

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

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

**Wednesday, 26 October 2005  
(extract from Book 7)**

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**Wednesday, 26 October 2005**

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

**PETITION****Water: Creswick–Ballarat pipeline**

**Ms HADDEN** (Ballarat) — I present a petition from certain citizens of Victoria requesting that the Minister for Environment and Minister for Water in the other place stop the building of a pipeline connecting Creswick's Cosgrave Reservoir to Ballarat's White Swan Reservoir and that no further action be taken until an environmental impact study has been undertaken and the Creswick community fully consulted. The petition is respectfully worded and in order and bears 72 signatures. I desire that the petition be read.

**Petition read pursuant to standing orders:**

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

The petition of certain citizens of the state of Victoria draws to the attention of the Legislative Council that Central Highlands Region Water Authority has recently announced its intention to permanently connect Creswick's water supply at Cosgrave Reservoir to Ballarat's White Swan Reservoir which will mean pumping water from the Upper Loddon Catchment to south of the Great Dividing Range. This will result in depletion of Creswick Creek's natural flow which will destroy St Georges Lake, a prime tourist and recreational feature and Creswick's natural environment leading to the ultimate demise of Creswick's vibrant community.

The petitioners therefore request that the Minister for Environment and Water, the Honourable John Thwaites, stop the building of a pipeline connecting Creswick's Cosgrave Reservoir to Ballarat's White Swan Reservoir and that no further action be taken in this matter until an environmental impact study has been undertaken and the Creswick community fully consulted.

**Laid on table.****PAPERS****Laid on table by Clerk:**

Auditor-General — Report on Follow-up of selected performance audits tabled in 2002 and 2003, October 2005.

Crown Land (Reserves) Act 1978 — Minister's order of 25 October 2005 giving approval for the granting of a lease at Lorne Foreshore Reserve (three papers).

Rural Finance Corporation of Victoria — Report, 2004–05.

Treasury Corporation of Victoria — Report, 2004–05.

Victorian Commission for Gambling Regulation — Report, 2004–05.

Young Farmers' Finance Council — Report, 2004–05.

**MEMBERS STATEMENTS****Richard Dunn**

**Hon. ANDREA COOTE** (Monash) — I would like to place on the record today the recognition of a very fine Australian artist, Richard Dunn, who has been an artist in residence in the reunited Germany and has done a considerable amount of work internationally. As an Australian he is to be commended. The work he has done has received international accolades and he is a very fine advocate for Australia. He has created a number of installations and works of architectural photography and has won recognition from the institutions with which he has worked.

I put on the record my praise for him and for Suzanne Davies, the Director of the RMIT Gallery. They put together a comprehensive exhibition of the most fabulous and beautiful collection of women's stockings from Germany that are reflective of the town where they were made. It is an internationally important collection because that type of thing is not done frequently. The beauty and detail of the exhibition is to be commended. It is very pleasing that two Australians did that work, and I put on the record that we are lucky to have Australians such as them.

**Industrial relations: federal changes**

**Hon. J. G. HILTON** (Western Port) — As always with the Prime Minister, the devil is in the detail and nothing illustrates this better than the proposed industrial relations legislation. The balance of power is to be shifted decidedly in favour of the employer at the expense of the employee.

The unemployed will be forced into accepting whatever is offered or lose their unemployment benefits. The Prime Minister says it is an employee's market because the employment rate is so low. This is a totally fallacious argument. An employer in my electorate advertised a low-skill hospitality position and received over 130 replies. So much for full employment and an employer's market!

The Prime Minister's intention is clear: he wants to create the equivalent of the working poor or underclass

of the United States of America. This is not the society which has made Australia the greatest country in the world. The Prime Minister may want to destroy that society, but I am sure the vast majority of decent Australians do not.

### **Exports: Governor of Victoria awards**

**Hon. B. N. ATKINSON** (Koonung) — I wish to acknowledge the winners of the 2005 Governor of Victoria Export Awards and to extend congratulations to those companies that have done very well in those awards this year. This initiative, which has been running for some years, has been continued by the government. I think it is important because of the significance of exports for the Victorian economy.

The overall winner this year was a company that was started some 35 years ago in a suburban garage by a man called Ernest Dawes. So many companies and businesses start over a kitchen table or in a backyard garage or shed. This company now has 250 employees. It is a manufacturer of chromatography and analytical products. It has distributors in nine countries and a significant focus on research and development. Without a doubt, it is one of the real achievers in a competitive field of science and scientific equipment. It is a company that is well deserving of export awards.

I also note that there were quite a number of other commendable winners. Amongst them were Murray Goulburn Co-operative Co. Ltd and Roma Food Products, which have been consistent winners of these awards over a number of years. They are companies that are forging opportunities for Victorians and building the Victorian economy by virtue of their export sales.

### **Geelong East Primary School: water initiative**

**Ms CARBINES** (Geelong) — Last Friday as a part of National Water Week, I was delighted to visit Geelong East Primary School to launch Barwon Water's new educational web site plus a new curriculum resource for teachers called 'Water — Learn it ! Live it!'. Geelong East Primary School was an excellent venue for the launch as it is a school which takes water conservation very seriously.

I was especially impressed by the grade 5 and 6 students who, with their teacher, Mr Graeme Biggins, have worked on a project called 'Rainy tanks to drippy toilets'. This project examined the feasibility of using rainwater to flush the school's toilets. The analysis completed by the students was thorough and well documented. As a result, in May this year the school

installed a 45 000 litre rainwater tank which had a tank-to-toilet connection. To date it has saved 100 000 litres of drinking water.

Geelong East Primary School is an excellent role model in the Sustainable Schools Program. I congratulate the principal Rob Lundie for his leadership, and particularly Mr Biggins and all his students for their practical projects which are making a real contribution to the conservation of water in Geelong.

### **TipStar: revenue**

**Hon. ANDREW BRIDESON** (Waverley) — The Bracks government's flopped footy tipping competition TipStar has clocked up another substantial loss for the fifth year running. The Tattersall's special purpose financial reports for the year to June 2005 reveal the failed competition lost \$1.71 million during the 2004–05 financial year. This brings the competition's total loss to \$10.7 million over five years.

When the competition began in 2001, Labor's Minister for Gaming in the other place, John Pandazopoulos, claimed that TipStar would raise \$20.8 million over three years to fund health, grassroots sport development and women's sport. Instead, the competition has lost \$10.7 million over five years and funded none of the promised projects. Last year the government made just \$390 000 from the competition.

TipStar has failed to attract the tipsters: just 21 807 of the millions of footy fans in Victoria and Australia took part in the competition in the last financial year. The returns are laughable and footy fans would much rather put their money in well-organised tipping competitions at work or the local pub. Tattersalls has been left to shoulder this hefty cost burden because the Bracks government refuses to admit that TipStar, like many of its other projects and policies, has been an absolute fizzer.

### **Schools: federal reading voucher program**

**Hon. P. R. HALL** (Gippsland) — Today I want to express my disappointment with the Victorian government's failure to notify parents of children with reading disabilities in time for them to take advantage of the federal government's \$700 reading voucher program. This program closed on 13 September. Although I believe the Victorian government was asked to notify parents of eligible students as early as April this year, the letters of advice were not sent to parents until 12 September.

I saw the letter received by a Traralgon parent from the Victorian curriculum and assessment authority; it was

dated 12 September, the day before the program actually closed. This letter was sent to the child's school the week before the school holidays. It sat at the school for two weeks during the holidays and was sent on to the parent the first week after. It was then 5 October. When the parent made an inquiry about access to the \$700 program they were told they were too late.

It is extremely disappointing that these children have simply missed out on this important program for children with reading difficulties because of the inefficiency of the government, through the Victorian curriculum and assessment authority. That is not good enough; it is extremely disappointing on behalf of an inefficient Victorian government.

### Outer eastern community legal centre

**Hon. H. E. BUCKINGHAM** (Koonung) — On Monday evening I was delighted to be one of the guest speakers at the annual general meeting (AGM) of the eastern community legal centre, which is managed by Michael Smith and is a fantastic service located in Blackburn in Koonung Province. The AGM was held at the premises which will be used by the forthcoming outer eastern community legal centre, which is a great achievement for the outer east and was funded by the Bracks government in the 2005–06 budget.

The new legal centre is located in Boronia and will be run under the auspices of the service at Blackburn. Its establishment is the successful outcome of cooperative lobbying by local members of Parliament, local councils, the legal community and local community support groups. With a catchment area population of nearly 800 000 the eastern community legal centre has been struggling to successfully meet demands for services across a geographically huge and diverse region from its offices in Blackburn. The new service in Boronia will be more easily accessible for residents of the municipalities of Knox, Maroondah and Yarra Ranges and will dramatically improve the availability of legal services for the most vulnerable in our community.

I congratulate the committee, staff and volunteers of the legal centre for the outstanding service they provide to the very large eastern suburbs community. I know that their continued commitment and enthusiasm for the important work they do will drive the new outer eastern legal centre so that it too will become an integral service provider in the outer east.

### Mental health: funding

**Hon. D. McL. DAVIS** (East Yarra) — My matter today concerns the Auditor-General's report just tabled, entitled *Follow-up of Selected Performance Audits Tabled in 2002 and 2003* and dated October 2005. In particular I am struck by the chart on page 105 titled 'Mental health patients — unplanned readmissions within 28 days'. This is an important measure of the performance of our mental health services in Victoria. It is clear that there has been a stark lift in the number of patients readmitted within 28 days to mental health services. For the September quarter of the financial year 2004–05, 16 per cent of patients were readmitted within 28 days; in the December quarter 2004, 18 per cent were readmitted within 28 days; in the March quarter 2005, 18.3 per cent were readmitted within 28 days; and in the June quarter just finished 17.3 per cent were readmitted. That seems to make an average of over 17 per cent of patients readmitted within 28 days. That is a very high readmission rate and a sign that our services are failing in many respects.

In light of the *Not for Service* report of the Mental Health Council Australia, which was just released a week ago, the government needs to respond to the issues around mental health in Victoria. Much more needs to be done. More resources need to be deployed, but this chart shows that there needs to be a greater focus on management of patients, proper discharge planning and — —

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

### Australian Intercultural Society: Ramadan dinner

**Mr SCHEFFER** (Monash) — Last Saturday evening I had the pleasure of participating in a special Ramadan event arranged through the Australian Intercultural Society and its program coordinator, Mr Orhan Cicek. My partner, Angela Palmer, and I, along with other Muslim and non-Muslim guests, were invited to dinner at the home of Konur and Meliha Yavuz for an iftar meal. The iftar meal is an informal gathering of family and guests where the Ramadan fast is broken. The Konur family presented us with a beautiful, simple and delightful Turkish meal and an unusual opportunity to discuss Islam and how the Yavuz family and their friends live as Australian Muslims.

Ramadan is, as members of this house will know, the Muslim month of worship, a time in the Muslim calendar when sharing is of the utmost importance and

during which Muslims fast, provide donations and offerings and contemplate the reason for existence in their preparation for the afterlife. During this time Muslims share their break fast dinner with their neighbours, colleagues and friends from Muslim and non-Muslim backgrounds. This was an opportunity for us non-Muslim guests to understand better the personality of Islam as it is lived in Melbourne. This initiative is similar to the Building Bridges project that the B'nai B'rith Anti-defamation League instituted in conjunction with the Australian Intercultural Society in 2004. Building Bridges promoted social relationships between Jewish and Muslim families. It is a great privilege to now know the Konur family and their friends and to have been able to learn so much about Islam in the very warm hospitality of their home.

