great deal about my part of the world and we as members of this place provide service to our electorates. Country Victoria is getting less than a good deal because of the insistence that we have of the 10 per cent variation being the start-up of the redistribution process. However, as I said that is a debate for another day. I simply report that the National Party is prepared to support the bill.

Hon. E. C. CARBINES (Geelong) — I am pleased to join the debate on the Juries (Amendment) Bill, which seeks to address a number of operational difficulties that have been experienced since the commencement of the Juries Act last year. I was pleased to hear from the two previous speakers of the level of support for the bill which crosses all parties in the chamber. As previous speakers have noted, the jury system is of fundamental importance in a democratic society like ours in Victoria. Our jury system ensures that an accused person has the basic right to be judged by a jury of his or her peers, and that our citizens in Victoria have the opportunity, obligation and duty to participate in the justice system.

The Juries Act 2000 sought to make juries more representative of the Victorian community. That is a good thing. It sought to do that by removing the automatic right of exclusion for jury service by a number of people by virtue of their profession. I remember during the debate on the Juries Act 2000 explaining to the house that I had a couple of years previous been called up for jury service and was pleased to have the opportunity of being involved in our justice system in that way.

It was a fascinating experience, and I remember telling the house at the time that as I was a secondary schoolteacher I had the right to ask to be excluded from jury service.

I remember talking to my fellow teacher colleagues at school and telling them I had been called up for jury service. They groaned and said, 'Why do you want to do that, it's boring. It's a week out of your life. You don't have to do it. You're a teacher and can be excluded'. I could not really understand why they were taking that attitude because I felt differently — that I had an obligation as a member of the community, certainly of the community in Geelong, to participate in the justice system.

I was pleased that I had been called up. My husband had been called up several times, and I was very jealous of him. However, he never got on a jury, but I did. I very much enjoyed the experience although it was quite confronting.

The implementation of the Juries Act has significantly improved our jury system, as I have already said, by making our juries much more representative of the community where the courts are based. The bill seeks to build on the very solid foundation that the Juries Act laid. It will further improve our jury system.

The bill does that in several ways. It removes references to the Legislative Assembly electoral districts as the basis for the creation of jury districts. This has become necessary because of the redistribution of the electoral boundaries in Victoria. That redistribution has compromised the ability of some of our courts, particularly in rural and regional Victoria, to have sufficient access to potential jurors, because the pool on which they can draw has become too small. This bill sensibly seeks to address that matter.

As a result of the passage of this bill, jury districts will be created. They will be based on areas of the state determined by the Electoral Commissioner in

consultation with the Juries Commissioner. This is a very sensible approach to what could have become a very difficult situation for our justice system. I commend the Attorney-General for acting promptly before the electoral boundary changes take effect to make sure this legislation will be in place.

As I have already explained, I served on a jury in Geelong in 1998. I am pleased the bill is making an attempt to address the security of jurors and is dealing with the issue of the calling out of possible jurors' names prior to empanelment of a jury.

I remember when I was called up to be on a jury and was in the jury pool I became increasingly concerned that my name was being called out many times, I thought quite unnecessarily, as did other jury pool members especially when we realised that the trial was to be a serious criminal trial. I remember people in the jury pool discussing the names being called out and saying they would prefer to remain anonymous. They did not like their names being called out.

I am pleased the bill seeks to address that situation because jury service can be confronting especially if you have had no experience of the justice system or the jury system before, as was the case with me, especially in a criminal trial where pool members may feel their security and safety is at risk or even compromised by the continual identification of them and by the continual calling out of their names. The bill seeks to address that situation. It seeks to amend the principal act so that this practice will be discretionary rather than mandatory.

We have an obligation to make sure we do everything we can to minimise any security risk for jurors, and that risk may be real or perceived. We have an obligation to make sure jurors feel safe and secure, and that potential jurors also feel safe and secure. This amendment will go some way towards assisting in this matter. I am sure jurors in the pool will feel more comfortable if, as the amendment allows, their names are not being continually called out and a discretion is exercised because often the calling out of their names is quite unnecessary. I am very pleased to see that clause in the bill.

Other clauses in the bill deal with other minor adjustments to the principal act, as has been explained by previous speakers who have elaborated on them. Some of the adjustments include allowing for majority verdicts in civil trials where a jury is reduced in number from six to five. That is a sensible measure as it will reduce the waste of court time and reduce the obvious possibility of a retrial.

Through the bill we are also making sure the appeals process against decisions of the Juries Commissioner is improved. The appeal process will become fairer and more flexible,. That is important.

Also the bill introduces a provision which allows for the remission of fines that have been imposed by a court for failure to attend for jury service if a reasonable excuse has been provided. This shows flexibility and understanding. It adopts a humane approach to jury service, because sometimes there are very fair reasons and reasonable excuses to explain why people have not been able to attend for jury service when they were expected.

The bill also clarifies the provisions for disqualification from jury service to ensure that the disqualification period is based on the length of a prison sentence or detention sentence for a conviction rather than the actual time served in prison or detention.

Finally, the bill amends the schedule of professions eligible for exclusion from jury service. The schedule will be limited to people working in the public sector as defined by the Public Sector Management and Employment Act 1998. This is to ensure that some people who have attempted to claim exclusion from jury service, such as people who volunteer for Neighbourhood Watch or who take on duties such as by-law officers or investigators, are not excluded from jury service and in fact, cannot claim ineligibility. This again strengthens the representative nature of the jury pool. That is very important for the system.

Jury service is an integral part of the justice system in our state. It is supported by all parties, and that is a good thing. The bill before the house contains very sensible provisions that will improve the operation of the Juries Act. I commend the Attorney-General for his work in this matter and in aiming to improve the jury system. I commend the bill to the house and wish it a speedy passage.

Hon. R. H. BOWDEN (South Eastern) — I am pleased to rise to give my support to this bill and signify my enthusiasm to see that these provisions pass through the chamber. The bill will amend the Juries Act 2000, which was a significant advance on longstanding practices. It was able to make significant improvements. However, this Juries (Amendment) Bill 2002 will further streamline and make more practical the aspects that we require in our state for jury service so as to help the administration of justice.

Clause 1 gives six separate illustrations of the purpose of the bill. Each of those items from (a) through to (f) are quite sound, sensible and supportable.

Jury service has a long history in Australia. It is an obligation and a privilege that goes with citizenship in our country. The administration of justice in Australia has high standing, and within our community and communities nationally the concept of jury service is very important and well accepted. At the forefront of the collective minds of the community is that we as legislators have to make sure that the system is not only able to retain its integrity but it is both efficient and able to maintain the standards that we would expect.

I believe this bill has several good qualities. For instance, clauses 4 and 5 explain that given the redistribution of electoral boundaries that took place last year the previous system of having the Legislative Assembly boundaries delineate the pool area from which potential jurors can be taken had to be changed or several inequities would have arisen. There would have been difficulties because of the change of boundaries for the new electoral districts. For a rural electorate such as the one I have the privilege of representing the change in boundaries would at times have made it difficult for there to be fairness and the correct number of people available for the jury selection process. I think the amendment is very good indeed.

Clause 3, the provision relating to appeals against decisions of the Juries Commissioner, is a good move. For administrative and communications reasons, and the simple fact that many citizens are not familiar with the machinery involved, the system will now be better handled so that the appeals process can proceed and be understood by the potential juror, and issues can be debated with the commissioner up to the time a person becomes a member of a panel.

Security is increasingly of concern in our society as well as in other countries. The longstanding practice of calling out potential jurors' names has caused considerable concern, particularly as many citizens do not want their names repeatedly called out in court. The bill amends section 31 so that the calling out of names will be discretionary. Courts will have a lot more flexibility available to them to ensure that the security aspects for citizens required to participate as jurors are well and truly covered.

This bill also contains an amendment to provide for majority verdicts in civil trials where there is a jury of five. It is possible that although a jury of six members is empanelled a juror might die or be discharged under section 43 of the act and the jury is reduced to a panel of five. In such a case this bill will enable the trial to continue and the court to proceed so that the expense, inconvenience and other undesirable aspects of having a trial abandoned will not arise. On a positive note, it will enable a trial to proceed with a jury of five thereby avoiding a great deal of inconvenience and expense.

In the past there have been situations where jurors have not arrived at court for jury service. While there is a long-established practice of courts being able to impose fines for non-attendance until this stage courts have not been able to remit such fines. It is relatively easy for a court to impose a fine where a citizen does not discharge his or her community obligations. However, there are often good reasons for such a failure and this bill will give courts the ability, if a reasonable explanation is given, to easily remit a fine. This will ensure that the whole process is much smoother.

I briefly mention the bill's tightening up of the ineligibility criteria for service as a juror. There have been cases where people called for jury service have volunteered certain reasons as to why they should not be required to give that service. The ineligibility and the disqualification of jurors is important. Clauses 9, 10 and 11 cover those aspects very well. I was pleased to see the definition of people who are ineligible because they are employed in certain public sector areas covered by provisions of the Public Sector Management and Employment Act 1998.

In conclusion, as I said at the beginning jury service is an important part of the administration of justice in our nation and our state. The community respects the decisions of juries. In our state and our nation we have a long history of fairness and of dispensing justice with the maximum possible credibility. I am pleased to give my support to the Juries (Amendment) Bill 2002 in the expectation that it will further enhance the reputation of justice in this state.

Hon. D. G. HADDEN (Ballarat) — I rise to speak in support of the Juries (Amendment) Bill. It is a very important bill in that it proposes to improve and strengthen the jury service in our state, which is very important in both civil and criminal trials and in the administration of justice.

In my previous life as a practising lawyer in country Victoria I had many years of experience in selecting juries in both civil and criminal trials. It is very important that people in our community who participate in jury service are encouraged to do so and are looked after insofar as their safety and security is concerned. That is even more important today.

The bill has a number of purposes. In summary, they are to amend the Juries Act 2000 and to lengthen the period of time within which a person may appeal against a decision of the Juries Commissioner. That period has been extended from 14 days until the time of empanelment.

The bill also gives the court a very important discretion as to whether or not the names of the jury panel are called out in court. That is important, as it is a concern that has been raised by juries over the years. The jurors' perceptions are very important, and if we want their continued participation in a very important part of our justice system it is important that they feel safe and secure within the courtroom; and certainly having their names and addresses called out is somewhat intimidating to them, especially those who may never have been inside a court before.