### **Junortoun: stepped housing project**

**Hon. D. K. DRUM** (North Western) — I would like to raise an issue regarding the purchase by the Department of Human Services (DHS) in Bendigo of a property in Junortoun, only about a kilometre from where I live. This house is eventually going to be used as stepped housing for young people who for many reasons can no longer live at home. These young people will be progressing from living with a foster family into an environment at Junortoun where they will be fully supervised but with a more independent lifestyle.

These young people have not been processed through the juvenile justice system; they simply cannot live at home. Many locals in Junortoun have expressed some unease about this venture going ahead in their backyard, but there are many residents who are supportive of the program. I have spoken to Belinda Smith from DHS in Bendigo and have heard her version of the proposed program. On the available information I am in full support of this stepped program going ahead and offering these young people an opportunity to live in a rural environment and integrate into the community.

Whilst I respect the views of the residents in the immediate vicinity I believe that if all in the area want to be able to hold their heads high as members of a true community, they need to open up to a whole range of people and not just those who have standard housing and family backgrounds.

### **Industrial relations: federal changes**

**Mr SMITH** (Chelsea) — We know that the federal government intends to remove penalty rates and public holidays as an enforceable right available to all workers. How has this country come to this? For over

100 years workers and their unions have fought for and achieved conditions that have helped make this country great. Those conditions were sanctioned by the Australian Industrial Relations Commission, or the arbitration commission as it used to be known, which is also about to disappear, I might add.

On Sunday Kevin Andrews, the federal Minister for Employment and Workplace Relations, stated that workers will have to accept that a job without these extras is better than no job at all. Take it or leave it is the new catchcry of the conservatives opposite. I say shame! Penalty rates are just the start of what will be a full-on attack on workers' conditions in this country. This is a tragedy for workers and their families.

However, all is not lost. At the social event of the year last Saturday night, the Australian Workers Union Ball, the federal Leader of the Opposition, Kim Beazley, announced that his Labor government will return fairness and balance to the workplace. Let me say this: I am glad the conservatives opposite and in Canberra are going as hard as they can against workers because workers simply will not cop it, and come the next election the Liberals will reap what they have sown.

### **World Rural Women's Day: Connections exhibition**

**Ms ROMANES** (Melbourne) — I want to congratulate nine women artists from East Gippsland — Deirdre Jack, Anne Richardson, Marijs Last, Ann Bingham, Penny Carruthers, Kathleen Sisely, Tessa Payne, Caroline Taylor and Katrina Henry — who exhibited their various pieces of art in an exhibition called Connections at the Queen Victoria Women's Centre in Lonsdale Street on 15 October, World Rural Women's Day. The exhibition covered landscape paintings, photography, ceramics, printmaking and handmade textiles.

This was an exhibition launched by the Minister for Victorian Communities in the other place, John Thwaites, to mark the importance of the contribution of rural women across the world. At the launch Mr Thwaites paid tribute to Mary Salce, who has been a driving force in the Gippsland Women's Network and convened the first International Conference for Women in Agriculture in Melbourne in 1994.

Gippsland women and the Victorian Rural Women's Network have maintained important links with rural women internationally, and helped to lead a vote at the United Nations World Conference of Women in 1995 to proclaim a day to recognise rural women throughout

the world. That is why that important event was held on 15 October.

### **Cricket Willow, Shepherds Flat**

**Ms HADDEN** (Ballarat) — I had the great pleasure of attending the launch and celebration of the Cricket Gallery, and the launch of an innovative range of Jabaroo cricket gear at Cricket Willow, the Tinetti family's property at Shepherds Flat on 8 October. It is a very interesting concept and also a good example of small business and a farming family making sure they leave their mark on the community for all time.

Willow trees for the production of cricket bats have been growing at Shepherds Flat for over a century. They were introduced by test umpire R. M. Crockett in 1902 and became the primary source for the renowned Crockett cricket bats. As a tribute to this unique part of Australian history, the Tinetti family of Shepherds Flat has created Cricket Willow, the only facility in the world where visitors can witness the fascinating process of cricket bat manufacture from bud to bat.

The Tinetti family has recently spread its wings to launch Jabaroo, an eye-catching range of cricket equipment sold exclusively from Cricket Willow. The Jabaroo range also includes junior bats and wicket-keeping equipment, as well as quality cricket accessories and unique souvenirs. Cricket Willow also has a resident cricket bat maker, Julian Millichamp.

It is a wonderful venue, and we all had a wonderful day there. I urge people who are travelling to the Hepburn area to make a special effort to visit Cricket Willow at Shepherds Flat, and to visit the Tinetti family who are very generous in their — —

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

## **FAIR TRADING (TELEPHONE MARKETING) BILL**

### *Second reading*

#### **Debate resumed from 14 September; motion of Hon. P. R. HALL (Gippsland).**

**Ms MIKAKOS** (Jika Jika) — I am pleased to be the first speaker for the government on the Fair Trading (Telephone Marketing) Bill, a private members bill introduced by The Nationals, and at the outset I want to particularly welcome The Nationals to this debate on the issue of telephone marketing.

The government will be opposing the bill introduced by the Honourable Peter Hall because it is of the opinion that the bill is ill considered and badly timed. I will outline the reasons for that opinion during the course of my contribution to the debate. Members of the government take the view that restricting the hours of telephone marketers is not the way to tackle this problem, and the bill ignores a range of things that are happening at both a state and national level.

It is important that this debate should not occur in a vacuum, and The Nationals join the Bracks government in seeking to minimise the negative impact of telemarketing — in particular its impact on families — and also to prevent people from being taken advantage of.

I am sure it goes without saying that all of us, and our constituents, hate being annoyed by telephone calls at inconvenient times, although I understand from previous contributions made by members in this chamber on the issue of telemarketing that they buy things on offer when they are approached by telemarketers. I do not get calls at home. I have elected to have a silent number, and I am extremely grateful to be spared what can often be extremely annoying phone calls at all hours. But I understand from staff members in my electorate office, who get several calls a day, that these phone calls can be a distraction from the normal pressures of their work. I hear from friends and family that they also get many calls several times a day for all sorts of different products and services, so I have a great deal of sympathy with the sentiment expressed in the second-reading speech by the Honourable Peter Hall. However, we think it is important to put the debate on this bill into proper context and to look at addressing this issue in a more systemic way.

It is important to begin my contribution by giving a little background on what the government has already done in this particular area. Members will recall that before the last state election the government commissioned a review of the Fair Trading Act to do a number of things, but in particular to look at establishing a practical and balanced regulatory regime for telemarketing. Members will recall that the member for Burwood in the other place conducted a public consultation process which found that we needed to establish some specific rules for telemarketing. Previous to that we had extensive laws which related to door-to-door sales, but given the shift in the industry practice towards telephone marketing, we acknowledged the need to bring in laws to reflect the experience of Victorian consumers. We sought to do that through legislation that balanced the needs of

consumers with the impact on the industry and those employed in it.

Unfortunately, due to the intervention of the 2002 state election, the bill was not able to be debated, but in October 2003 we brought before the Parliament the Fair Trading (Further Amendment) Bill which put in place an extensive regime to regulate telemarketing. In particular, the bill made provision for telemarketing agreements that would commence on the date of the telephone conversation during which the agreement was reached, provided the consumer had given what is referred to as 'explicit informed consent' to the agreement. Records of this explicit informed consent are required to be kept by the telemarketer and made available for inspection by Consumer Affairs Victoria. Consumers are required to be advised in the telephone conversation of their cooling-off rights and are required to be sent a prescribed cooling-off notice and the terms of agreement in writing within five days of the telephone conversation, or any longer agreed period.

There are quite extensive provisions in the legislation in relation to cooling off. A cooling-off period of 10 days commences from the date of receipt by the consumer of the cooling-off notice and the copy of the agreement, and there is in fact a six-month penalty cooling-off right where the trader fails to send the cooling-off notice and a copy of the agreement. Consumers are able to exercise their cooling-off right by telephoning the trader. Otherwise the requirements that apply to door-to-door sales also apply to telephone marketers.

Most importantly, and directly to the point of the bill that we are debating here this morning, the hours of telemarketing in the legislation are restricted from 9.00 a.m. to 8.00 p.m. on weekdays and 9.00 a.m. to 5.00 p.m. on Saturdays and Sundays. Telemarketing calls are precluded altogether on public holidays. I understand that The Nationals are seeking, in a very short bill, to change this provision to restrict telephone marketing from 9.00 a.m. to 5.00 p.m. on all seven days of the week. Importantly, the Victorian legislation provides that if a consumer requests telemarketers to stop calling them or indicates they are not interested in the services or goods that are being offered to them, the telemarketer is prohibited from calling that consumer again within a 30-day period.

It is important to remember that in May of last year the government introduced a number of changes, which were passed by the Parliament, which finetuned this fair trading legislation. The Fair Trading (Consumer Contracts) Bill essentially raised the threshold for the application of the telemarketing regime from \$50 to \$100. That was done to match the regime that applies in

New South Wales. These laws subsequently came into effect on 30 August of last year. These laws have not been in actual operation for a great deal of time; they have been in operation now for just over one year.

It is important in looking at the background to this private members bill that we also look at the position The Nationals have taken previously in relation to this particular issue. It is important for members to remember that when the government introduced the Telemarketing (Further Amendment) Bill, the opposition moved an amendment, which I quote:

That all the words after 'That' be omitted with the view of inserting in place thereof 'this house refuses to read this bill a second time until there has been an independent cost-benefit analysis of the bill's impact on employment and investment in regional Victoria and until further consultation on employment and investment loss is undertaken with workers and businesses in this sector of the economy'.

Just so we are clear on the position that The Nationals took at that time, if this amendment had been carried, the government's telemarketing laws would have been scuttled there and then, so it is important to remember that it was this government that sought to introduce decent telemarketing laws to protect Victorian consumers. It was for that reason that we opposed that amendment at the time.

The Liberal Party, of course, also voted for the amendment moved by The Nationals. It is important that members be reminded of that fact. However, they did not stop there. After the amendment to scuttle the telemarketing laws was lost, The Nationals continued to vote with the Liberal Party to minimise or restrict the application of those laws. When the bill was introduced to this house, Mr Olexander, who at that time was the shadow spokesperson for consumer affairs, moved the same amendment that was moved in the Assembly, which I have just quoted, and Mr Baxter, Mr Drum and Mr Hall voted with the Liberal Party to delay the passage of that telemarketing legislation. Whilst there may have been a change of heart by The Nationals on this issue, it is important that members and the community are reminded of the position that The Nationals have taken on this issue and that they be held to account for that position.

In relation to the government's position on this bill, as I said at the outset we think this bill is ill considered and badly timed, and I want to come to the reasons for that now. As I indicated before, the Victorian government sought to introduce some changes to the telemarketing regime through a subsequent amendment bill that changed the threshold amount to \$100. The intention

was to align Victorian legislation with New South Wales legislation.

It will come as no surprise to members that many telemarketers who call Victorians are based in call centres interstate and in many cases even overseas. It would be impractical for Victoria to seek to address this issue on its own without looking at it on a national level. The Victorian government is seeking to streamline its provisions with the New South Wales provisions as much as possible, and it has agreed to undergo a further process to harmonise any other key provisions in its telemarketing laws.

Towards this end the Victorian and New South Wales governments jointly released a discussion paper entitled *Harmonising Telemarketing Laws in New South Wales and Victoria*. The paper was released in August, well before Mr Hall's bill was introduced. Oddly enough, the consultation process was open until the day of the printing of the bill on 14 October — only a couple of weeks ago.

**Hon. P. R. Hall** — Will you give me credit — I put in a submission, didn't I?

**Ms MIKAKOS** — The review of the telemarketing laws offered all interested parties, including The Nationals, the opportunity to comment on a number of aspects of the proposed laws. Mr Hall informs me he has put in a submission, and we welcome that submission as well as the many other submissions we received.

The review is examining a range of issues, including the definition of telemarketing, how the issue of explicit, informed consent works, how long the cooling-off period should be, whether credit contracts or charitable fundraising should be exempt, the issue of classified advertising and, most importantly for The Nationals, the issue of calling hours.

As I said at the outset, I have a lot of sympathy with the sentiment expressed in the second-reading speech in relation to the interruption to families when these calls — which are not always wanted — are made. I note also that in the second-reading speech The Nationals indicated their support for a national do-not-call register. I already pointed out that Victorian fair trading laws can, of course, only apply to Victorian-based telemarketers. It is important that members are aware that the Minister for Consumer Affairs, the Honourable Marsha Thomson, has also been campaigning for an effective, nationally based do-not-contact register so that people can opt out completely from receiving any calls at any time.

I want to draw the attention of members to a media release issued by the Minister for Consumer Affairs on 25 August that refers to both the Honourable Marsha Thomson and the New South Wales Minister for Fair Trading, Diane Beamer, who were critical of the federal government for backing away from its 2004 federal election commitment to set up a national do-not-call register in consultation with the industry and the then Australian Communications Authority. Minister Thomson went on to say in the media release:

The register would allow consumers to opt out completely from being contacted by telemarketers ...

The federal government agreed to work on the register but now consumers are suffering because they failed to deliver on it.

I note further that the Minister Thomson issued a further press release on 18 October again expressing dismay at the federal government's failure to take any action, and said:

It's about time the federal government delivered on its commitment.

It is most important to bring to the attention of members of this house, in the context of this debate today, that this morning the Minister for Consumer Affairs has announced a 1300 number that people can call to indicate that they support a national register being established.

**Hon. W. R. Baxter** — With a bit of pressure from The Nationals.

**Ms MIKAKOS** — I want to inform members that this is something that consumers in Victoria and New South Wales can do — we are working together with our New South Wales counterparts on this one — and we invite consumers to register their support for a national do-not-call register by phoning 1300 365 814 at the cost of a local call. This hotline is going to initially operate for a month. Hopefully, The Nationals can register their support for a national do-not-call register by ringing this number!

I strongly welcome this development. It will give consumers in Victoria and New South Wales an opportunity to push the federal government into taking some related action in this area and to look at establishing a do-not-call register. We want that to happen sooner rather than later. It is important that when we are talking about the do-not-call register that we actually look at the reasons for such a register in terms of the increasing number of complaints and also the United States of America experience, given that the USA has introduced such a register.

In terms of the increasing number of complaints, I want to refer to an article in the *Australian Financial Review* of 22 August in which the industry representatives themselves have called for a national do-not-call register. This is not just coming from consumers; it is in fact coming from the Australian Direct Marketing Association (ADMA) and its chief executive Rob Edwards, who is quoted in this article as saying:

The number of complaints from consumers about telemarketing is growing, driven by the increase in calls from overseas telemarketers. The government —

Here he is talking about the federal government —

cannot sit on its hands.

He talks about the do-not-call register that ADMA has in fact set up. It is, however, restricted in its practical application in that it only applies to ADMA members who voluntarily signed up to its register. In this article Mr Edwards is reported as saying that:

The number of people registered with ADMA's ... register has doubled to 400 000 over the past year and is growing by 10 000 a month.

That growth shows no signs of slackening off ...

It is interesting that the industry itself is supporting a national do-not-call register and has been critical of the federal government for failing to take action in this area.

The United States of America has established a do-not-call register, which was enacted under the do-not-call act signed by President Bush on 11 March 2003. In the US the register is administered by the Federal Communications Commission. A number of state rules apply as well. Essentially the register is nationwide and applies to all telemarketers with the exception of certain non-profit organisations. It covers calls across state boundaries and intrastate telemarketing calls. Commercial telemarketers are not allowed to call a consumer if the consumer's telephone number is on the register, subject to certain exceptions — for example, as I indicated, in relation to non-profit organisations.

In the US telemarketers are required to pay fees to access the database to scrub those registered telephone numbers off their telephone list. As I understand it, the number of registered telephone numbers in the US has grown and is over 88 million to date. My recollection is that the population of the US is somewhere in the vicinity of 260 million. That is a pretty good indication that in the US a very large number of people and households find unsolicited phone calls intrusive and do not want to receive them.

*Honourable members interjecting.*

**Ms MIKAKOS** — I am not suggesting the US experience is necessarily the only model that can be looked at. I know, for example, that Anna Burke, a federal ALP member of Parliament, has introduced a private members bill in the federal Parliament supporting the introduction of a national do-not-call register. There are a range of models and approaches that can be taken. The industry, consumers and the Victorian and New South Wales governments are calling on the federal government to finally take some action in this area given the increasing number of complaints and the changes we have seen in the industry in recent years, with increasing numbers of call centres being based overseas and therefore outside the scope of Victorian legislation.

That is why we say The Nationals bill that seeks to beef up the provisions — The Nationals opposed them originally, but I will put that aside for a minute — is ill considered and badly timed. It ignores the harmonisation review that is currently under way by which we are seeking to harmonise our laws with those of New South Wales. I welcome the fact that the Honourable Peter Hall has made a submission to that review. However, he could have waited until the outcome of that review was known, given that the submissions closed just a couple of weeks ago. Most importantly, this issue has to be addressed at a national level. The Victorian Nationals are ignoring the nature of the industry, which operates across state and international boundaries. We invite the Victorian Nationals to join with the Bracks government in lobbying the federal government to finally take some action and support a national do-not-call register.

The Minister for Consumer Affairs has today publicly released a 1300 number and invited Victorian consumers to register their support for and participate in a national do-not-call register.

*Honourable members interjecting.*

**Ms MIKAKOS** — Because I know that members are listening very intently to my every word, the telephone number is 1300 365 814. I invite The Nationals to call that number and support the Bracks government's lobbying of the federal government on this issue so we can get a system which will work and which will address this issue of unwanted telemarketing calls. We want a legislative regime that will protect Victorian consumers. I urge members to not support the private members bill introduced by the Honourable Peter Hall.

**Hon. W. A. LOVELL** (North Eastern) — In rising to contribute to this debate today I need to inform the house that the Liberal Party will be opposing this bill, which is a bill to amend the Fair Trading Act to further regulate telephone marketing to restricted telephone calling hours. The bill would effectively restrict the hours that Victorian telemarketers can operate to between 9.00 a.m. and 5.00 p.m. seven days a week. Telemarketing would still be prohibited on public holidays.

The Liberal Party consulted widely on this bill. We spoke with the industry, which was disappointed that it had not been consulted prior to this bill being brought into the house. We consulted with the Australian Direct Marketing Association, the Fundraising Institute of Australia, and the offices of both the federal Minister for Communications, Information Technology and the Arts and the Parliamentary Secretary to the Treasurer. We also consulted with a number of charities in Victoria, including ParaQuad Victoria, the Motor Neurone Disease Association of Victoria, Epilepsy Victoria, the Royal Institute for Deaf and Blind Children and third-party operators who collect on behalf of charities, including Smart Health Australia and Apple Marketing.

Already considerable legislation and regulation restricting telemarketing exists in Victoria. The imposition of the proposed further restriction on the hours of operation of the telemarketing industry would impact seriously on jobs and investment in Victoria. There is no doubt that at times everyone is very annoyed when they get a call from a telemarketer. I remember during the last debate we had on telemarketing in this place telling members about tripping over my case one Saturday morning as I raced to get to the phone. I was unpacking the case I had had at Parliament, tripped over my case and cut my foot getting to the phone, only to find a telemarketer on the line. I did find that very annoying. Just a couple of weeks ago I was sitting at home ringing delegates for my preselection —

*Honourable members interjecting.*

**Hon. W. A. LOVELL** — We have two lines at home, a fax line and a phone line. I was ringing on the fax line so as not to hold up the phone line in case anyone wanted to phone in. The phone rang and I said to a delegate, 'Just excuse me a minute while I get that other line'. It was a telemarketer, so members can imagine that I was fairly upset at taking a telemarketing call right at that crucial moment.

I also spoke to my mother and sister, who are at home more during the day than I am, about the number of calls they get. Mum said that she gets hardly any. Whether that is because her name begins with L and that is further down the list, I do not know, but my sister's surname is Brown and they get quite a lot of calls at home. She thinks that that is because they are at the top of the list and they get to her fairly quickly. Mum also babysits my sister's children and she confirmed that a lot more calls come to Louise's house than to ours.

I asked how they felt about those calls. They both said that the calls were annoying but that generally if it was a Victorian telemarketing firm they were very polite and said that they were not interested and the people just hung up, as they did. They did not find that half as annoying as some of the aggressive overseas telemarketers, who they said refused to take no for an answer and wanted to keep people on the line. They found the most annoying ones were those coming from offshore telemarketers.

When I consulted with the Australian Direct Marketing Association, it informed me that there are 3835 call centres in Australia and that about 30 per cent of those are based in Victoria. The call centres are based largely in regional areas of high unemployment. They say that Victorian call centres employ between 65 000 and 70 000 individuals. The Australian Teleservices Association estimates that about 12 000 of those people are employed in regional Victoria. Those jobs are very important to regional Victoria. As I said, the call centres in regional Victoria are based in areas that have significantly high unemployment levels — in fact, levels at about twice the national average. They are based in Bendigo, where the unemployment level is up to 10.7 per cent; in Ballarat, where it is up to 9.2 per cent; in Geelong, where in some areas it is up to 11.5 per cent; and in the Latrobe Valley, where in some areas it is up to 12.7 per cent. We cannot afford to lose those important jobs in regional Victoria in areas where unemployment figures are reaching those sorts of levels.

Restricting the hours of Victorian operators will drive jobs not only interstate but also offshore. As I said, that will only compound the problem because people seem to object most to those aggressive offshore marketers. Not only my mother and sister have told me that but anyone you speak to seems to refer to people from Indian or Asian call centres as being those to whom they really object.

The proposed restrictions will certainly make it more difficult for Victorian-based centres to compete on a

national basis and will make Victoria less attractive to investment by call centre operators. They will increase business compliance costs as nationally based companies will be required to comply with different laws and requirements in each state. Placing such restrictive regulations on businesses by legislation will disadvantage businesses that have entered into long-term leases and have a number of fixed costs. When a significant portion of their business is taken away through legislation, many businesses could be put out of business.

The bill would also reduce consumer choice and competition. The increased compliance and administration costs created by the government's amendments to telemarketing regulation in June 2003 have already resulted in a number of companies not supplying Victoria. That has already reduced consumer choice and competition in Victoria and the bill has the potential to increase that problem.

Consumers benefit from competition between providers, and particularly the energy and telecommunication industries use telemarketing quite extensively. The Energy Retailers Association of Australia has written to the Liberal Party. It has told us that telemarketing represents 27 per cent of all industry-wide sales and that approximately 50 per cent of telemarketers residential energy sales are achieved after 5.00 p.m. as more customers are at home and are generally more willing to discuss their energy products. The association says that the sales per customer after 5.00 p.m. are almost double the rate before 5.00 p.m. and that indicates customers are receptive to calls after 5.00 p.m. because if they were not their success rates would fall. The association went on to say:

Compared to door-to-door sales, telemarketing has lower costs.

And that if telemarketing sales were to cease:

In rural areas the higher costs of door-to-door sales cannot be justified. If telemarketing was not available, rural customers would be less likely to access competitive energy offers.

Members of the opposition would certainly not want to see Victorians in rural and regional areas disadvantaged by legislation that restricts their opportunity to participate in competitive offers from energy providers.