Whilst it is all very well for the lawyers to feel comfortable with that process, the lawyers are not the ones to sit on the jury panel. It is very important that that amendment is being made at this time.

Another purpose of the bill is to provide for areas of the state to be assigned as jury districts. At the moment areas are based on the Legislative Assembly electoral districts. In view of the recent amendments to the electoral districts by the Victorian Electoral Commissioner, it has changed the composition of what used to be known as the jury districts. This bill will synchronise jury districts and enable the jury panels to be better called.

The Attorney-General gave a particular example in his second-reading speech of what impact the recomposition of the electoral districts would have. His example in the second-reading speech was the new electoral district of Lowan, which includes the towns of Horsham in the north and Hamilton in the south of the Western Province, and how now under the new electoral boundaries jurors for a court in Horsham could not be selected from a town such as Warracknabeal because Warracknabeal is now located in a separate electoral district. This bill will make the new electoral boundaries fit into jury districts for small towns.

The other purpose of the bill is to provide for majority verdicts in civil trials from six to five jurors. It is important to note that majority verdicts in criminal trials were introduced by this Parliament in 1993 for offences other than murder and treason. Then in 1999 amendments were made to the Juries Act which provided for majority verdicts for murder and treason. Civil trials appeared to have missed out on these amendments over the years, so I am pleased to see that this bill now provides for majority verdicts in civil trials with reduced juries of five.

The bill also enables a court to remit or excuse a fine imposed on a person who proves to the satisfaction of the court that he or she has a reasonable excuse for failing to attend for jury service or failing to attend as a juror. There are many examples which come to mind, but one in particular in 1999 before I was elected to Parliament concerned a person who complained he had missed a bus. He had been called to his duty as a juror and he had missed the bus from Beaufort to Ballarat. It meant he was some one hour late, which of course has enormous repercussions for a trial. It is very important that we now introduce a discretion for the court to remit a fine imposed for a reasonable excuse.

Finally, another purpose is to clarify provisions relating to persons disqualified or ineligible to serve as jurors, and that is set out in clause 9, which clarifies those persons in the public sector.

This bill introduces amendments which, to its credit, the joint parliamentary Law Reform Committee recommended as improvements to jury service in Victoria in its report of 1996. It is pleasing to see the Bracks Labor government is continuing to implement changes which started back in 1996. Of course the previous Attorney-General, Mrs Jan Wade, also introduced amendments to improve the jury service in this state following on from the report on jury service of the joint parliamentary Law Reform Committee.

Participation in jury service is not a right. I believe it is a very serious obligation and a duty to our community. It is also very important for the continued administration of justice and for the smooth running of trials in our courts, both criminal and civil trials. Jurors need to be encouraged to participate in our judicial system and, in my view, they need every security and safety concern addressed. I am pleased to support this bill.

Motion agreed to.

Read second time.

Third reading

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

That this bill be now read a third time.

In doing so I wish to thank honourable members for their contributions: the Honourable Peter Katsambanis, the Honourable Roger Hallam, the Honourable Elaine

Carbines, the Honourable Ron Bowden and the Honourable Dianne Hadden.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

FEDERAL AWARDS (UNIFORM SYSTEM) BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. C. C. BROAD (Minister for Energy and Resources) on motion of Hon. J. M. Madden.

RESIDENTIAL TENANCIES (AMENDMENT) BILL

Second reading

Debate resumed from 8 October; motion of Hon. M. R. THOMSON (Minister for Small Business).

Hon. ANDREA COOTE (Monash) — I have much pleasure in speaking on the Residential Tenancies (Amendment) Bill. To remind and refresh honourable members I will go through a short history to explain how the bill came into being. In 1980 the first Residential Tenancies Act was implemented. In 1988 the Caravan Parks and Movable Dwellings Act was implemented and in 1990 the Rooming Houses Act was introduced. In 1995 the Kennett government began a review of those three acts and in 1997, under the then minister, Ann Henderson, the current Residential Tenancies Act was introduced which was an amalgamation of the three acts.

In 1999 we went to an election and the ALP promised to review the Residential Tenancies Act. It made a great song and dance about the existing act being cumbersome and difficult to deal with. Finally, in 2000, a full 11 months after getting into government — so it was dragging its feet — a review was set up. Now on the eve of a potential election the government has finally come up with its changes.

The bill has come three years after it was promised and instead of providing an opportunity to look back and fix up the things the government was so critical about — the cumbersome nature of the bill and the various matters it has criticised — it has come up with this bill. It introduces piecemeal amendments and tinkers around the edges. The government made much of the 1997 act and was extremely critical of the whole thing. It has fumbled its chance to make fundamental changes. On the other hand the Kennett government only took two years to review three relevant acts and it came up with profound changes that made definite improvements.

I acknowledge that some of these changes had to be made given the current economic climate, and some aspects of the bill are worthy of merit. However, it is interesting to see that this bill has taken three years and we have minor changes, albeit a number of them, whereas the Kennett government took a shorter time — two years — to come up with a profound statement.

The minister's second-reading speech admits this mediocrity and I will quote from it because I thought it was a very sad statement:

> It is important to note that the amendments represent moderate and responsible change that modernise this important legislation, while maintaining certainty for market investment and therefore the future of the Victorian rental market.

I return to the beginning and the words 'moderate and responsible change'. There is nothing profound and nothing mind or earth shattering but the bill is 'moderate'. It is not good enough.

The minister makes much of the fact that there is balance between the stakeholders and that all their needs have been considered. I will prove later in my contribution that the balance was not achieved at all.

At this point I would like to speak about the amendments moved so successfully in the other place by the shadow Minister for Housing, Helen Shardey. In this chamber the minister noted the government's disappointment that:

> … the amendment has diminished our efforts to better support low-income residents of caravan parks.

I will remind the house about the amendment, which sought to omit the original clause 44. The amendment proposed by the government reduced the qualification period from 90 days to 60 days — a change opposed by caravan park owners. A number of them had written to the shadow minister and explained their difficulty with this clause. It is not my intention to re-run the argument about this clause but suffice it to say the Liberal Party together with the National Party and the Independents voted in the other place to omit the clause from the bill. This is evidence that the government got the issue wrong.

The government makes much of listening and consulting and we have seen how long it took to do all that. Government members may say they are listening but in reality they are not comprehending what they hear and they did not hear what the people were saying. I commend Helen Shardey for her success with the clause.

I also remind the house that the Victorian Caravan Parks Association was most disappointed by the bill. It was represented on the task force and had expected, as you would if you had worked hard on a task force, to have an opportunity to review the draft legislation, but no, the association did not get an opportunity to have a look at the draft legislation. Had it been able to it would have voiced its concerns about the original clause 44.

Once again this government makes much of its open, transparent, consultative approach, but it either deliberately or dismissively ignored the position of the Victorian Caravan Parks Association, an important group that is made up of hundreds of small business people. In fact it was ignoring both small businesses and the very important tourism industry that deals with these caravan parks.

The Liberal Party pushed for the 60-day amendment to be made because it felt that reducing the qualification period was not in the best interests of the caravan park owners, their existing tenants and those struggling families who use the parks for crisis accommodation. In my own electorate of Monash Province we have a number of transitional housing centres that do some excellent work, the Argyle Street Housing Centre being one of those, and I know for a fact that they use caravan parks as temporary accommodation for people in severe crisis. In fact, when the Hollywood Hotel in St Kilda was closed recently, it was able to secure some short-term housing in caravan parks for some of the people who had to be moved on from the hotel.

This is a very important issue and the Liberal Party believed that this bill and in particular this clause was going to jeopardise this use of caravan parks and caravans. Small business owners want to have the tourists there: it is important for tourism and important for the turnover of their caravan parks not to have as long-term residents, some who, I think all of us would acknowledge, are in some sense of distress. I think it was a very worthwhile amendment. I believe we are going into committee to talk about some consequential amendments that arose out of the defeat of clause 44.

The main issues in this bill relate to tenure, which will supposedly give greater security to tenants; a notice to vacate — and there is some clarification on those issues; tenure in caravan parks and rent increases. Clauses 22, 38 and 55 all deal with the possible misuse of violence and enable the landlord or caravan park owner to give a resident notice to vacate on the basis that either he or she or their visitors have caused danger to persons or property as a result of a serious act of violence. I have asked around and I am not certain that everybody understands what the parameters are for a serious act of violence, and it would have been nice to have had this issue clarified so there was no doubt about what the term meant.

Bond lodgment was another aspect of this bill, and under this legislation it will be illegal for a landlord not to provide a copy of the completed bond form on lodgment.

One of the other important aspects of this bill was that landlords can now apply to VCAT for urgent hearings, and I think in some distressing situations this is probably a very positive step.

As I said before, the minister made much about balance, and in all the second-reading speeches balance between the stakeholders and their various issues was something that was made much of and was probably an excuse for the reason that this consultative process took so long. It is all very well to talk about balance and the rhetoric sounds very good, but the reality is quite different.

The government broke the bill down into the following categories: amendments relating to the application of the principal act; amendments relating to tenancy agreements of rented premises; amendments relating to rooming houses; amendments relating to caravan parks and caravans; amendments relating to termination; amendments relating to the Residential Tenancies Bond Authority and amendments relating to VCAT.

We hear the rhetoric about balance, and I decided to do an analysis of this bill and to break it down and have a good look to see exactly where the balance lies. I do not think it will be any surprise to this chamber to learn that it is not the landlords that are supported in this bill; it is in fact the tenants that receive an enormous amount of assistance, and in some instances this is well deserved.

I would like to run through some of the so-called balances in this bill. If you have a look at clauses 1, 2, 3, 14, 15, 20, 21, 22, 24, 26, 27, 28, 29, 36, 37, 38, 39, 40, 41, 45, 46, 51, 52, 56, 62, 67, 70, 73, 74, 75 and 76, you see that all of these deal with administration, clarification and consequential amendments. I think they are just for clarity and streamlining of the bill and many of them achieve exactly what they set out to do.

Clauses 78, 80, 81, 82, 83, 84 and 85 all deal with the VCAT issue, and again I think that is probably fair and equitable, and they look at balance for tenants, landlords and other stakeholders.

However, in my opinion areas in which the tenants are solely looked after are clauses 26(1)(a), 26(2)(b), 35, 43, 50, 53, 57, 58 and 64. They are blatantly in support of the tenants and there could be no doubt about that, as indeed there are certain clauses — 25, 42, 54, 65, 74, 77 and 79 — which are supportive of landlords.