Consumers should also be provided with the choice of receiving calls. It is not really for government to decide whether it is appropriate for people to be able to participate in a conversation with someone who is offering them a product. It is for the individual to say whether they want to have that conversation with a representative of a company, not the government.

The bill would also severely impact on Victorian charities that use telemarketing as a fundraising medium. I understand that 50 per cent of all calls from charities are made between 5.00 p.m. and 8.00 p.m. and that some charities report that up to 70 per cent of their successful calls are made after 5.00 p.m. For many charitable organisations telemarketing is a highly profitable fundraising medium. If that were lost, the valuable services provided by the funds raised may also be lost. A number of charities and other organisations have written to the Liberal Party on the matter.

The first letter I have is from Fundraising Institute Australia. The letter states:

FIA strongly opposes the principles of the draft bill on the basis that if passed it would:

- severely impact on Victorian charities;
- disadvantage Victorian charities with regard to charities in other states;
- disadvantage Victorian charities with regard to international telemarketing;
- cause loss of Victorian jobs for Victorians;
- impact to the detriment of Victorian communities for whom Victorian charities raise funds.

The letter goes on to say:

Telemarketing is a very large industry sector which makes a significant contribution to Australia's and Victoria's economic wellbeing. For many charitable organisations it is a highly profitable fundraising practice. If this practice is lost, the valuable services that it funds will also be lost.

The institute included an analysis of a typical telemarketing organisation in Victoria. It shows that:

Around 50 per cent of calls are made between 5.00 p.m. and 8.00 p.m.

Larger telemarketing organisations:

- employ about 50 people;
- call more than 100 000 calls per annum —

and only —

0.85 per cent of people called indicate that they do not wish to receive calls

Inevitable outcome would be a reduction in services, loss of jobs.

The institute also noted that many people work during the day and that if the calling hours were restricted to between 9.00 a.m. and 5.00 p.m., fundraisers would be unable to contact those people. The institute went on to say that Austin Health raises \$400 000 through

telemarketing and has very few complaints, with 50 per cent of calls being made between 5.00 p.m. and 8.00 p.m. The letter further states:

Fundraising telemarketing is not always welcome, but it causes no lasting damage and is at worst a minor nuisance to those who receive unwanted or untimely calls.

...

None of the measures introduced to date, including this proposed legislation, will stop overseas call centres from calling people at home whenever they wish ... This legislation will simply serve to put decent operators out of business and force the shonky ones offshore, where there will be no control over their activities at all.

Smart Health Australia stated in a letter that it:

... works on behalf of a number of very worthy and ethical charities ...

Smart Health stated that it does fundraising to contribute to :

... sending teenagers living with cancer on weekend camps;

funding physiotherapy and speech therapy for children ...

community awareness creation for organisations involved in providing support services for people living with severe intellectual and physical disabilities.

Those are very important services. Smart Health said that more than 50 per cent of its current fundraising activities take place between 5.00 p.m. and 8.00 p.m. The company also stated that in the 10 years or so that it has been operating, it has had very few complaints. Smart Health also stated:

The fact that charitable organisations with very limited budgets continue to choose this form of fund raising is evidence in itself that a greater proportion of the general public is very happy to participate in this way.

...

If the hours of telemarketing were to be limited to the hours proposed in this bill, our ability to optimise results for our clients' charities would be significantly impaired as the hours of 5.00 p.m. to 8.00 p.m. represent the best contact hours.

The Royal Institute for Deaf and Blind Children said:

The experience of RIDBC is that only 0.85 per cent of people we call indicate that they do not wish to receive such calls.

A person who does not wish to receive telemarketing calls already has several tools at their disposal.

Under the private sector provisions of the Privacy Act, a person can request that they no longer receive further calls from that organisation and the organisation is bound to comply. If the called number has been obtained from rented list, the person is entitled to ask the caller for the source of the list and request the caller to notify the list owner that they do

not wish to receive any more phone calls. The caller and the list owner are required to comply.

The institute also noted that people are able to list their names on the do-not-call listing service of the Australian Direct Marketing Association, which prevents calls coming through from ADMA members. The institute also said that none of the measures introduced to date, including in the proposed legislation, would stop the number of calls that come through from offshore marketers.

The Epilepsy Foundation of Victoria said it was:

... greatly concerned by such a proposal and believes the consequences of it getting up would be disastrous for the people living with epilepsy in Victoria. Our major revenue source is from our raffles program which is predominantly conducted by a comprehensive telemarketing program. The largest component of that telemarketing program takes place in the evenings between the hours of 5.00 p.m. to 8.00 p.m. and its loss would mean the absolute failure of the whole raffles program. ... The reality of present-day society is that many families today have most adult members working or not at home until the evenings and that if we are to interact with them, the availability of this time slot is crucial.

The ramifications for the loss of income from our raffles program would mean the definite closure of our three remaining rural and regional epilepsy offices and most likely the ceasing of any programs in rural and regional Victoria.

The foundation stated that it would hate to see people who suffer from epilepsy in rural and regional Victoria lose the services that the Epilepsy Foundation is providing to them. The foundation also stated:

It would mean a cutting back of epilepsy support programs in metropolitan areas as well. It is important to note that we are the major consumer support agency for people living with epilepsy in Victoria and the only agency delivering epilepsy support programs to regional and rural areas in Victoria.

It is not being overly dramatic to state that the possible ramifications are catastrophic for people living with epilepsy —

that is, in Victoria.

The Motor Neurone Disease Association of Victoria said that it:

... raises 70 per cent of its \$1.4 million budget from the Victorian community. Of this amount over \$100 000 comes from seeking donations from committed donors by using telemarketing.

It said that its analysis:

... indicates that 70 per cent of all successful calls are made after 5.00 p.m. and on Saturdays. This is because people are at home and available to take calls.

It said:

The impact on the association of this proposal would be devastating, resulting in us losing \$70 000 of recurrent donor income based on the restrictions proposed. These funds would have to be replaced from somewhere ....

The Motor Neurone Disease Association said that it would call upon the government and The Nationals:

... to commit to replacing these funds on a recurrent basis —

if it were to lose the income due to the legislation.

ParaQuad Victoria has noted some similar concerns:

Fundraising by telemarketing during normal business hours only is not feasible and we will be forced to close our telemarketing if these hours are enforced.

Telemarketing is an essential source of funds for the organisation, and it will need to do more lobbying of government for increased funding to continue to provide its services if this avenue is lost to it. The organisation said its telemarketing:

... provides employment for 60 people and they would lose their jobs, as well as potentially hundreds of staff employed in the areas that depend on ...fundraising for their survival.

Apple Marketing has made a number of points. It says it makes millions of outbound calls and has been doing so since 1985. It restricts calls to the period from 9.00 a.m. to 8.00 p.m. from Monday to Friday, and 9.00 a.m. to 2.00 p.m. on Saturdays — less than the permitted hours. It raises many millions of dollars for Victorian charity clients, and it is not aware of any level of resentment; nor have its clients had any complaints about Apple making calls on their behalf. The fact that it has been doing this successfully since 1985 demonstrates the general public acceptance of this style of marketing. Apple stated:

The public do not like calls from Indian telemarketing companies that leave people hanging on after they have answered the telephone —

but that this Victorian legislation would not stop such calls.

It also says that restricting the hours of calls from 9.00 a.m. to 5.00 p.m. would result in people who are at home during the day receiving an avalanche of calls, creating a further problem. It would also restrict its ability to contact a very large proportion of the Victorian population. It says that over the long term it will have to reduce employment of staff in Victoria and probably have to focus on fundraising for interstate charities, not Victorian charities. If this bill is passed, charities of Victoria will be the biggest losers. There is

a fairly strong feeling there from the fundraising community.

This bill also pre-empts work currently being undertaken by the Victorian and New South Wales governments on harmonisation of telemarketing provisions — that includes permitted calling hours. We should actually look at why that work needed to be done. The government does not get off lightly here. In September 2003 the Ministerial Council on Consumer Affairs proposed a model code that provided that without consumers' consent the telemarketer shall not call on Sundays or specific public holidays and only between 9.00 a.m. and 8.00 p.m. on any other day.

That model code was set up by the ministerial council, yet shortly afterwards the New South Wales and Victorian governments amended the Fair Trading Act to further regulate telemarketing. But the bills they introduced are quite different from each other and both substantially ignore the model code that their governments participated in developing just a year earlier.

This is why they are now having to go through these consultations on the harmonisation of the laws in Victoria and New South Wales that has led to a lot of confusion and increased compliance for businesses and less choice for consumers. The discussion paper *The Fair Trading Laws Relating to Telemarketing in New South Wales and Victoria — Options for Harmonisation* has options for action on the hours of trading. One option is to do nothing. It says:

Although the restrictions on calling hours are inconsistent, interstate operators could choose to conduct their business in both states by telemarketing during the hours permitted by Victoria.

This would ensure that New South Wales operators were complying with the law in both states because they would be operating within the New South Wales hours, but the paper goes on to say:

This may be considered to place them at a competitive disadvantage with businesses operating only in New South Wales —

that are calling during the New South Wales hours.

Another option was for New South Wales to change its calling hours to be consistent with Victoria. This would require a legislative change in New South Wales. The third option is for Victoria to change its calling hours to be consistent with New South Wales, requiring a legislative amendment here.

The fourth option is for both New South Wales and Victoria to change their calling hours to be in line with the direct marketing model code of practice prepared by the Ministerial Council on Consumer Affairs in 2003. Would it not have been simpler if they had just adopted the model they had agreed to in the first place?

This bill also pre-empted the work currently being undertaken by the federal government to develop a framework for the introduction of a government-backed national do-not-call register. I note that the second-reading speech actually acknowledges that a national do-not-call register is the best means of addressing unwanted telephone marketing calls.

Just a couple of weeks ago on the front page of the *Sunday Age* of 16 October there was a large article headed 'Tough rules to curb phone sales pests'. It says:

A spokesman for communications minister Senator Helen Coonan said the government was seriously considering introducing the do-not-call register. The minister hoped to make an announcement soon, he said.

It also notes that the direct marketing industry had expressed support for a national do-not-call register. I think a national do-not-call register is the way we should be going in Australia. It provides consumers with choice and it provides certainty for businesses that are operating in that environment in that they know what their restrictions are. The consumers have the choice of whether they want to participate in offers that come via a telemarketing call or whether they want to opt out and not have any of these calls made to their homes. But that is the way to go: it should be the consumers' choice and not the government's choice. The Liberal Party opposes the bill on the grounds that these changes to this legislation will cost jobs in Victoria and drive business interstate.

**Hon. D. K. DRUM** (North Western) — Quite simply, this bill is about the people of Victoria. This bill has been generated by constant constituent concerns not only to my office, but obviously to the Honourable Peter Hall's office. The Nationals are sick and tired of our electorate officers having to deal with these phone calls on a regular basis. My electorate officer handles between one and two phone calls of this nature every week. You might think that is not a large amount, but when you multiply that by the number of people who must be on the verge of ringing their MP but do not, you certainly understand that this is very much a widespread community issue. When people are so disturbed by the quality and quantity of these phone calls, then surely it is within our responsibility to have a look at this issue and see if there are ways that we can help the situation.

Ms Mikakos obviously agrees that this is a serious problem. Listening to her contribution as the lead speaker for the government, one would think she was going to vote in favour of the bill, because 90 per cent of her contribution was about the problems that the average Victorian has in dealing with this number of insistent calls and the way they seem to be intensifying in their frequency.

Ms Lovell, on the other hand, spent nearly 100 per cent of her contribution talking about the various negatives of this bill and the cost to the industry of introducing tighter restrictions. It is her prerogative to do that. As people would be aware, the frequency of these phone calls over the last 12 to 18 months certainly has intensified and now many of these calls are emanating out of call centres in India. People's tolerance to these phone calls is certainly less when they realise that the calls are in fact not originating from Victoria, or even Australia. That is something we need to be very aware of.

In 2003 we spoke about the regime surrounding telemarketing. We had some concerns then that further tightening the regime surrounding telemarketing would have a negative impact on the telemarketing industry. We feared there would be a loss of jobs and that we would be making it harder for communities to raise money for charitable activities. We have now had nearly two years to ascertain any damage caused by those restrictions being placed on the telemarketing regime, and quite clearly no damage has been done to the industry. We have had two years now to look at the industry and we see that the charitable organisations still have the same strike rate now as they had before we further tightened the restrictions.

**Hon. W. A. Lovell** interjected.

**Hon. D. K. DRUM** — Ms Lovell, we sat through 30 minutes of your contribution and it was not easy! And it was without interjections so I would at least —

**The PRESIDENT** — Order! Mr Drum should direct his remarks through the Chair and ignore interjections, which are unparliamentary.

**Hon. D. K. DRUM** — I would at least expect the same courtesy coming back the other way.

Another trend that impacts on everybody who receives these calls is the technique employed by these call centres. Most of us are reasonably polite when it comes to trying to get off the line from one of these telephone calls. We try to let the person at the other end of the phone line understand that we are not interested in

insurance, a new set of tyres or a holiday at the minute, that we are okay in that regard; and to somehow or other relieve ourselves of this phone call would meet with our approval.

The techniques employed by these call centres to keep you on the line by asking you more questions in the hope that they can somehow or other wrangle a sale out of you, are getting more and more intense. Again, we need to understand that a lot of people out there are vulnerable and have a much harder time than I would in getting off the phone line. We need to be aware of that. Telemarketers training methods are becoming more intense and they work by the adage — and this has been very clearly demonstrated in the media — of not taking no for an answer.

The Nationals are also moved to push this legislation because we have a growing awareness of the value placed on family time. Research tells us that we now spend less than 5 minutes every day talking to our children! That is an indictment on our society. The best chance we have of at least trying to get our 5 minutes in with our children, or even with our spouses, is before, during and after the evening meal. If we are going to try and increase — whether you want to call it quality time or down time or simply time with your family — the time available for having a standard conversation with our children or our spouses, we certainly do not need to have that time interrupted by telemarketers.

It is not easy trying to make conversation with your kids at the best of times. We are all aware of conversations such as, 'What was your day like today, Luke?' and to get the reply, 'Okay'. You ask, 'What did you do?' and he says, 'Nothing much'. You say, 'How did that differ from yesterday?' and he replies, 'I don't know'.

**Hon. P. R. Hall** — And, 'There goes the phone'!

**Hon. D. K. DRUM** — As Mr Hall said, then you get, 'Whoops, there goes the phone. Someone from India wants to sell me insurance'.

We need to do something about this; we must put some reality into the situation because, in effect, that is how it is.

Ms Mikakos mentioned that she does not receive these calls because she has a silent number, as I have. But somehow or other, every now and again, these telemarketers get through to the silent numbers. It costs about \$60 to \$65 per annum to have a silent number, but a lot of people do not feel comfortable about having one. They like the idea that people who know them can ring by getting their number from the phone book and

they are happy to have their numbers listed there. Not everyone can afford to have a silent number, so a lot of people leave their numbers in the phone book and leave themselves open to receiving these calls on a regular basis.

The Nationals believe — and Mr Hall will obviously mention it in his contribution — that the best result we can possibly get out of this legislation is to push everybody to agree to a national do-not-call register, and we call on the federal government to continue to push the philosophy of a do-not-call register. This register is backed by the Australian Direct Marketing Association (ADMA), and it is backed by the industry itself, and members of the industry tell us quite openly that the implementation of a do-not-call register they support will have a far greater impact on the industry than further tightening of restrictions. We are all effectively pushing the same line.

The Nationals believe that we cannot sit on our hands on this issue. As a Victorian parliamentary party we have limited power, and this is all we can do. Whilst we are waiting for the do-not-call register to be put in place we have to look at steps that we can take.

We do not believe that further tightening the restrictions and forbidding telemarketing companies to call during normal business hours — that is, before 5.00 p.m. — is going to force hundreds of jobs out of the industry. If that were going to be the case, we would certainly be rethinking our legislation. We do not believe it will send charities broke. We do not believe the negative impacts forecast by the Liberal Party's lead speaker will eventuate.

We believe telemarketing companies will have to look at other innovative ways to increase their market share; they will become more innovative. We believe they will shift their attention to business houses and instead of making calls from 5.00 p.m. to 8.00 p.m. they will increase the calls they make to businesses during the day. They will make exactly the same number of calls.

**Hon. W. A. Lovell** interjected.

**Hon. D. K. DRUM** — Will Ms Lovell please refrain from incessantly interjecting?

It is interesting to note that call centres now offer a whole range of services. They are not just making pre-sale calls, hoping to get people to pick up on their products. Call centres are now moving into the second stage of the sales contacts. You can look at an advertisement on TV or in the newspaper, or hear it on the radio, and you will see a phone number to ring. Once you get to that point you will be put through to

the second stage of the sales process at a call centre. From there you can make further inquiries about the product and get more information. You will talk about the whole sales process that follows if you want to go down that track, and that is a path that many people take.

When you want to buy, for instance, a Dell computer, you can do that through your computer or your phone. You will use a call centre, generally out of Australia, to purchase a Dell computer. If you happen to go into a Retravisision store to purchase a Hewlett Packard printer and you have any concerns with that printer, you will contact the company's post-sales service area. That will be done through a call centre as well and you will be able to speak to people who have expertise in the area of printers and computers. There is a whole range of reasons for call centres to exist. They are not just used for pre-sales service, but that is certainly a large part of it.

Charities have been mentioned by previous speakers in this debate. We know that charities like to call around dinnertime because of their high strike rate, but it has also been proven by charities that they have a far greater rate of success by going door to door themselves. They specifically go door to door when contacting businesses, and this gives them a far greater success rate than going door to door when contacting personal residences. We need to be aware of what really works and what the impact will be on charities if we restrict the hours during which they can make phone calls to personal residences. They can have just as big an impact by slightly changing their modus operandi.

We understand this bill could create some hardship but we have tried to balance that with the number of Victorians who are disgruntled and upset with the current situation. If the major parties in the chamber oppose this bill they are effectively saying to those people, 'You can contact someone else. We think the current situation is fine. We understand your complaints but we are not prepared to back members of The Nationals in their attempt to restrict telemarketers ringing around the dinner hour. We are not going to do anything about that'. Next time people want to ring constituents of both Labor Party and Liberal Party members in Victoria, they will have to deal with that problem, not us. We have tried to do what we can.

A whole range of interviews have been conducted on the television, the radio and in the print media trying to tell Victorians how they can deal with this problem. Every time you turn the television on there is a chat show with someone talking about the problem of insistent phone calls that you cannot get rid of. They are

trying to educate Victorians on how they can get themselves out of the situation. We are saying that there is an opportunity here for Victorian parliamentarians to do something about it and for the major parties to change their, 'No, we want the status quo to remain because we are too scared to do anything that might be negative' view. We are looking for a balance. We want to force the whole issue in relation to a do-not-call register, and we are hoping this bill will do that.

**The ACTING PRESIDENT (Hon. Andrew Brideson)** — Order! The member's time has expired! I thank him for his contribution.

**Mr VINEY (Chelsea)** — Mr Drum opened with the comment, 'This is for the people'. It was not for the people in 2003 because when this Parliament was debating the Fair Trading (Further Amendment) Bill at that time The Nationals moved a reasoned amendment which said:

... this house refuses to read this bill a second time until there has been an independent cost-benefit analysis of the bill's impact on employment and investment in regional Victoria and until further consultation on employment and investment loss is undertaken with workers and businesses in this sector of the economy.

A couple of years ago members of The Nationals were concerned about jobs, business and investment in regional Victoria. Now that has gone out the window. Mr Drum now says that this is for the people. We are a little bit closer to 2006 and they are in a bit of trouble — that is what this is really about. We have exposed what this is all about. But the problem is this is not for the people. At the same time that members of The Nationals are arguing that this is for the people, they have done absolutely nothing to get the do-not-call register up through the federal government. Instead of sitting there, as Mr Drum has done, picking up the eau de Cologne and listening to telemarketers interrupting his conversations with Luke, he could have picked it up when it was not ringing and punched the digits to his mates in Canberra and said, 'Listen, The Nationals are part of a government in Canberra, and we are desperately concerned about the impact of the telemarketing sector on people when they are cooking dinner. We would like you to get up the do-not-call register'. But they have not done that. They have proposed a change to the legislation that is going to damage the industry and cause a loss of jobs, particularly in regional Victoria. That is what is proposed by this bill.

The bill will not help the basic problem. Those people who do not wish to be called ought be able to have their phone number put on a do-not-call register, and they

will not get any calls at dinner time, during the day or at weekends. They will not receive any calls because they are on the do-not-call register. Mr Drum admitted in his contribution that that would be far more effective than what The Nationals have proposed in this legislation.

It was interesting to listen to Mr Drum's contribution and to contrast it with what he said a couple of years ago:

I was unaware of the fact that 44 000 people are employed in this industry statewide.

He went on to say:

It does not surprise when we see the numbers who are employed in this industry in the regional centres. In the regional centres of Geelong, Ballarat, Bendigo and the Latrobe Valley there are more than 2700 jobs in this industry.

He was concerned about those jobs two years ago, but now he is not. He went on to say:

Members in the chamber who represent regional provinces will realise that an amazing number of jobs are supplied by this sector. In Bendigo alone more than 700 jobs are tied up in the telemarketing industry.

But now this is for the people. A couple of years ago it was for the people working in the industry, but now it is not. Now The Nationals are crying crocodile tears at the same time as refusing to do anything to get the federal government on board. Earlier in his contribution Mr Drum talked about the techniques of call centres to keep people on the line. He said they could ask different questions to keep a person on the line. A couple of years ago he said:

At the end of the day we need to understand that we are all grown-up people and we do not have to hold the phone in our hand. If we do not like what is on the other end, we can simply put it back on the cradle.

Today, Mr Drum came in here and said he wanted to talk about the techniques of call centres to keep you on the phone. But he did not refer to what he said two years ago when he said that all you had to do was put the phone back on the cradle.

There is a simple opportunity here for The Nationals. Instead of putting up a piece of legislation that will damage an industry, they could get on the phone to the people who have the capacity to make the do-not-call register happen — and that is the federal government and the federal Minister for Communications, Information Technology and the Arts, Helen Coonan. If they do that and we get the do-not-call register, then, as Mr Drum admitted in his contribution, the problem of people receiving calls they do not want is finished.

Mr Drum also raised the issue of people having unlisted numbers, and said that was one technique for not getting phone calls from telemarketers, but the telemarketing sector can get around that because they use a random generation of numbers. It does not matter whether people have a private number or a publicly listed number; that is the means used by the sector to get around the problem. A do-not-call register will solve that problem as well because telemarketers will be required to have a list of numbers that they cannot call. That is the solution.

In his contribution a couple of years ago Mr Drum was particularly concerned about consultation with peak bodies. When we were putting in place a raft of changes that were going to put some control into this industry and give consumers some rights, changes that were welcomed across the board by the sector — by everyone except The Nationals — Mr Drum described our legislation as:

... another example of where the government has had very strong rules, thoughts and ideas, yet it has been unable to take the peak body of the industry along with it.

When he talked about the peak body, he was talking about the Australian Direct Marketing Association (ADMA). It will be interesting to know if Mr Drum has now consulted with that peak body, because whilst he was concerned that there be a proper consultation then, it seems that that concern might have disappeared or dropped off a bit.