I would like to talk about the balance of some of these other clauses that look as if they are balanced and look as if they are looking after what the landlords' interests are, but which are in reality somewhat different when you analyse this bill and have a good look at it. For example, clause 9 clarifies the type of student accommodation that is exempt and what is included in the Residential Tenancies Act. I will admit that clause actually benefits students and actually I correct myself — this is a good balance.

Getting to my point about balances, clauses 11, 32 and 47, tenancy, rooming house and caravan parks or caravans all deal with the issuing of receipts. The emphasis before was to deal with receipts and the onus was on the tenant. That has now been shifted and the responsibility will be placed on the landlord. Supposedly this is designed to assist both landlords and tenants. It is meant to make the whole issue clearer and eliminate red tape. However, the reality is that the keeping of receipts for a sustained time, especially in a caravan park, will be cumbersome and difficult. I think it goes against the caravan park owners and the landlords. The government put on a song and dance about eliminating red tape but this is a clear example of red tape being introduced in a bill rather than removed.

Clause 12 deals with rent increases. The government has made much of this, but in reality landlords are reasonable people. The underlying emphasis in this clause is that landlords are out there to attack, hurt, cheat and make life very difficult for their tenants. I think there are probably some who fit into that category but generalisations are always very difficult and to base a bill on the generalisation rather than the fact sets a dangerous precedent. I would like to quote from the *Residential Tenancies Legislation Review Community Consultation Paper* issued by the government in March 2001. On page 5 it states:

> Anecdotal evidence from property owners indicates that very few, if any, issue more than two rent increases per year because of the administrative difficulty in keeping track of multiple changes in rent and the inconvenience to tenants.

Instead of being these Machiavellian ogres, landlords tend to be responsible and care for many of their tenants. We should be mindful of that as we negotiate our way through this bill. The government has implied that landlords put up the rent all the time but, as you can see from that quote from the government's own discussion paper, most landlords do not do that.

Clauses 12(1)(a), 33(1)(a) and 48(1)(a), covering tenancies, rooming houses and caravan parks and caravans, address some of this red tape. Under these clauses landlords and caravan park owners do not need to send reminder notes; that is what the explanatory notes speak about. Instead of having to provide 90 days notice to increase the rent, it will now be 60 days and the rhetoric says that after 60 days they do not have to send a reminder notice. This is supposedly going to benefit the landlord. I think that is clutching at straws, but this is the way the government is trying to achieve its balance in this bill. On the surface it looks as if the government has done that but if you look underneath you can see that it is really a minor achievement for the landlord.

Clause 12(2), which inserts a new section 44(4A), is a more major amendment. It limits the rent increases to two a year. The government says this will help landlords build inflation rises into their pricing, but the main thrust is to benefit the tenants and I think on balance it weighs in favour of the tenants rather than the landlords.

Clauses 13, 34 and 49(1) cover tenancies, rooming houses, caravan parks and caravans. These provisions give the VCAT guidelines to identify whether an individual rent rise is excessive. This is a new inclusion. It considers the number of rent increases in the previous 24 months and the size of previous rent increases. As I said before, I agree that some landlords may be tyrants but on the whole I think they are fairly good.

It is important to look at who these landlords are. I will again quote from the government's own documents. This is the *Residential Tenancies Legislation Review Background Paper* from February 2001. It says:

> The Victorian rental market involves approximately 250 000 landlords providing homes across some 320 000 tenancies in houses, flats, units, rooming houses and caravan parks across the state.
>
> Statistics have shown that most landlords are small scale with 78 per cent owning only one property, and less than 5 per cent owning five or more properties.

We are not dealing with huge draconian landlords who are trying to make life very difficult for their tenants.

These people want to encourage good tenants, and I think most of them do.

I move now to clause 16. This provision was built into the principal act previously and this clause clarifies the requirement for landlords to maintain their properties. This is very good for the tenants. It is important that landlords recognise and know that that is part of their responsibility.

Building on from that, clause 17 extends the time limit within which a tenant may apply to VCAT for an order requiring a landlord to carry out non-urgent reports to 60 days. Previously there was a very limited time frame of only 28 days for these applications. I think that is a fair and equitable inclusion in the bill. This provision is one that benefits the tenants, but it should have been included and indeed has been.

Clause 18 provides that inspection of premises can occur only after three months of permanent tenancy. This is quite good; you do not want any of these landowners coming in after a short time and making demands.

An anomaly that existed in the legislation and has been clarified to the benefit of landlords is contained in clause 23. It concerns the reoccupation of a landlord's own premises. The clause outlines clearly and well the demarcation lines, and I do not think there will be any doubt in the future.

Clause 44 of the bill says that residents of caravan parks and caravan owners can apply to VCAT if occupancy agreements contain harsh or unconscionable terms. Once again, it would have been nice to have a definition of 'harsh and unconscionable terms'; a definition would have been a good inclusion here.

Clause 69 deals with the landlord's ability to dispose of goods left behind by a tenant. On the surface this appears to be a provision that benefits landlords and in some aspects it does because they do not have to advertise the goods or put expensive advertisements in the paper, but on the other hand the amendment clarifies the situation and extends the period from 28 days to 90 days. If bulky goods have been left behind and landlords have very limited space and the tourist season is upon them, particularly for the caravan park owners, this will be very concerning for them.

When I analysed all of this, I considered where the balance lies. I do not think it will be any surprise to hear that there are 30 what I have termed administrative, clarification and consequential amendments; under VCAT there are 7 amendments; in the transitional area there are about 14 amendments; and there are 7 definitions. For the tenants I came up with about 52 amendments and for the landlords, 22. Therefore there is some disparity between the balance. Some of my analysis could perhaps be disputed, but when you look at this bill and go back to the rhetoric, balance is the issue the government made such a fuss about and the bill has not achieved the balance the government said it would.

Some aspects of this bill are worthwhile. To reiterate the major issues, the bill provides security of tenure to tenants, and that is a welcome inclusion. In regard to the notices to vacate, once again the amendments are technical and not earth shattering, but to be fair they are certainly important. On rent increases, it is good to have some clarification. However, as I said earlier, these amendments are tinkering around the edges instead of dealing with profound changes to the principal act. They certainly do not clear up the cumbersome aspects of the act, and that is what Labor criticised when the legislation was introduced in 1997. It is good to see the violence issue included; that was important. It is good to have some of the issues of dealing with receipts and bonds clarified in this economic environment. I think those points are rather good.

I remind the house that we have to look at the issue of using caravan parks for homeless people and people in transitional housing. It is an issue that we as a community must look at far more closely.

The Bracks government made much of the fact that it was going to look at increasing public housing and decreasing public housing waiting lists. In fact public housing waiting lists have risen by 15.5 per cent and there are now more than 47 000 struggling families waiting for houses. The use of caravan parks for transitional housing would not need to happen if this government did as it promised and established better and more public housing. If the Liberal Party's amendment had not been accepted in the Legislative Assembly, a whole raft of people who would have been added to that list.

The opportunity to make really vigorous changes to this bill has been lost. It has been camouflaged by the 102 mostly small, administrative and tinkering-around-the-edges changes. The bill has been long awaited and has been disappointing upon delivery. Having said that, the opposition does not oppose the bill.

Hon. JENNY MIKAKOS (Jika Jika) — It is with great pleasure that I rise to speak on behalf of the government in support of the Residential Tenancies (Amendment) Bill. It is a very important piece of

legislation and as a member of Parliament who represents an area that has a high proportion of both public and private housing in the rental market, I am pleased to make a contribution in support of the bill.

When the Residential Tenancies Act was first amended in 1997 it consolidated three previous pieces of legislation relating to rental housing. Those were the Residential Tenancies Act, the Rooming Houses Act, and the Caravan Parks and Moveable Dwellings Act. The previous government consolidated that legislation into one act and made a number of changes that the Labor Party considered reduced tenure security and fair rent mechanisms. The Australian Labor Party was committed to reviewing the Residential Tenancies Act and expressly committed to reviewing this legislation as part of its election policies.

Today we are seeing the introduction of a bill that seeks to review the 1997 legislation. The review was important and was called for by the Labor Party because it was considered that the balance had been tipped too much towards landlords, and that changes introduced in relation to the creation of the residential tenancies list in the Victorian Civil and Administrative Tribunal needed review. The bill achieves an appropriate balance between landlords and tenants and it is for that reason that the government is seeking to introduce the changes to establish greater certainty and security for all parties in the Victorian rental market.

By way of background I note that the bill comes after a long period of consultation with members of the public. I acknowledge the work done by the honourable member for Bendigo East in another place, who chaired a residential tenancies legislation working group that was established in August 2000. That working group included a range of industry representative organisations such as the Real Estate Institute of Victoria, tenants representatives, the Tenants Union of Victoria, the Victorian Caravan Parks Association and many other community sector organisations. The group also included representatives from relevant government departments and agencies, including Consumer and Business Affairs Victoria, the Victorian Civil and Administrative Tribunal, the Department of Infrastructure and the Office of Housing. The working group included all relevant parties who deal with the rental market and produced a good report. It put out a consultation paper dated March 2001 which honourable members may be familiar with — I certainly received a copy from the honourable member for Bendigo East, and I am grateful to her for seeking to involve members of Parliament as part of the group's consultation process.

The working group's terms of reference included issues to do with tenure security, fair rent mechanisms and improving the act's useability. Many of the working group's recommendations are of a technical or administrative nature and many of the recommendations have been taken up in the bill. The working group consulted extensively with members of the public. It conducted consultation sessions throughout Victoria, including regional Victoria, and provided members of the public with an opportunity to make written submissions in response to its consultation paper.

After three years of the residential tenancies legislation being in operation it is now appropriate that we seek to make changes, in some cases, as I indicated, of a technical or administrative nature, to improve or clarify the legislation where appropriate.

The legislation makes some substantive changes, and I will only touch upon the key amendments contained in the bill, as the bill is quite a lengthy and extensive one.

One of the key amendments made by the bill is the extension of the minimum notice period for a notice to vacate for no reason from 90 to 120 days. The reason for that is that it was considered — and certainly tenants groups made submissions to the working group — that the current 90-day period was inadequate and that many landlords were opting to use the no-reason notice to avoid the administrative burden of referring a matter to the Victorian Civil and Administrative Tribunal.