I have a copy of a letter sent to the Honourable Peter Hall by ADMA and signed by Rob Edwards, the chief executive. That letter states in part:

ADMA is concerned by the content of the proposed private members bill and does not believe that reduction of calling hours is the solution to reducing unwanted telephone calls.

The proposed bill pre-empts the Victorian government's harmonisation initiative.

The proposed bill fails to provide consumer choice.

He also goes on to say:

The proposed bill fails to take account of Victorian jobs and economy.

In conclusion the letter says:

ADMA would strongly urge that the National Party support the Fair Trading harmonisation initiative that is currently under way between the New South Wales and Victorian governments. Taking this into account, ADMA requests that the private members bill be urgently reconsidered.

Two years ago Mr Drum was criticising this government for not taking, as he said at the time, the

peak body along with it, yet on this occasion they have introduced a private members bill to restrict an industry — one that will cause damage to jobs in an industry — but have taken no notice of the letter they have received from the peak body.

Clearly quite a bit has changed in two years when you come to The Nationals' position on this industry. Two years ago they were critical of the proposed changes that we were putting into this legislation, and yet now they come in and want to make an even more significant change than the government had proposed at that time. Two years ago they were concerned about the impact of jobs, and now they are for the people.

We wonder what has changed in those two years. All that I can put it down to is that we are two years closer to November 2006, and suddenly The Nationals who are in trouble in a whole range of seats across the state in the upper house — and probably quite a few in the lower house — are 'for the people'. Before they were 'for the industry', but now they are 'for the people'.

**Hon. D. K. Drum** interjected.

**Mr VINEY** — I am happy to say that I am relocating myself to the family farm, and unlike you, Mr Drum, and your mates in The Nationals I have actually milked some cows. The only one that you lot can claim is the house cow of Mr Hall!

**The ACTING PRESIDENT (Hon. Andrew Brideson)** — Order! Mr Viney will address all his comments through the Chair.

**Mr VINEY** — The Nationals in here claim to be 'for the people', but they are footballers and, I think, a lawyer. There are not many farmers sitting over there. I think Mr Baxter is, but I do not think he has done too much work on the farm for quite a while. However, suddenly we have The Nationals being 'for the people'.

Another delight about this debate is it reminds me of the farm dams bill debate, because watching the Liberal Party and The Nationals go at one another over legislation is always a delight to members on this side of the house.

Let us go back to what this is about — that is, The Nationals covering their backsides over the fact that two years ago they were not concerned about the impact of telemarketing because they moved a reasoned amendment that proposed that the second-reading be delayed until there was an 'independent cost-benefit analysis of the bill's impact on employment and investment in regional Victoria and until further consultation on employment and investment loss is

undertaken with workers and businesses in this sector of the economy'.

That was pretty tough stuff in their contributions. Mr Drum was on the record, as I have gone through time and time again, saying that they opposed further restrictions of the telemarketing industry. Yet now, suddenly, we have a change of heart from The Nationals. They have not subjected this bill to the same test that they wanted to subject it to two years ago in terms of its impact on employment and investment. They have not subjected it to the test that they set themselves about the need to bring a peak body along with changes to legislation because they have a copy of a letter sent directly to Mr Hall that suggests to The Nationals that the bill is wrong and that it will not achieve their objective.

If they want to achieve the objective of people being able to stop unwanted telephone calls, they should get on the phone to Senator Helen Coonan and their National Party mates in Canberra, or in fact get behind support for the 1300 number — 1300 365 814 — and say they want the federal government to introduce a do-not-contact register. That is the phone number to get on. If they cannot ring their mates in Canberra, they should ring the 1300 number and at least have themselves put down on that. This bill needs to be rejected.

**Debate interrupted.**

## DISTINGUISHED VISITOR

**The ACTING PRESIDENT (Hon. Andrew Brideson)** — Order! I acknowledge the presence in the chamber gallery of the Honourable Robert Lawson, former member for Higinbotham Province.

**Debate resumed.**

**Hon. B. N. ATKINSON (Koonung)** — I congratulate The Nationals on introducing this bill to the Parliament. As has been indicated, the Liberals will oppose this legislation on this occasion because we do not believe it is appropriate, but it is very important for this Parliament to consider a range of issues — that private members bills have a distinct place in the proceedings of this Parliament and that anyone who is prepared to bring a private members bill and to contest some ideas in terms of an issue in this place ought to be encouraged because it is important that legislation and ideas do not come just from the government benches but that all members of this place recognise their opportunity to contribute to public debate and try to change laws within the state.

The major concern I have with this legislation of The Nationals is that it is unilateral — it seeks to establish a regime in Victoria that would not apply in other states, and, to that extent, it would be a regime that would add significantly to compliance costs for business. I do not think it would address the very issues of privacy and amenity for consumers in this state that The Nationals seek to address.

As has been pointed out by other speakers, and quite well by the Honourable Wendy Lovell in particular, this legislation could not have jurisdiction over interstate telemarketers or indeed telemarketers from overseas. There has certainly been a significant trend for a number of organisations to engage telemarketing operations in other countries to call Victorian consumers because of lower unit costs, lower telecommunications costs and lower labour costs.

Under this proposal there is no opportunity to rein in those operators and to require them to comply with this regime. Therefore it would be unduly onerous — and rather ineffective in real terms — if it were to apply in Victoria. That is putting aside the merits of the issue of privacy and amenity for people receiving those calls, which I acknowledge is an important issue.

I share the Honourable Wendy Lovell's view that it is much better to adopt a national approach to telemarketing. It is in the best interests of the industry and consumers. As a number of speakers have already said today, the federal government is working on that sort of proposal. I hope The Nationals, by this motion today, do not claim credit for persuading the federal government to make that announcement, because the federal government's decision is imminent. We all know the government has been working on this for some time. The Minister for Consumer Affairs has been in the media and in this place calling for the finalisation of the federal government's do-not-call protocols. We all know it is about to happen, and it is the preferred way to go, especially as a first step.

It may well be that down the track further legislation will be required in regard to this industry, but if this is the case I do not support unilateral actions by one state. It is necessary to have vigorous consultation with industry. That was lacking in the preparation of the legislation that has come before the house today. I do not think The Nationals have understood just how onerous this legislation would be for Victorian companies. If successful this legislation would result in the export of Victorian jobs — and there is significant employment in this industry — to other states and potentially overseas.

I am always rather bemused by the call centre industry. There must be something strange about me, because I do not understand why you would give your customers to someone else to manage — why you would delegate customer contact to another organisation. It just does not make sense to me, because customers are the most important asset of any business. If I were running a business there is no way I would use a call centre. I would have all my customer contact in-house. I do not get the concept. It is a very poor area to outsource. In fact, if I were running a business, customer contact would be the absolutely last thing I would outsource. I am interested in that in the context of this issue.

We need to be mindful that the telemarketing industry must conform to strict protocols and standards in terms of the way it conducts its business and regulates its members. There is a greater propensity for customer dissatisfaction with this sort of marketing than with almost any other area of marketing, because people cannot see the product they have been asked to buy. The industry needs to be very mindful of that. For the most part we have a very responsible industry in Victoria. While there are examples of unfortunate episodes for Victorian consumers, when you trace them back you find they usually do not involve Victorian companies or employees.

This legislation would not address some of the issues The Nationals are concerned about. It would not provide a privacy or amenity benefit to Victorians, because it would not cover companies that are outside Victoria, and there is no doubt that a considerable number of calls are made from other jurisdictions. Therefore, I do not believe this legislation should proceed and I will join my colleagues in voting against it. In doing so, I welcome the federal government's imminent announcement of a more coordinated national approach to address some of the issues that have been raised in the debate today.

**Hon. W. R. BAXTER** (North Eastern) — At the outset I wish to indicate that The Nationals will be providing 10 minutes of our allocated time to Ms Hadden — —

**Hon. R. G. Mitchell** — Oh no! Is it any wonder we do not like her!

**The ACTING PRESIDENT (Hon. Andrew Brideson)** — Order! Mr Mitchell should return to his place if he wishes to comment.

**Hon. W. R. BAXTER** — We are seeing today another illustration of how powerful The Nationals are in the Parliament of Victoria.

*Honourable members interjecting.*

**Hon. W. R. BAXTER** — And members laugh! Members look at our numbers, see we are small in number and attribute a lack of influence to our small number. How wrong they are! Let us just look at a couple of recent examples. There was the Hahnheuser case, where an idiot interfered in the export of sheep and there were calls by the Victorian Farmers Federation, farmer groups and the opposition for something to be done about it so that it could not happen again. The government took no action at all until The Nationals introduced a private members bill to amend the Crimes Act. Then — lo and behold! — within a fortnight the Attorney-General introduced his own amendment to the Crimes Act to achieve the same purpose.

What are we seeing here today? Despite all the questions we have had directed to the Minister for Consumer Affairs by Mr Hall and as Dorothy Dixers by the minister's puppets on the back bench, and despite all the minister's talk about harmonisation and what she is doing about telemarketing complaints — notwithstanding the fact that the minister had to admit to Mr Hall in answer to his questions that she had no idea whether Consumer Affairs Victoria was receiving complaints or not — what has happened? Because this bill is being debated today a 1300 number has suddenly materialised to indicate that this government is doing something about telemarketing. It wants to be seen to be doing something about it. Why? Because The Nationals have goaded the government into doing it yet again.

**Hon. J. H. Eren** interjected.

**Hon. W. R. BAXTER** — We hear Mr Eren's cynical laugh! I rest my case. The member ought to consider how his government reacts to what The Nationals put before the Parliament.

As Mr Drum said, this debate is about people and what the people want. We are responding to the complaints we get in our electorate offices and to what people say to us as we move around the electorates we represent. It is true, as Mr Viney and Ms Mikakos said, that when this legislation was before the chamber in 2003 The Nationals moved a reasoned amendment. That amendment did not seek to defeat the bill but simply sought some further investigation and information so that we would have some hard data to deal with. We do not resile from that, and if the government had acted on that reasoned amendment we might not be having the debate today because we would have the sort of data the government and we could have relied on.

We do not run away from that at all. We are saying that two years down the track the complaints are overwhelming. These calls are becoming much more intrusive and persistent, and people are beginning to complain about them in large measure. People complain particularly about calls they get during the evening hours when they are attempting to have some family time — having the evening meal or putting the kids to bed. People are sick and tired of being interrupted by — as the *Age* stated in an editorial only a few days ago — a billion such calls a year. The *Age* editorial also says:

The concentration of calls in the early evening adds to the irritation. The failings of industry self-regulation are reflected in a sharp rise in complaints to various authorities.

If my experience is anything to go by, particularly complaints to local members. The editorial continues:

Exasperated householders have resorted to deterrents that range from abusing their unwanted callers to blowing loud whistles. Even where courtesy prevails, albeit through clenched teeth, people are fed up with fielding unwanted calls.

That is what we are responding to, and those are the sort of complaints that I and my colleagues are getting. The *Age* editorial concludes:

... in a crowded world of daily intrusions it is reasonable for Australians to expect that their right to peace and privacy in their own homes be regarded as paramount.

Hear, hear to that!

What we have had today from Ms Mikakos is sympathy. Ms Mikakos said she understood where we were coming from. I am glad about that, but it is a pity she did not support the bill and acknowledge that we were doing something about the issue pending the introduction of a national call register, which we support. I was really surprised that Ms Mikakos took 40 minutes to say basically that she had sympathy for what we were doing and did not produce any really solid reasons why she could not support the bill we have brought to the house today.