In fact, VCAT data indicates that in the act's first year of operation there was a substantial increase in applications under the no-reason notice to vacate — a rise from 33 applications to 275 applications in the 1999–2000 financial year. In the following year, the 2001–02 financial year, those applications increased further to 409. So we can see from those statistics that the current no-reason notice option was being abused.

I note that the Real Estate Institute of Victoria has supported the change to the notice period from 90 to 120 days. It is considered that this period is far more appropriate given that currently where reasons are required to be given this period is usually 60 days.

The other key amendment I wish to address relates to the reintroduction of a limit of two rent increases per year. I note that there is now no limit on the number of rent increases a landlord can introduce in any one year. This came about as a result of the Kennett government amendments in 1997, and it is quite unreasonable to put

tenants in a situation where a landlord could serve them with, effectively, 365 rental increases in any one year.

The other key change in the rental increase provisions is that the notice period required to be given by a landlord of a rent increase has been reduced from 90 days to 60 days, consistent with the provision that applied before 1997. So we have on the one hand a limitation of the number of rent increases per year to two, but on the other hand a decrease in the notice period a landlord is required to give from 90 to 60 days.

This is a demonstration of the balanced approach that the legislation seeks to introduce — that is, a balance between the interests of both landlords and tenants. The change in the 90-day to 60-day notice period is strongly supported by the Real Estate Institute of Victoria.

One of the other changes made by the legislation is a clarification of the exemption for student accommodation to ensure that only those facilities owned, leased or formally affiliated with a university or educational institution are exempted under the legislation. Honourable members would be aware that currently many students are living in accommodation that is ancillary to an educational institution and have no protection under the legislation. The bill seeks to clarify the type of student accommodation that will be exempted from the Residential Tenancies Act. That will be warmly welcomed by the National Union of Students.

A number of the amendments to the bill relate to the introduction of new offences. The bill will introduce an offence with a sanction of 20 penalty units where a manager abuses the violence provisions by suspending a resident or a resident's visitor from rented premises for an act that a reasonable person would not consider constituted a serious act of violence. The penalty units imposed for the offence are consistent with the penalty units that apply for attempting to evict a tenant or resident outside the provisions of the act.

The offence provision is considered necessary because in the 1997 legislation a new provision was introduced that enabled a tenant in managed premises, usually rooming houses, to be given a notice to leave the premises in two business days if they committed or threatened to commit a violent act. The tenancy groups made submissions to the working group that this provision had been abused in the past. Many examples were given of tenants who were issued with such notices on a Friday evening and effectively had no accommodation for five days because the provision applied to a suspension or a ban effectively of two business days. The bill seeks to introduce a balanced approach between the interests of managers of such rented premises and tenants of those rented premises — people who are usually in vulnerable positions.

The bill also seeks to introduce a number of other offences, such as an offence punishable by 5 penalty units where a landlord does not provide a copy of a completed bond lodgment form to a tenant; an offence punishable by 5 penalty units for entry of a rental property other than as authorised under the act; and an offence for failure to comply with a monetary or a non-monetary order of the Victorian Civil and Administrative Tribunal punishable by 10 penalty units with a penalty of 2 units for each day that the offence continues up to a maximum of 20 penalty units.

The bill will amend the receipting requirements of the act to require landlords to keep a record of rent payments as opposed to rental receipts for a minimum of 12 months. This amendment takes account of practices such as electronic fund transfers, Bpay and payments at agencies such as Australia Post. The amendment is strongly supported by real estate agents and property owners; it seeks only to make life easier for those groups rather than to impose an additional administrative burden on them.

The legislation does not seek to extend coverage of the act to community residential units and supported residential services. Although this was an issue the working group examined this matter will be addressed in future legislative changes that will be introduced after a review of the Intellectually Disabled Persons' Services Act and the Disability Services Act has been conducted. The needs of people with disabilities in either public or private rental is an important issue and one the Bracks government is committed to. It is considered appropriate that any changes in this regard occur after the legislation has been properly considered and reviewed, and when there is a proper occasion for consultation with people working in that sector.

I turn to caravan parks. A provision was inserted in the legislation in the other place that sought to reduce the qualifying period for caravan park residents from 90 days to 60 days. This would have given caravan park residents the same rights as other tenants and would have given those tenants protection under the act after a 60-day period, when they would have been regarded as residents of the caravan park. The government believes 60 days is adequate to ensure that holiday-makers are not captured under the Residential Tenancies Act as residents while ensuring that genuine long-term caravan park dwellers have legislative protection at an earlier stage.

As I indicated earlier, the Victorian Caravan Parks Association was represented on the working group chaired by Ms Jacinta Allan, the honourable member for Bendigo East in the other place; I believe its representative was Mr Phil Redmond. The association was given an opportunity to present a submission to the working group. The submission indicated that the association preferred a 90-day period, but when presenting its submission to the review the association recognised that a compromise had to be found between the various groups on the working group, and accepted that a 60-day period would have been workable. It is disappointing that in view of that and in view in particular of the vulnerable nature of tenants in caravan parks the opposition in the other place sought to omit that provision from the bill.

During the committee stage a number of consequential amendments will be moved that are now necessary to address the numbering of the bill and make it consistent with the previous omission of, I believe, clause 44. The government takes the view that the provision for caravan park residents was a reasonable one that balanced the interests of both caravan park owners and caravan park residents.

As I indicated, on many occasions these are people who are in extremely vulnerable positions. We maintain the view that the 60-day qualifying period would have been both reasonable and workable.

In conclusion, Acting President, I note there have been a number of changes in the legislation. As I indicated at the outset, many of these are of an administrative or technical nature and are quite appropriate given the legislation has been in operation now for three years. The legislation achieves a good balance between the interests of tenants and the interests of landlords. I commend the bill to the house.

Hon. R. A. BEST (North Western) — It gives me pleasure to again find myself rising to speak in the house on a housing bill. Since 1988 I have had the pleasure of being the National Party spokesman on housing issues. It has been quite a transition because now we find ourselves revisiting residential tenancies legislation some 14 years later.

It was back in 1988, when I first came to this house, that the then housing minister, the Honourable Barry Pullen, flagged that he intended to introduce a trilogy of legislation — rooming house legislation, caravan parks legislation and removable dwellings legislation — as well as retaining the 1980 Residential Tenancies Act. In 1988 we saw caravan parks and removable dwellings legislation come before this house. In 1990 we saw the rooming house legislation introduced. That separation of those three acts and the Residential Tenancies Act aimed in respect of each of those types of tenants to provide a set of rights and impose on landlords a set of obligations to assist with the way tenancy issues were handled in each particular circumstance. At the time it was believed that that was the way to go, but during the 1992 election campaign the coalition promised to review the workings of those three acts. In 1995 that review was undertaken under the chairmanship of the honourable member for Brighton in the other place, the Honourable Louise Asher.

As most people know, I intend to retire at the next election, and it was during a clean-out of my desk that I found the 30 June 1995 copy of the report from the residential tenancies legislation review committee to the then Minister for Housing, the Honourable Rob Knowles, and the then Minister for Fair Trading in the other house, the Honourable Jan Wade. It is interesting that among the things I have kept most dear to me was a copy of the report that formed the basis for the 1997 legislation.

It is interesting to revisit the terms of reference. They stated that the committee was to advise the minister on:

> consolidating the Residential Tenancies Act, Caravan Parks and Movable Dwellings Act and the Rooming Houses Act;
>
> amending the acts so that they could operate more effectively;
>
> achieving efficient management and operation of the Residential Tenancies Fund and the Residential Tenancies Tribunal;
>
> reviewing sanctions;
>
> advising on part 5 of the Landlord and Tenant Act, the Retirement Villages Act and the regulations governing supported residential services.

Part of the executive summary states:

> The committee believes that that the Residential Tenancies Act, the Caravan Parks and Movable Dwellings Act and the Rooming Houses Act should be consolidated into one single act, written in plain English.

That occurred.

As I said, the legislation following that 1995 review was introduced in 1997. Recently I again read the contributions made at the time by some honourable members. I was particularly interested to read the contribution made by the then shadow Minister for Housing, now the Minister for Education and Training in the other place, the Honourable Lynn Kosky, and the view she took then on behalf of the Labor Party. During that debate the Labor Party moved a reasoned

amendment to the second-reading motion. In the mid to late 1990s the Labor Party flagged that it was unhappy with the consolidation of the acts. In the lead-up to the 1999 election it actually undertook a policy position that it would rewrite the 1997 residential tenancies legislation.

And so we find ourselves here today. Since the 1999 election in my capacity as the National Party spokesman on housing I have been waiting for the results of this review. I must say that I am quite surprised at how moderate the changes are, because clearly the position put prior to the — —

Hon. Jenny Mikakos interjected.

Hon. R. A. BEST — I was expecting some of the positions taken by the Labor Party, particularly the views that were being expressed in the contributions by the then shadow minister, to mean there would be some quite dramatic and substantial changes to the way in which landlords' obligations and tenancy rights would be protected in the future. It is with some surprise, I suppose, that having had the election in 1999, in 2002 the house has before it for its consideration what I would suggest to be a very moderate position.

I place on record my congratulations to my parliamentary colleague the honourable member for Bendigo West, Jacinta Allan, for the role she has played in chairing the committee. As I said previously, it is sometimes a difficult task to chair committees and come up with balance, because what we have in residential tenancies legislation is a range of issues that can be quite adversarial at times. While I am surprised at the moderate nature of the changes, I do welcome the balance that has been provided so that encouragement is still there for investors to invest in housing stock. It is essential given the demand for housing and the pressure on housing waiting lists that there be encouragement for investors to continue to invest in private rental stock.

As the party spokesman I have made a recommendation that the National Party not oppose this legislation. We consulted widely with a range of people right across the housing sector, including the Real Estate Institute of Victoria; the Victorian Caravan Parks Association; Hanover welfare services, particularly Tony Nicholson, whom I admire enormously for the job he does; the Community Housing Federation of Victoria; the Public Housing Tenants Union; and a whole range of other people. As I said to my party, the much-promised review of the Residential Tenancies Act by the Labor Party in government has not eventuated.