Then we have had an extraordinary contribution from Ms Lovell, if I might say so. Never once did Ms Lovell mention consumers at all so far as I can recall.

**Hon. W. A. Lovell** — Yes, I did — consumers should have choice!

**Hon. W. R. BAXTER** — Yes, they should have choice, and one of the choices should be whether they have to put up with phone calls after 5.00 p.m. Ms Lovell read into the record a litany of propaganda

from operators in the industry in a very uncritical and unquestioning fashion. I think the lobby groups must love Ms Lovell as a shadow minister, because it is clear that if they provide her with a document that supports their case, no matter how one sided it is, she is likely to read it into *Hansard*. That is what the lobby groups want: Ms Lovell to swallow these sort of things hook, line and sinker. That is clearly what Ms Lovell did with the information put to her by the lobby groups which contacted her or which she contacted about this legislation. Ms Lovell even read out that a couple of them had said most people are happy to accept the calls. Ms Lovell does not talk to the same sort of people to whom I talk. That is a good line from the lobby groups, but I would give it the Mandy Rice-Davies reply — that is, they would say that, wouldn't they.

Jobs have come into the discussion quite a bit. We heard from Ms Mikakos, Ms Lovell and Mr Viney that this is going to cost jobs. Mr Drum dealt with that issue fairly well when he said that on the face of it, it will cost some jobs. However, people can be innovative and there are other avenues they can use. Clearly it may not be at the expense of many jobs at all. But what I am really going to say to the people who have complained that our move might cost jobs is that they cannot have their cake and eat it too. They have all advocated a national do-not-call register.

We should bear in mind, if the American experience is anything to go by, that millions of consumers are going to register under a do-not-call register, and it will surely cost jobs. You cannot complain that the modest amendment we are proposing is going to cost jobs yet on the other hand advocate a do-not-call register which is going to wreck and undermine the telemarketing industry in any event. I am not saying I do not want a do-not-call register, I do; but you cannot have your cake and eat it too in terms of the argument over employment.

It was also said by Mr Viney that we ought to talk to our federal colleagues about this. I can say to him that we have and will continue to do that. What is more, the Victorian members of The Nationals moved a motion at the federal conference of The Nationals in September which went to this issue. For him to suggest that in what was a very supercilious contribution and not one of his usual strength, I must say he should do his research a bit better, because he would have noted that motion was in fact carried by the federal conference of The Nationals. I am sure it will be acted upon by the coalition government in Canberra before too much longer.

We hear a lot about privacy. In Victoria we have a privacy act and a privacy commissioner. All sorts of silly restrictions are being put on access to documents, provision of information and the like, on the grounds that it might somehow or other breach a person's privacy. Privacy legislation has gone too far, frankly. Some restrictions are absolutely over the top. It seems to me we have a real juxtaposition. On the one hand, we are passing legislation which makes provision and access to information very restricted indeed on the grounds of privacy. On the other hand, we are still allowing telemarketers to intrude upon the privacy of people in their own family home. That is worth contemplating for a moment.

A person's private residence is their refuge, the place where they do not have to put up with the hurly-burly of the everyday world. What are we getting? That privacy is being very seriously breached and increasingly so. That is why we are doing this. We are reacting to people's protests about this increase in the invasion of privacy from telemarketing. We are not advocating banning telemarketing, but we are saying that we should legislate so that the evening hours which people hold dear cannot be interrupted by someone wanting to sell you a product which you may or may not, and most likely will not, have the slightest bit of interest in. It is very galling. I am not home on most evenings, as I am sure most members of Parliament are not. But families tell me they get a myriad calls and it is increasing at a quite rapid rate. We ought to be taking people's privacy into account.

In terms of giving people choice, which has had a bit of a mention here this morning, I am in favour of it. But I am in favour of choice being at the consumer's behest and timing and not being imposed on the consumer by an unwanted telephone call. If people want to market something to me, I am quite happy to receive it in the mail. That means I can read it at my leisure at a time that is convenient for me, and I can think about it and respond if I want to. That is choice for me. Choice for me is not being interrupted at the dinner table by a call from someone who is wanting me to sign up for a product which I have absolutely no interest in.

We have to balance these things. This amending bill does that. It is a very simple bill. It does not change telemarketing in any respect at all except it adjusts the hours in which people can be telephoned at home out of the blue without them asking to be telephoned. We are happy to have a national do-not-call register. We hope it comes in this week, but the way this minister has been talking about harmonisation with New South Wales and the little progress she has made, and listening to the 1300 number she has announced today,

I am not confident that we are going down that track very quickly. As a Parliament we need to react to the community pressure and complaints we are getting and be seen to be listening to consumers, and not dancing to the tune of big marketers.

**Ms CARBINES** (Geelong) — I am really pleased to speak this morning in opposition to the bill which The Nationals have put before us for our consideration. In doing so, of course, all members of this house would have to acknowledge that telemarketing is an issue for most consumers. Most people in this place would have had their own personal experience of being interrupted by telemarketers, and of course there is some need to regulate the industry to ensure that consumers are protected at all times.

I suggest that The Nationals bill before members is premature. It reflects a knee-jerk — dare I say half-baked — reaction and attempt to address in a hurried way an issue which is much more complex than members of The Nationals have made out this morning. Whilst I understand and empathise with some of the sentiments expressed this morning about the frustration one feels if one decides to leave a dining table to answer the phone and finds out it is someone trying to sell you something — that is frustrating — the bill is premature. A joint process is being undertaken on behalf of the Victorian and New South Wales governments in an attempt to address the issue and force a reaction and response at the federal level.

Telemarketing has grown incredibly over the past two decades. I cannot remember it happening in my childhood but since I have had my own phone I have become very much aware of it. When I first moved to Geelong about 13 years ago the telemarketing industry certainly did not target Geelong very much at all but that has grown over the past decade and Geelong, like any other regional centre, is targeted by telemarketers.

It is wrong to portray telemarketers as evil workers attempting to invade people's privacy. I was a little worried by the categorisation by Mr Baxter of the sorts of people who might be telemarketers. Telemarketers are people from every community in this state and across the nation who need a job. At different times people in my own family have worked as telemarketers. Often young students work as telemarketers when they need to get a job to support their studies — many young people are involved in the industry. By and large if the person answering the phone says that they are not interested, that is the end of the conversation. The best way to deal with them is to say, 'Sorry, I'm not interested', 'Sorry, I'm cooking tea', or 'Sorry, I'm having my dinner' — and leave it at that. People do not

need to be rude to them at all. After all, they are just doing their jobs.

As a nation we need to look at how we can regulate the industry. It does have an impact on daily life but it is an important provider of jobs across the nation. It is also an important way for charities to do a lot of their fundraising. The telemarketing calls I get seem to be from charities to which I have donated money or from which I have bought raffle tickets. Suddenly the contact number that I put on a ticket in the hope of winning a prize becomes an incredible source of fundraising opportunities for that charity. It is a complex issue. It is not good enough to just come into this house this morning and say, 'Let's cut back the hours and that will resolve the issue'. It will not resolve the issue. It needs a broad national approach to regulate the industry so that we get the balance right between the privacy of consumers and their right to be uninterrupted and the right of workers to have a job, charities to raise money and businesses to promote themselves.

Since I have become a member of Parliament I have had an experience in Geelong about which I was very concerned. I have been rung by people I have now found out are telemarketers asking me to donate money to pay for disadvantaged children to attend functions in Geelong. They offer packages. For example, if you pay \$100 three children may be able to attend a variety concert. They say that they will pay for the children to go to the concert and for some refreshments for the children and their carers. They offer various packages for people to sponsor a day.

I am sure that like many members of Parliament who have been contacted on behalf of Lions clubs, I have donated significant amounts of money to those days, assuming that all the money would go to providing access for disadvantaged or disabled children to entertainment for the day. I was very, very disappointed to find out that the vast amount of money donated goes to telemarketing companies. Now I choose not to donate to the two Lions clubs in Geelong which choose to raise money in that way. I am sure that the vast majority of people who donate expect that their money will go to the children and not be providing income for telemarketing workers. That concerns me greatly because people are hoodwinked into donating large sums of money. I am disappointed that two Lions clubs in Geelong have chosen to go down the path of employing telemarketing companies to raise money. I know that they did it with the best of intentions but it is never made clear to the donors that a vast amount of money goes to the telemarketing companies and not to the children. This is one of the complex issues that need to be addressed by a national approach. I am sure that if

it is happening in Geelong it must be happening elsewhere as well.

The telemarketing issue is complex and needs very serious consideration by the federal government, which has been tardy on the matter. Mr Baxter has said that he hopes that in the next few weeks there will be an announcement about a national do-not-call register. That needs to occur. Members of the government certainly support the establishment of a do-not-call register. This morning members have heard that the Minister for Consumer Affairs has announced a 1300 number on which people can register their support for a do-not-contact register. I encourage all members of Parliament who are interested in the issue to register on that number. I am sure that Mr Baxter will do that — I encourage him to do so.

**Hon. W. R. Baxter** — I've phoned it already.

**Ms CARBINES** — It is very good to hear that, Mr Baxter; I am very pleased about that.

This is a very big and complex issue. It goes to the heart of people's privacy in their own homes. It goes also to business opportunities for companies to promote themselves, to fundraising opportunities for charities and to jobs. That cannot be denied. Many members would have family members who at least at some time in their lives have worked in the telemarketing industry. The bill before us does not seriously address the issue. It is an attempt to get some publicity on the issue because everyone has an opinion about telemarketing. Everyone has had some experience of it and I do not doubt that they have experienced frustration about it. The bill is not a serious attempt to address the issue. We need a serious national attempt by the federal government in conjunction with the states to address the issue. I call on all members of the house not to support the bill and to get behind the Victorian government's campaign to have a national approach for a do-not-contact register.

**Hon. J. A. VOGELS** (Western) — While I understand the thought behind the bill and I have no doubt that members of The Nationals and all other members of the house — not to mention our constituents — have been targeted by telemarketers, I do not support the legislation. At weekends I have religious people knocking on my door, which sometimes annoys me, but I would not ban it. I might be sitting down having lunch or doing something else on Sunday afternoon and they try to convert me to some other religion. It annoys me but I do not want to see a bill in Parliament that provides that people

cannot come knocking on your door for that reason, either.

The main purpose of the bill is to restrict the hours that Victorian telemarketers can operate to from 9.00 a.m. until 5.00 p.m., knocking off from the provisions of the current legislation Monday to Friday from 5.00 p.m. until 8.00 p.m. If the bill were passed, it would prevent calls being made between 5.00 p.m. and 8.00 p.m. from Victorian call centres but not from call centres in other states or overseas. I will refer to some of the figures on the call centres and the people who work in them.

It can be annoying when the phone rings while you or your family members are preparing meals — not that I prepare meals — or you are relaxing with your feet up after a hard day at the office. You may be watching the news, enjoying some family time, putting the littlies — or the grandkids, for some of us — to bed or helping with homework et cetera. It is a bit annoying when you wander over to answer it and someone tries to flog you something. All you have to say is, 'Thank you for your call, but I am not interested', and then hang up. You do not have to spend hours listening to that person. You just have to say, 'I am not interested at this time because I am doing something'. You do not need to be rude about any of this. It is not too hard to do.

The second-reading speech acknowledges that the work being carried out by the federal government regarding the do-not-call register is the best way to address this problem. It will give people the freedom of choice. I would prefer to see the implementation of the federal government's legislation than support this private members bill.