The bill is a compromise between the interests of tenants and landlords. All the groups that were consulted believe it strikes a balance between tenancy rights and landlords obligations. All groups that were consulted indicated that the legislation should be supported, and I believe that the changes are so minor that we should not oppose it. Despite the very vitriolic stance taken by Labor in 1997 and the promises made during the 1999 election campaign, this legislation is not too bad.

I will not go through the bill in detail because it has been covered well by the honourables Andrea Coote and Jenny Mikakos in their contributions, but I want to put on the record a couple of matters that I think are important. As I said, the changes to the act are not substantial. The opportunity to have input during the consultation process has given people the opportunity to resolve any issues around the table. That is an admirable outcome, and while I may not agree with the changes that have been made, as I said, they are of a moderate nature and are not hard to support.

The bill makes changes to tenancy agreements with rented premises, rooming houses and caravan parks. It also changes termination-of-lease-without-notice provisions. It proposes to make changes to the Residential Tenancies Bond Authority and there is the issue of caravan parks and the number of consecutive days required before being considered to be a resident. That was proposed but has since been amended in the lower house, and I support those amendments.

As I said, the National Party consulted widely. I have had the opportunity of being the National Party housing spokesperson for over 14 years and have had the opportunity of visiting many of the institutions that look after the welfare of some of our most socially disadvantaged people.

I particularly remember going to Hanover and talking to Tony Nicholson. It is humbling to see some of the very sad cases that such a fantastic organisation assists. In his letter to me of 20 May, Mr Nicholson, the chief executive officer, wrote:

> … We support the proposed changes to the act in the areas of tenure security, rent increase limits and violence provisions. We also support the changes to the old section 22 in terms of definition of crisis accommodation and the retention of this section (clause 10) that excludes such accommodation from the operation of the act. Hanover also supports the introduction of clause 25 that allows for transitional housing providers to issue a 30-day notice to tenants who act unreasonably in failing to seek/accept long-term housing.

I also received a letter through my colleague Hugh Delahunty, the honourable member for Wimmera in the

other place, from J. B. Barham Real Estate in Stawell. It states:

> We refer to your letter dated 21 May … regarding the proposed changes …
>
> We are aware that these issues have been addressed in depth in consultation with representatives from the real estate industry … and feel that these changes will not create any concerns to our agency.

However, I received an email headed 'Disabled people are disadvantaged, again!'. Its authors were concerned that sections of the submission they made in the consultative process had not been addressed. They said:

> The 'Residential Tenancies (Amendment) Bill — Introduction Print', presently before Parliament, has an important section missing!
>
> The missing section relates to the removal or modification of section 23 of the Residential Tenancies Act 1997. This would have allowed those people with intellectual and multiple disabilities living in group homes (CRUs) and paying a realistic rent, to have rights under the act — 'Reasonable rights in their long-term home, like other citizens of Victoria!'

I urge the government, particularly the minister, to discuss these issues with the people who contacted me, Tony and Heather Tregale of 73 Nepean Street, Watsonia. These are vulnerable people within our community who we must ensure have appropriate rights and access, as do other people within our community who are in a far more advantageous position.

I also met with and discussed the problems with the Victorian Caravan Parks Association. On 30 August it wrote to me outlining a number of concerns it had with the bill. I will not revisit the amendment that was moved in the other house, and I have had a discussion with the Minister for Small Business, who has assured me that in the committee stages she will explain the intent of the consequential amendments that are to come before this house.

It is a very difficult issue, and I accept the position put by the Victorian Caravan Parks Association in its submission to me and in its negotiations with the government. More and more we are relying on caravan park operators and owners for the provision of crisis accommodation. A balance needs to be provided in meeting the needs of caravan parks to run as profitable businesses. Extending rights to people after 60-day tenancies really causes a number of concerns with the way in which caravan parks can operate, not only in providing crisis accommodation but also as tourist destinations.

I am particularly delighted that we have been able to accommodate the Victorian Caravan Parks Association, particularly because of the ever-increasing problem we face in the provision of emergency accommodation and the role that many of those caravan parks play in some of the very unfortunate circumstances that some of the most vulnerable people in our community are confronted with when they require crisis accommodation.

As I said, this legislation is very moderate in its changes, and I welcome that. It again highlights the need for a balance with the private sector investment that is required to ease the pressure on our public housing waiting lists. I know the public housing waiting list in Bendigo, my home town, is becoming very long and that over the last three or four years more and more people's names have been added to it.

We need to encourage investment and to be aware that investment in the property market is a commercial decision made by investors. If we do not provide a balance and provide too many rights to tenants and discourage potential investment, we will not meet the needs of governments of the day in being able to cater for the most needy within our community through the provision of public housing.

As National Party spokesman I am comfortable with the moderate changes that have been made and wish the bill a speedy process through the house. I look forward to the minister's explanation of the amendments to be provided during the committee stage.

Hon. A. P. OLEXANDER (Silvan) — I rise to make a brief contribution to debate on this bill, which has been proposed by the government in order to amend the Residential Tenancies Act 1997. The act currently regulates tenancies in rooming houses and caravan parks and, as already stated by my colleague the Honourable Andrea Coote, the opposition has decided not to oppose the bill. However, I feel it is warranted that some points are raised and recommendations put forward on behalf of the opposition about the concerns harboured by many in the community and also in my electorate of Silvan Province.

The bill succeeds legislation passed in 1997 under the previous government. The legislation passed then was the culmination of a review into the Residential Tenancies Act 1980, which paved the way for the amalgamation of the three then current acts: the Residential Tenancies Act 1980, the Caravan Parks and Movable Dwellings Act 1988 and the Rooming Houses Act 1990. Those acts were consolidated into one piece

of legislation which made for a less bureaucratic and more consumer-friendly bill which was also more relevant to the present day.

The bill passed in 1997 gave a fair and clear definition of the rights and responsibilities of both tenants and landlords and also appropriately defined the various kinds of tenure, being residential tenancies, caravan parks and rooming houses. Out of the current legislation some positive reforms took place that laid the path for a more equitable coexistence between landlords and their tenants.

Before discussing the bill before the house today I will briefly discuss some of those very important reforms made in 1997, as they have assisted in paving the way for the review that has taken place over the last couple of years and that is relevant in consideration of the proposed legislation.

One reform that the previous legislation provided was the removal of restrictions on the period between rent increases, with an increase of 30 days in the notice given to tenants, going from 60 to 90 days. This move provided a lot more flexibility for tenants when adjusting to alterations in rent owed or due. The bill before the house today recommends rescinding this provision and replacing it with a 60-day limit.

The current legislation also provides for the inception of fast-track procedures where bureaucracy is kept to a minimum, such as the overturning of fixed-term tenancies and also tenancies where there are rental amounts owing. Another progressive move delivered by the previous legislation was the introduction of a provision that a 60-day notice could be served to vacate the premises, were they to be sold. That also meant that a notice could be served within 14 days of the contract of sale being entered into or before the sale itself. This was an important innovation.

One of the most avant-garde and far-reaching moves made by the previous government was the introduction a system of centralisation to bond management, which was an important change. This meant that the lodgment of residential bonds was done in a far more secure and efficient manner and also maximised the return on bond payments.

Other new provisions in the 1997 legislation were the strengthening of conditions with which to deal with tenants and their guests who behaved violently and caused damage to property. In another beneficial move for tenants the legislation also provided for the protection of personal documents and items left behind from being destroyed by the new occupant. This demonstrated the previous government's commitment to governing for all Victorians which, I might add, is a concept with which the opposition believes the present government is struggling.

The late Ann Henderson, the then Minister for Housing, was instrumental in making way for the inception of the current bill, as was the excellent work done by the Honourable Louise Asher in her role as Minister for Small Business and also as chairman of the committee that did so much of the investigative and consultative work leading up to the bill and has paved the way for what the chamber is considering today.

Leading up to the 1999 state election, one of the Labor Party's election promises was to review the Residential Tenancies Act and the changes made by the Liberal Party government in 1997. The working group to do that was set up in 2000 and two years later we finally have some feedback in the form of 103 clauses that, in the main, represent only minor technical alterations.

In light of the vigorous debate that the then Labor opposition put up in 1997 over current existing legislation it is surprising that the proposed changes to the bill have not been more substantial. Given the rhetoric we were all treated to at that time, one would have expected more.

Upon reading the committee's report into the proposed Residential Tenancies (Amendment) Bill, it may surprise some members to learn that a certain number of the recommendations made by stakeholders offering their own knowledge and expertise to the working group were effectively ignored and not taken up. I should think that stakeholders who did give their time, skills and information are quite disappointed that their feedback was not more fully utilised by the government. One particular body of expertise that has complained to the opposition is the Victorian Caravan Parks Association, stating very clearly that it did not have the opportunity to see any draft legislation or even have a forum in which to voice its concerns and views.

As I have mentioned, there have been many alterations to the current legislation and in the interests of brevity I will not go over all 103 of them, but I wish to raise some specific concerns, which have also been raised by individuals and organisations alike within the community.

One reform proposed by this government bill is the inception of no more than two increases in rent per year — there is a clause to that effect. This is a very intrusive move in certain circumstances. It fails to consider what impact a market such as tourism may

have on small business owners who have invested in this area and consequently what allowances they need to make to keep up with it.

Continuity is of prime importance for consumers. For the government to stifle the ability of businesses to keep up to date with changing market conditions by placing a veto on them to alter rent increases, in this instance two or less times a year, is quite unreasonable, particularly in the tourism context.

I will quote an excerpt from a press release issued by the Minister for Community Services on Wednesday, 11 September. It states:

> 'We want to ensure there is a fair balance between the rights and responsibilities of property owners and renters,' Ms Pike said.

This has turned out to be a mere statement of rhetoric. The ban on more than two increases in rent per year on the part of the landlord does not reflect the sentiments stated in the minister's press release.

Another clause that causes a little concern relates to the period during which it is possible to apply to the Victorian Civil and Administrative Tribunal. In the instance that a challenge to the notice given has been initiated when a premises is to be sold, that should be thought to be unreasonable as well. This notice period has been increased from 28 to 60 days. This could be seen to be a little unfair on landlords as the initial 28 days was sufficient time for tenants to make alternative arrangements.

The Victorian Caravan Parks Association has brought to our attention matters which relate to clause 44 of the proposed bill. This amends the period for a person to qualify as a resident from the current 90-day period down to 60 days. This gives the full rights and recognition of a resident. The opposition feels strongly that this section of the bill discriminates unfairly against caravan park owners who are trying to utilise the opportunity to run their small businesses in the most efficient and equitable manner. The clause may also inadvertently discriminate against potential tenants seeking crisis accommodation.

I have isolated a few concerns the Liberal Party has with this bill. I urge the government to take these on board so that all Victorians, both tenants and landlords, are treated fairly in a balanced manner.

Hon. S. M. NGUYEN (Melbourne West) — I would like to make a brief contribution on the Residential Tenancy (Amendment) Bill 2002. The bill is very straightforward. The reason we have the bill is because of the work done by a working party which was formed in August 2000 and was chaired by Jacinta Allan, the honourable member for Bendigo East in the other place. The working party invited many people from our community to go along and have a say. A number of different groups and organisations such as the Real Estate Institute of Victoria, the Tenants Union of Victoria, the Victorian Caravan Parks Association and many community sector organisations contributed to the discussions.

The bill will replace three previous acts: the Residential Tenancies Act 1980, the Rooming Houses Act 1990 and the Caravan Parks and Movable Dwellings Act 1988.

Residential tenancy legislation seeks to find a balance between the rights of landlords and the rights of tenants. As we know, there are always disputes between the people who rent places and the owners of the premises. Disputes can be over anything, and often concern small items on a property. People want legislation that makes it clear who is right and who is wrong in such disputes. Real estate agents who act on behalf of landlords also need clear legislation so they can tell landlords what they can and cannot do.

There is a big residential housing market and a big demand for housing. There are always many people looking for houses and other places to live. We have to make sure that landlords as well as tenants know their rights and responsibilities. Residential tenancy can be very confusing. People looking for shelter or a house to live in may from time to time look for public housing, but you cannot get public housing straightaway. You have to meet particular guidelines to get emergency housing. If you are homeless you can get public housing straightaway, otherwise you go on the waiting list.

People may have no choice; they may have to go into the private market. The private market is not always a healthy one because not everyone gets a place to live. For example, low-income earners, people receiving the dole or students have to get approval from the landlord to rent a house. Houses are usually only rented to people who are working, who have a steady income and who can afford to pay the rent. It can be very hard for people who live on low incomes or receive the dole to get access to rental accommodation. My office receives a lot of phone calls and visits from people who say, 'I could not rent a house. How can you help me? I had to talk to the real estate agent or the landlord to ask the person to allow me to rent the place because I do not have a place to live'. This is a very normal practice in Victoria. On the other hand we have students from

overseas and interstate who come here to rent. The act also covers student accommodation.

Earlier I mentioned the homeless. There are many homeless people in our society, including young people who live on the street and single parents with many children. The government would like to provide emergency housing for them so they will not be harmed if there is no-one else to protect them or give them a place to live.

The opposition mentioned some concerns about the public housing waiting list. If we compare September 1999, the last year of the Kennett government, with September 2002 we see the housing waiting list is lower. We have also provided many homes to people on the waiting list. Up to June 2002 we provided 4678 houses. In the coming financial year, 2002–03, we will provide 1600 houses.

In the past financial year, 2001–02, we have given private rental assistance to about 12 000 people on low incomes or receiving the dole. They need more assistance than most so the government provided assistance in 12 000 cases. There is a big demand. In emergency housing the government provided 3500 places to people, so there is no waiting list in this area. People can apply and the housing can be provided straightaway if they meet the criteria.

There are many good landlords, but there are some we need to watch, so we have to make sure the people cannot raise rents more than twice a year. Most landlords are very good and understand the difficulties of tenants, but there are some who try to put the rent up as often as they can. There are some who try to match the market value, so anyone who lives there will have the rent increased three or four times a year. The bill tries to stop that practice so that people can feel comfortable and happy to live in the house knowing the rent will not go up too often. Not everyone can afford to pay high rents. If they could afford to pay high rents they could buy a house to live in.

The bill also mentions the no-reason notice to vacate and increases the notice period from 90 days to 120 days. The landlord has a lot of rights. In this situation landlords must give 60 days notice if they want to take the property back so there is something for the landlord to use if they need to vacate the house.

People living in rental places cannot attack other people in the neighbourhood and have to be well behaved and make sure no-one gets hurt. Sometimes landlords misuse this power because they can kick anyone out and say to them, 'You are violent' but without proof or good reason. People normally get kicked out because the landlord uses a violent act against the tenant. There is a maximum penalty of $2000 for misuse of that power so this will teach landlords how to use their rights better.

The government wants to reduce the notice period for rent increases from 90 days down to 60 days, so people who live in caravan parks can have residents' rights, like residents in other places.

In conclusion, the Residential Tenancies (Amendment) Bill will help both parties, the landlord and the tenant, to better understand their rights. I would like to congratulate the government, which has organised a few public meetings this month and next month around Melbourne and in the country. The people who work in this area would like to know about the change of law and how to avoid legal disputes. People have to clearly understand it. The bill will help many people. I commend the bill to the house.

Hon. K. M. SMITH (South Eastern) — I appreciate the opportunity to speak on the Residential Tenancies (Amendment) Bill. I have always taken an active interest in residential tenancies and I have not always been totally supportive of tenants who from time to time have done huge amounts of damage to people's properties.

I was intrigued to see the report and review of Jacinta Allan, the honourable member for Bendigo East in the other place. After the amount of criticism that Ms Kosky, the Minister for Education and Training, made of Ms Asher's report that was put before Parliament earlier, I found there were 103 small changes in this review, which made me think Ms Asher's report was pretty spot on.

I think it has reached the stage again where tenants have started to take over the housing side of things. I will read from *Hansard* the list of people who were represented on the review committee that made the decisions on this legislation. We had two people from the Real Estate Institute of Victoria; two from the Tenants Union of Victoria — they would have to be there; a representative from Shelter Victoria; a couple of people from the Statewide Women's Community Housing Service; a lady from the Port Phillip Private Hotels Association; and Phil Redmond from the Victorian Caravan Parks Association. He is a good bloke. We also had representatives from the Community Housing Federation of Victoria, the Brotherhood of St Laurence, Springvale Community Aid and Advice Bureau, Newlands Public Tenants Association, Hanover welfare services and Consumer

Affairs Victoria, who all made a contribution towards the review.

I thought there must have been a typographical error but no, it was Ms Allan who was doing the quoting. I could not see the names of any property owners who had been consulted in regard to what was going to happen with rental properties. Not one! The tenants are back in charge of the housing area again. Everything is being done for the tenants. Not enough consideration is being given to the landlords, the people who put up money to buy these properties that from time to time get trashed by tenants that really do not care. We have a government that has effectively put them back in charge — we could say in charge of the blood bank again!

The tenants are taking control again. They have legislation that has made it easier to walk away from rented properties that are damaged just when landlords had finally got the chance to take those people to the tribunal to get a decision. The tenants are again in charge of housing.

We wonder why private owners are not letting their properties as much as they did and why they are selling properties they formerly rented out. It is not because they do not get enough return but because at the end of a tenancy they usually get back a house that has been damaged or has not been looked after by the tenants.

Let me say up front that I have been a tenant and I have been a landlord so I am able to look at the situation from both sides. I know the damage that is done to these houses that people walk away from. I know some do not pay their rent and I know how long it takes for a landlord to move a bad tenant out. Renting houses is a partnership between a good tenant and a good landlord. A landlord wants to keep his good tenants and good tenants want to stay in a house so they do not have to move around.

When we get the sort of legislation that we have before this house, it moves the control of renting houses out of the hands of the landlords who have invested money in them to try to provide rental housing that people can be proud of. Landlords are painted as being the worst people in the world. They are supposedly standing there with whips, breaking down doors wanting to get in and inspect their properties and wanting to put up the rents all the time. That is not true! Landlords are looking around for good tenants who will maintain the property and do the right thing.

When the review was being undertaken the minister and Jacinta Allan did not even bother asking landlords to make a contribution to the review. That shows how much this government really cares about the private rental market and the people who are investing their money in that area.

There are a number of things wrong with this bill. One relates to the extension of the period of time before bad tenants can be removed from properties. We know the time frames that people have to fit into when they take somebody to a tribunal. We know the amount of time that it takes to move a bad tenant out. We know how long it takes to move a tenant out if an owner wants to sell the property.

However, none of those things has been properly addressed by this review. None of the clauses in this bill provide any sort of balance between the landlord and the tenant. That is a shame.

The review took two years. What a joke! I wonder how many of these people were getting paid. Not too many of these little volunteer people would do it for nothing; they like to be paid to be part of these reviews. But the government did not even bother asking anybody who has invested money to do any part of the review.

I am disappointed with this. Some of the changes which were made in the other house may be of some help to the caravan park owners; and rightly so, because they are the people who will be confronted with the most transient of tenants. The government was going to move the time limit required before these people could be classified as being permanent tenants in a caravan park from 90 days to 60 days. That was a stupid thing for the government to consider doing. Fortunately the government was fair dinkum enough to look at this in the lower house and was prepared to make changes to the bill.

I am disappointed in this bill. I know my party is supporting it, but one would hope that in the years to come — in the not-too-distant future — when the Liberal Party is back in government it may look at putting back into the Residential Tenancies Act a proper balance between landlords and tenants.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Hon. M. R. THOMSON (Minister for Small Business) — This bill will see a fair balance created between tenants and landlords. It meets the government's commitment in relation to residential tenancies. When we get to the relevant clause, I will read into the record the reasons for the consequential amendments.

Clause agreed to; clauses 3 to 99 agreed to.

Clause 100

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

1. Clause 100, page 48, lines 10 to 18, omit all the words and expressions on these lines.

2. Clause 100, page 48, line 19, omit "12." and insert "11.".

3. Clause 100, page 48, line 26, omit "91" and insert "90".

I put on the record that the house amendments moved by the opposition in the Legislative Assembly had four clauses. The first clause deleted the provision in the bill which reduced the qualifying period for residents of caravan parks to 60 days. The remaining three clauses made the necessary consequential amendments to the numbering of the bill. Only the first house amendment was moved in the Legislative Assembly and the three consequential amendments are now required to correct numbering in the bill. In particular, the amendments are required for a transitional provision relating to warrants of possession, which would not be operable without correction of the numbering.

Amendments agreed to; amended clause agreed to; clauses 101 and 102 agreed to.

Reported to house with amendments.

Report adopted.

Third reading

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

That this bill be now read a third time.

I thank honourable members for their contributions.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

ROAD SAFETY (RESPONSIBLE DRIVING) BILL

Introduction and first reading

Received from Assembly.

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

CRIMES (PROPERTY DAMAGE AND COMPUTER OFFENCES) BILL

Introduction and first reading

Received from Assembly.

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

SELECT COMMITTEE ON THE SEAL ROCKS PROJECT

Membership

The PRESIDENT — Order! I advise the house that I have received from the Leader of the Government and the Leader of the Opposition, within the time set by the resolution of the house, letters in which the Honourables Andrea Coote, Gavin Jennings, Gordon Rich-Phillips, Chris Strong and Theo Theophanous were nominated as members of the Select Committee on the Seal Rocks Project.

ADJOURNMENT

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

That the house do now adjourn.

Kilmore: quarry trucks

Hon. G. R. CRAIGE (Central Highlands) — I address my question to the attention of the Minister for Transport. At the outset I want to quote a couple of headlines from newspapers in areas of the state of Victoria where people are very concerned. The Kilmore *Free Press* has a heading 'A rock shock', and the *Macedon Ranges Telegraph* has a front-page heading of 'Rumble over truck route'. Let me place on the record that no doubt the community supports Galli Quarries of Kilmore East in winning a $5 million contract to supply crushed rock from its Kilmore East quarry site for the Carlsruhe section of the Calder

Freeway. This is good for the region and good for employment. However, it will mean that some 200 truck movements a day will occur in the township of Kilmore.

The Shire of Mitchell was informed in May this year that this would occur, but the community only found out last week that it was going to happen. The 200 trucks go directly past the very busy primary school that has 435 students. The school and the mums and dads are up in arms over this because no consultation at all took place. One can only say that the Shire of Mitchell was somewhat tardy in its approach. Why were the people of Kilmore not told so much earlier? The principal of the primary school, David Aisbett, goes out and personally supervises the school crossing. There needs to be an alternative route — and there is one. It has been suggested by the business people and the school community that Willowmavin Road and Kings Lane should be the alternative.

This is an urgent matter for the community of Kilmore. It should not have been allowed to happen. To have trucks thundering past a primary school at peak times is unacceptable. I ask the Minister for Transport to urgently intervene and to direct Vicroads to move the traffic from the main streets of Kilmore and past the primary school and to use the alternative route. Clearly there is an alternative route and the Minister for Transport should instruct Vicroads to use it.

Fishing: bay and inlet licences

Hon. P. R. HALL (Gippsland) — During questions without notice on Tuesday, I asked the Minister for Energy and Resources whether a report on the 1999 buy-out of commercial bay and inlet fishing licences had been released and where I might obtain a copy of it. The minister said she was not sure whether it had been released, but she would check up and get back to me — I would have thought fairly quickly. Given it is probably a 10-minute task to ask an officer in her department whether the report has been released, and if so whether it is publicly available, I am extremely disappointed that more than two days later I still do not have an answer.

I ask the exact same question again tonight and express my disappointment that the minister has been unable to respond in a much more expeditious fashion than has been the case.

Springvale Road, Springvale South: maintenance

Hon. ANDREW BRIDESON (Waverley) — I ask the Minister for Sport and Recreation to relay to the Minister for Transport in another place a request on behalf of the Bright Moon Buddhist Society of 536–540 Springvale Road, Springvale South. It is important that I give the numbers because the matter concerns Springvale Road directly outside its property.

Springvale Road is a two-lane road at that juncture and there is a 2 or 3-metre strip of unmade road beside it. The Bright Moon Buddhist Society is frequented on a daily basis by scores of cars. At the weekend hundreds of people visit the society and when turning their vehicles into the driveway of the Buddhist society they have to traverse this unmade verge. Not only is it a safety hazard; it is an environmental hazard as well. As cars enter and exit, their wheels spin because of the loose gravel and several minor accidents have occurred there. I visited the centre a couple of weeks ago and had a very good look at the situation. I noticed also that there is a blocked drain outside. Obviously Vicroads has not conducted much maintenance there. When it rains, large puddles of water form, which creates a further safety hazard. The president of the Bright Moon Buddhist Society advised me that he was so concerned about the loose gravel that he got some quick-fix concrete and tried to fill some of the potholes. Unfortunately for him somebody from the City of Greater Dandenong came along and threatened him with legal action for interfering with a Vicroads-maintained road. We have a real problem there.

I would like the Minister for Transport to give the highest priority to constructing this additional road lane. It would only be approximately 90 metres long and one lane in width, so it will not be a very expensive project. I ask that this be done as soon as possible in the interests of road safety.

Berwick hospital

Hon. M. T. LUCKINS (Waverley) — I raise a matter for the Minister for Health in another place relating to the proposed Berwick community hospital. The community in the south-eastern growth corridor, which is estimated to have a population of around $1 million in the next 10 years, is still awaiting the government's provision of a hospital that was promised and would have been opened by the Kennett government some years ago. I have an article from the *Berwick–Pakenham Gazette* dated 19 July 2000 headed

'New hospital by 2002', yet in October 2002 we are still waiting for the hospital!

In February the Minister for Health announced, as he will recall, that three companies had been short-listed to tender for building the proposed hospital. On 24 July the *Berwick–Pakenham Gazette* reported again that three companies were vying to build the hospital — there had been no progress made between February and July, yet the minister continued to put out press releases to give the community some false hope that the project was proceeding as it was promised to do. On 15 April the time lines on the Berwick community hospital project site referred to a selection of preferred respondents in August, with a commencement of construction for the new hospital in November.

Yesterday the same site had the following time lines: the selection of the preferred tenderer in September 2002 and the commencement of construction in January 2003. So the minister and the department have once again pushed back the planned commencement and opening of this long-promised and desperately needed hospital by three months.

I note also that the preferred tenderer was to be selected in September. Given that it is now 10 October and the minister is yet to make any announcement at all about who the preferred tenderer is, I ask the minister: will he come clean with the people of the south-eastern corridor, residents from Dandenong through to Pakenham, and admit not only that his government is not in a position to provide the promised Berwick hospital in this term but that, the way the project is progressing, it is doubtful that the hospital will ever be built?

Greyhound racing: control

Hon. I. J. COVER (Geelong) — I wish to raise a matter with the Minister for Sport and Recreation for referral to the Minister for Racing in the other place.

An Honourable Member — Racing? Is that car racing?

Hon. I. J. COVER — In fact, in this case it is greyhound racing.

Hon. Bill Forwood interjected.

Hon. I. J. COVER — Don't be so derogatory, Mr Forwood, of the outstanding sporting endeavours of the greyhound racing industry, which plays a vital role in Victoria.

I refer to an interested member of the greyhound racing fraternity, Tony Vass, who is the coordinator of Greyhound Trainers Victoria. Mr Vass has met with me time and time again in Wonthaggi recently at the offices of the Honourable Ken Smith. A number of constituents in Mr Smith's area are keen greyhound trainers and owners. Mr Vass, who is based in Nyora, raised a number of concerns about aspects of greyhound racing in Victoria with me. He also raised these with me by writing a petition which had been signed by hundreds of concerned greyhound owners and trainers associated with his organisation.

Earlier this year he forwarded that petition to the Minister for Racing and received an acknowledgment from Ross Kennedy, the executive director of sport, recreation and racing, who is no doubt very well known to the Minister for Sport and Recreation. That acknowledgment, dated 19 April, states:

> I refer to the petition to the Hon. Rob Hulls, MP, Minister for Racing you handed to Mark Close (manager, Office of Racing) …

In fact I understand that Mr Close has moved from the Office of Racing to Racing Victoria. As an aside, we wish him well in those endeavours and thank him for the contribution he made at the Office of Racing. He was always very helpful in briefings to us on this side of the house.

Mr Kennedy said the petition has been conveyed to the minister's office. Mr Vass tells me he has heard no more since that time and is keen to see if the Minister for Racing can address his concerns and respond to him.

Housing: loan schemes

Hon. W. I. SMITH (Silvan) — I raise with the Minister for Housing an issue in my electorate regarding a resident, Mrs Nanette Rowe, of 74 Sherlock Road, Croydon. She came to see me 18 months ago about a home opportunity loans scheme she was involved in. In 1998 she took out a loan of $48 000 for public housing. On 28 February 2001 she owed $46 823 even though she had paid $30 000 by then.

I raised this issue in the adjournment debate in May 2001 — 14 months ago — and the minister wrote to me on June 2001 saying:

> I am aware that a number of borrowers and some consumer groups have expressed concern about the loans. Accordingly, I have requested the Office of Housing to develop a response to the issues raised in regard to the government home loan portfolio.

> I am advised that the Office of Housing is currently finalising this response for my consideration.

This was one year and four months ago, and there has been no response.

Mrs Rowe has written to me again and says that she is absolutely desperate and has not heard from the minister. She is still locked into these loans and is finding it hard with payments and bills. She says in her letter:

> I don't know how the minister of housing can expect myself and thousands of others to keep paying these loans off. Why can't they work out it doesn't work and do something about fixing it up.

I again ask the Minister for Housing for a response. There is growing concern with the ministers in both houses about the way they answer questions — that they delay questions and do not answer them. This is the second adjournment question I have asked this week, particularly of the Minister for Housing, regarding issues. She has responded to the question but has not taken any action. I ask the minister for a response.

Duct tape

Hon. P. A. KATSAMBANIS (Monash) — I raise a matter for the attention of the Minister for Planning in the other place about an alarming article that appeared in the *Herald Sun* on Sunday, 6 October, entitled 'Health warning on tape'. It reports that dangerous toxic tape is being used in almost all Victorian homes and buildings. The article suggests that industry tests indicate that that type of duct tape, which is being used in airconditioning in buildings, gives off at least twice as much smoke when exposed to extreme heat as safety regulations suggest should be emitted in such circumstances. Experts had suggested that the tape posed a health risk because smoke causes most deaths, injuries and illness in fires.

The tape that is currently being used failed to comply with the Australian standard AS4254, and it is believed this standard has been mandatory in Victoria since some time in 1999. This is alarming, and the minister the next day in the *Geelong Advertiser* suggested that she had asked the Plumbing Industry Commission (PIC) to ensure that standards are being met. However, new information has come to my attention since these articles appeared that causes me and the people of Victoria great alarm. It is clear that the Plumbing Industry Commission was advised by the Metropolitan Fire and Emergency Services Board on 31 October 2001 that it was concerned that non-complying tape when ignited produces toxic products of combustion which may affect building occupants and attending firefighters.

In a memorandum from the legal officer of the Plumbing Industry Commission to his superior on 28 March 2002, the legal officer, Mr Dare, acknowledged that there:

> … was a health and safety risk with the use of a non-complying duct tape.

On the same day, however — this is where it becomes murkier — Mr Dare advised legal representatives of a major manufacturer of duct tape that:

> … the PIC could not notify the plumbing industry now that the tape requirements would be enforced on 30 June 2002 as manufacturers had millions of dollars of non-complying tape in stock and that there would be political consequences if the PIC tried to enforce the standard.

Given this new information and the comments of the minister in the *Geelong Advertiser* that she had asked the PIC to enforce the standard, will the minister advise me and the public of Victoria when exactly the minister asked the Plumbing Industry Commission to enforce the standard given she had prior knowledge? When will the PIC enforce the standard, and what are the supposed political consequences of the standard being enforced?

Sport and recreation: Bunyip facility

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I raise a matter with the Minister for Sport and Recreation that relates to a proposed project in Bunyip in the far east of my electorate — in an area we hope the Honourable Ken Smith and the Honourable Cameron Boardman will be representing after the election. The Bunyip community is keen to develop an indoor sports facility adjacent to the Bunyip Primary School on a parcel of Crown land that is available. It would be the only facility of its type available between Bunyip and Pakenham, or alternatively, Bunyip and Warragul in the other direction.

It is a much-needed facility to serve the township of Bunyip and the surrounding townships. The cost of the project is estimated at $600 000 of which the Bunyip community, to its credit, has raised in the order of $200 000. The Cardinia Shire Council, the local council responsible for that area, has also pledged funds towards the project in its forward estimates. It ultimately will be seeking contributions from the state government to match the council funds towards the total project cost of $600 000.

This is a project that will be jointly used by the Bunyip community and the Bunyip Primary School, so it will

be in use throughout the week as well as outside school hours. The Cardinia Shire Council is seeking support from Sport and Recreation Victoria for a $10 000 grant for feasibility study work. I seek from the minister his assistance in obtaining the $10 000 funding the shire requires for the feasibility study so that the project can be progressed and so that the people of Bunyip can have their indoor sports facility.

Cook Road–Cochrane Street–Whitehorse Road: safety

Hon. B. N. ATKINSON (Koonung) — I raise with the Minister for Transport in another place the matter of black spot funding for works at the intersection of Cook Road, Cochrane Street and Whitehorse Road in the suburb of Mitcham. The intersection has been a particularly dangerous one because Whitehorse Road carries a considerable amount of traffic. There is a school in the area, and the two smaller roads are important collector roads for residential subdivisions in that area.

There has been a need for some time for some sort of traffic management, and the City of Whitehorse explored opportunities to improve the safety of this intersection. It applied for black spot funding and, as I understand it, the government approved that back in April or May of this year. However, no announcement has been forthcoming from the government. The money has not been passed through for the implementation of the works despite that approval.

I am concerned about this because it is a dangerous intersection and I would hate to think that anyone was playing politics with road safety so as to stage manage an announcement that might coincide with an election campaign. That would put people at risk at this dangerous intersection, potentially including children and mothers delivering children to the Antonio Park Primary School.

Will the minister advise why there has been a delay in the announcement of this particular project and forthwith advise the City of Whitehorse to get on with the job of making this intersection safer in the interests of the people of Mitcham?

Schools: maintenance

Hon. K. M. SMITH (South Eastern) — I raise an important issue for the attention of the Minister for Education Services. On Tuesday the minister spoke about the amount of money that has been put into schools, particularly maintenance programs. The physical resources management system was put in place by the Kennett government when it took over the PRMS program to bring schools up to a decent standard. We are all very much aware that when we took over in 1992 there was a $650-million black hole in school maintenance work. That was a disgrace in itself. Over a period we got that maintenance down to $136 million.

I have some bad news for the minister. The fact is that we are now back up to $335 million in the backlog of PRMS maintenance. I am extremely disappointed because in the area that is covered by Gippsland West Electorate and part of the Pakenham electorate there is in excess of $3 million in works that have not been carried out on the schools on the PRMS lists. A lot of money has to be spent bringing the schools up to a decent standard, yet the minister had the audacity to accuse the opposition of leaving an amount of money.

The minister said the list had been compiled. If the minister were aware she would know PRMS is done on a three-year cycle. The things listed under 0 are things that need to be done straight away, those listed under 1 are those that have to be completed in a year, with those under 2 to be completed in two years. There has not been 1 cent spent on PRMS in schools in that area for over two years. Not one razoo has been spent! The government is aware of the $3 million committed through the PRMS program, but not 1 cent has been spent on my schools. That is a disgrace! The way the minister brushed off questions asked of her yesterday and on Tuesday in regard to this is a disgrace.

I can only say that the minister had better wake up to herself. Our schools are very much aware of the lies that have been told to the schools in regard to the amount of money that is being put through on PRMS. The schools also advised me after I published a press release to bring them up to date with where we were that they had been advised by the department that not 1 cent more of PRMS money is going to be spent this year or next year. The minister had better wake up to herself.

The PRESIDENT — Time!

Peninsula Health Care Network

Hon. B. C. BOARDMAN (Chelsea) — I raise a very serious and urgent matter for the attention of the Minister for Health in the other place. It concerns serious allegations of impropriety that are being linked to senior members of the executive management of the Peninsula Health Care Network. It is alleged that the executive director in charge of emergency medicine and corporate services, Mr Peter Turner, last Friday

was dismissed from the hospital and escorted from the hospital grounds by security guards. It has been alleged that Mr Turner was responsible for overseeing contracts involving $44 million in upgrades to the hospital. It is further alleged that Mr Turner has rorted invoices.

So far the preliminary hospital investigation has identified up to $100 000 in missing funds, but the fear is that this may be the tip of the iceberg. This goes back to a scandal that emerged 18 months ago when the chief financial officer of the hospital, Mr Paul Fraser, was also dismissed over allegations of impropriety and the disappearance of a sum of money and a number of laptop computers. There also seem to be further allegations that third parties were induced to write invoices for work not performed. There are allegations of other members of the management team sharing in fraudulently collected money, and there are also questions regarding travel expenses.

Recently Frankston Hospital spent $44 million in upgrades, and it is a fact that all contracts in regard to that expenditure have come in over budget. It is alleged that Mr Peter Turner was in charge of all of them. This is a serious allegation that has been earmarked one day after the annual general meeting of the Peninsula Health Care Network. Because of the severity of the situation it is now absolutely essential that the Minister for Health at the earliest opportunity either confirm or deny the allegations; and if they prove to be true the minister has an obligation to inform the Victorian public what action the department is taking and what the status of the investigation is.

The people who conducted the preliminary investigation of this matter have suggested that this is only the tip of the iceberg and that there could be considerable sums of money involved in the alleged impropriety. In the interests of the Victorian public it is essential that at the earliest opportunity the Minister for Health make a public statement in relation to these very serious allegations.

Bushfires: helitanker lease

Hon. A. P. OLEXANDER (Silvan) — I seek the assistance of the Minister for Environment and Conservation in the other place. The Dandenong Ranges and surrounding areas that encompass my electorate of Silvan Province are extremely vulnerable when it comes to disastrous bushfires, as was evidenced in 1997 and on Ash Wednesday, when lives were lost in the region. Therefore the residents need to be protected in every possible way during the summer period. This would include the use of helitanker aircraft should the need arise.

The federal government has offered $5 million to cover half the cost of leasing the firefighting aircraft, but there has still been no commitment from the Bracks government, despite the strenuous efforts of my colleague the honourable member for Monbulk in the other place, Steve McArthur. Given the current dry weather conditions that are posing a huge fire threat this summer the Victorian government by all means should work together with the federal government and join a cost-sharing arrangement for three Erickson Aircrane helitankers.

I call on the environment minister to put aside petty political differences when it comes to safety in the Dandenong Ranges and provide the necessary $5 million.

Responses

Hon. J. M. MADDEN (Minister for Sport and Recreation) — In relation to the matter raised by the Honourable Geoff Craige regarding truck movements in Kilmore and their passing the local primary school, I will raise that with the Minister for Transport in the other place.

The Honourable Peter Hall raised an issue regarding a specific report for the attention of the Minister for Energy and Resources. I will direct that matter to her.

The Honourable Andrew Brideson raised an issue regarding Springvale Road and the roadworks in and around the Bright Moon Buddhist Society facility. I will direct that matter to the attention of the minister in the other house.

The Honourable Maree Luckins raised the issue of the Berwick community hospital. I will bring this matter to the attention of the Minister for Health in the other house.

The Honourable Ian Cover raised greyhound racing issues and a petition by Mr Vass. I will refer that issue to the Minister for Racing in the other place for a response.

The Honourable Wendy Smith raised the issue of the home opportunity loans scheme and a particular person in need of assistance. I will bring that to the attention of the Minister for Housing in the other place.

The Honourable Peter Katsambanis raised the issue of toxic tape and appropriate compliance matters. I will bring that to the attention of the Minister for Planning in the other place.

The Honourable Gordon Rich-Phillips raised the issue of the Bunyip community indoor sports facility and the local community's interest in seeking funds for that project, as well as the need for the local council to seek funding for a feasibility study in relation to that work. I encourage the local council to submit an application through the community facilities funding grants, which will close towards the end of this year, so that it may take up the opportunity for the potential for funding for that feasibility study. I encourage it to address that issue through the program and have the council make contact with officers from Sport and Recreation Victoria in relation to that.

The Honourable Bruce Atkinson raised the issue of black spot funding in and around, I think, Cook Road and Cochrane Street. I will bring that matter to the attention of the Minister for Transport in the other place.

The Honourable Ken Smith raised issues of school maintenance in and around his province. I will bring that to the attention of the Minister for Education Services.

The Honourable Cameron Boardman raised issues regarding the Peninsula Health Care Network and controversies associated with situations there. I will direct that to the attention of the Minister for Health in the other place.

The Honourable Andrew Olexander raised issues regarding helitanker funding. I will direct that to the attention of the Minister for Environment and Conservation in the other place.

Motion agreed to.

House adjourned 6.46 p.m.