I also have concerns about the number of call centre operator jobs that will be lost. We have heard that 12 000 people work in call centres in rural and regional Victoria, and I believe that overall some 70 000 people work in call centres across the state. If this bill is passed many of those jobs will go offshore — although I have got nothing against people working in call centres offshore. I am on the Liberal Party's questions committee. At 8.50 a.m. on the days that Parliament sits I get a message on my pager. No doubt the message I am supposed to receive is 'Questions committee meeting at 9 o'clock', but it often says — and this makes me smile — 'Christians meeting at 9 o'clock'. When I first began to go to these meetings I used to think, 'Why are the Christians meeting at 9 o'clock?'. Sometimes a bit of meaning is lost because of language barriers.

As I have said, I am positive that businesses in a country such as India would welcome this business

with open arms. They would welcome the closing down of some of our call centres. You can just see a sacked call centre operator getting a call from an overseas call centre operator just a few weeks after they lost their job. You can imagine this new call centre operator trying to sell what the previous call centre operator was selling to people! This bill will not stop interstate or overseas telemarketers calling you from overseas. I do not have a problem with telemarketers. I just say to them, 'I am not interested — thanks but no thanks'.

We also need to recognise that call centres are businesses. These businesses pay rent, have bills and undertake lease arrangements for their buildings. They have fixed costs and they do business based on their current figures. They say, 'I am paying so much rent because of this lease, and I have so many employees. I hope I will make so many calls, and this is my success rate'. All of this is built into their business infrastructure and they need to make enough money to survive. If we support this bill, we will cut a big chunk out of their productive time — 15 hours a week — which will lead to a loss of jobs and probably bankruptcy for some operators.

Some 40 000 people work in call centres in the city area, and many of them work in the area identified in the Congestion Levy Bill that will be second-read later today. Many of these call centre workers actually work in and no doubt park their cars in the city. On top of everything else they will now have to pay a congestion tax for the privilege of working in a call centre. All of this has implications for such businesses, especially those located in Melbourne.

**Mr Smith** interjected.

**Hon. J. A. VOGELS** — We will see how often Mr Smith uses the train to come into Parliament. I bet he does not. He will park his car here at Parliament.

**Mr Smith** — I often get on a train. You have not got one down your way — you shut them all down.

**Hon. J. A. VOGELS** — We do have a train thanks to South West Rail, which kept the train going for many years. As I said, these are all areas of concern.

This bill will have a negative impact on jobs, particularly in country Victoria. Not that many years ago we had a call centre in Warrnambool. There was a huge kerfuffle and uproar when it had to close down. I think there were 30 people working there; it was the source of their income and it was a very important business for Warrnambool. The call centre moved off to the city. It caused a lot of trauma in Warrnambool.

About 30 per cent of Australia's estimated 3835 call centres are based in Victoria — we are looking at about 1000. These call centres are largely based in regional centres and areas of high unemployment. According to the Australian Direct Marketing Association, Victorian call centres employ between 65 000 to 70 000 individuals. It is estimated that 12 000 are employed in regional Victoria — according to the Australian Teleservices Association. Regional centres are based in Bendigo, Ballarat, Geelong and Latrobe. As I said, there was one in Warrnambool that closed down two or three years ago.

The restriction of hours will make it more difficult for Victorian-based call centres to compete on a national basis, making Victoria less attractive in terms of call centre investment. It will increase business compliance as nationally based companies are required to comply with different laws and different requirements in each state. It will reduce consumer choice and competition. The increased compliance and administration costs created by the government amendments to telemarketing in June 2003 have resulted in a number of companies not supplying to Victoria, reducing consumer choice and competition. This bill has the potential to increase this problem.

The Liberal Party does not support this legislation. We are looking forward to the federal government bringing in controls because then it will be a national approach across Australia. I do not think Victoria should be individualised in this sort of area. We all know that just because you live across the border does not mean you cannot make a phone call to Victoria. I do not think it is going to work. The Liberal Party opposes the legislation.

**Hon. B. W. BISHOP** (North Western) — I am pleased to rise today to support the Fair Trading (Telephone Marketing) Bill, which is a private members bill moved by The Nationals. Before I do so may I commend Ms Carbine for her comments, which I thought were very much to the point and quite compassionate. She was disturbed about the fact that organisations — some of them telemarketing people and some others — could put up a proposal for people to give generously to children or people really in need, and then find that a fair percentage of that money has drifted off into the administration of the process of raising those funds. No doubt all members in this house have been affected in some way by this. I know I have. It creates a certain unfortunate cynicism in our minds when people come to us asking for help. I believe anything anyone could do to alleviate that situation would be a major step forward.

This is a good initiative. The Nationals are not reluctant to bring forward initiatives. I refer to a bill about ground water that will shortly enter this house. No-one else thought to move such a reasoned amendment as we did. There have been substantial changes made to the bill in the other house and I know the minister is giving close consideration to the major point we brought up in our reasoned amendment. That was a win for The Nationals.

Mr Baxter also brought up the issue of the gentleman who corrupted the stockfeed and caused severe damage to our livestock industry in Australia. In fact The Nationals recognised that and showed strong initiative by bringing forward a private members bill that — surprise, surprise! — was picked up by the government, albeit reluctantly and albeit a bit late. But still it was picked up by the government. The Nationals can hold their heads high in relation to initiatives relating to the workings of the government and the Parliament in this state.

I commend my colleague and party leader in this house, the Honourable Peter Hall, for bringing this bill to the Parliament as a private members bill. It is always a bit of a challenge. I have introduced a private members bill into this house and I know it is a tough go, because you have to stand on your own and argue your case. It was about a marketing issue as well. It in fact got through this house in those days but foundered in the other house due to a lack of members understanding the benefits it would have created.

Mr Hall has, like the rest of us in The Nationals, listened to what the community is saying. As the Honourable Damian Drum said, you might get a few calls a week about this or you might get a letter or two. If you go to the football someone might mention it to you. For every one of those there are obviously 10 others who think it is not worth ringing anyone or contacting them about it. The Nationals have clearly responded to this issue from a community perspective.

Most parliamentarians are not home all that much at dinner time. But there is nothing more annoying than to sit down, to start to have a meal with family or friends, when the phone rings. You hop up and answer it only to find it is a marketing firm doing its very best to sell you whatever they want. Some people say it is not really hard to get rid of them, but by Jove, I have had some good ones which have attempted to sell me all sorts of things. They attempt to sell me wine — —

**Hon. Kaye Darveniza** — You just say no, Barry! It is not hard.

**Hon. B. W. BISHOP** — I cannot see who is interjecting. I live in a very strong wine-producing area and I get telemarketers trying to sell the wine. I do not want to buy wine off them; I want to buy locally, so I tell them that in explicit terms.

I had a look at the act. Section 67B on page 125 is headed ‘Duty to cease telephone marketing’ and states in part:

- (a) cease those negotiations immediately on the request of the person with whom the negotiations are being conducted

Some might but, by Jove, some might not as well. Some are most reluctant to stop their sales pitch. I guess the process is how do we handle this? Everyone seems to have a concerted view — that is, to have a national do-not-call process in place. We in The Nationals totally agree with that, but we did not want to sit on our hands as the government here has done and not put the pressure on this community requirement as we thought the government would have done.

I was interested in the comments of Ms Mikakos, who took the normal run of the Bracks Labor government. The first thing she did was take a look around and blame the commonwealth, and that is pretty normal. I am surprised that when the Minister for Consumer Affairs was asked the question, she was not aware that there had been any complaints. I do not know where she has been or where those in her department have been, but it might be that people are not bothering to complain because they do not think it is worth it. Perhaps that is why they came to The Nationals and said, ‘We have a problem with this’. I think that is one of the reasons that happened.

Ms Mikakos’s effort on that was very weak. Her only response was to announce that the pressure The Nationals had put on had resulted in this local number that you can use to ring up the commonwealth and belt up the people there so they will come to heel.

The Honourable Wendy Lovell had a go and talked about the consulting she has done with the Australian Direct Marketing Association, which is fair enough; it is a good organisation and I would expect it to defend its position. If I were in ADMA’s position, I would have a go, too. The people at ADMA said to Ms Lovell, ‘We will lose jobs’. We know that and accept there would be some pressure on jobs; but I make the point that everyone has had a go here today and said they support the national approach to a do-not-call process. You cannot have it both ways because if you support the national approach, you will support job losses in the industry much more than if you support this very minor

amendment we are putting up today, which will help our families when they sit down to dinner at night, when they are trying to put the kids to bed and those sorts of things.

I am sure the amendment we are proposing today would have a minimal effect on the national approach, which everyone in this house has supported, so the government should not try and run the argument with us on job losses because it cannot have its cake and eat it too. The government cannot have it both ways.

The point about charities is a good one; there is no argument with that; but there are still plenty of opportunities for charities to operate at other times of the day. Charities are innovative, and I am certain they will rise to that challenge as well.

The other disturbing fact I recognised in Ms Lovell's contribution was that she spoke only on behalf of the organisations. Unless I have missed something, and I may well have done, I could not hear a response from the community, from the people who have come to us and said: 'We are just about sick of this. It is getting worse; there are more of them, and we want you to do something about it'.

Mr Viney's contribution was quite interesting. He attacked my colleague, the Honourable Damian Drum, for moving a reasoned amendment to look at the cost-benefit analysis of telemarketing in 2003. I am proud of that amendment; it was good, it would show us where all the numbers are. Why would you not want to do that? Is that not a practical way to go about getting the right balance between an industry that we have heard a lot about today and the community to which we have listened very closely? Again I come back to the issue of jobs. You cannot have it both ways. You cannot support a national do-not-call register and expect that all those jobs will be protected, otherwise it is a set of double standards.

I thought the Honourable Bruce Atkinson made a very mature contribution. He said, 'Good on The Nationals for using the Parliament to bring forward initiatives'. As I mentioned earlier today, we punch above our weight but we get those initiatives into the Parliament. More often than not they are responded to, albeit a bit later. We are not frightened about bringing issues such as this into the Parliament on behalf of the community, because we believe that is what this Parliament is about. It should be a people's Parliament, and in fact that is the way the Parliament should be utilised, more so than we have seen to this point.

Again, The Nationals have taken the initiative, but again we say, 'Yes, the best way to do it would be to have that national do-not-call register'. Of course many of us stood up in this Parliament and argued that we saw cross-border anomalies. We do not back away from that. The fact is that we are responding to what the community has said and that is the reason why this bill and this amendment is in the house today.

I understand that the Australian Direct Marketing Association (ADMA) will attempt to put in place its own do-not-call register, but of course it is very limited because others who are not members of that organisation will not have the opportunity to join. It was interesting to hear today — though I cannot remember who brought it up — that when a national do-not-call register was put in place in the United States of America, almost immediately 80 per cent of telephone subscribers signed up. There are a couple of factors there which are important. In the USA, whose trends we often follow, telemarketing is very strong and much heavier than here. Anyone who has visited the USA and had that experience will know it comes on more strongly than here. The second point is that a number of the telcos in the fiercely competitive USA industry signed up their entire consumer base to stop the other telcos from pinching their customers.

It is interesting to see the difference between countries. The United Kingdom does not have that aggressive telemarketing process that we see in the USA or here. Its privacy views are much stronger than here. Mr Baxter talked about privacy, and I agree with him that it has certainly gone too far. In fact, school councils cannot send out letters now to let parents know what is on. A bit of revision of our privacy laws would certainly do no harm.

There has been a fair bit of talk about the harmonisation thrust which the minister keeps promoting but we never see any results from it. In fact we are disturbed that this could go on for a couple of years. That is why our bill is in the house today. It is also interesting to note that the government did have a look at it. The paper titled *The Fair Trading Laws Relating to Telemarketing in New South Wales and Victoria — Options for Harmonisation* is not a bad read, but I do not have time to read it today. One of the lines is a beaut:

... although consumers may prefer the more restricted hours.

It pops out all over again.

I urge the house to support this private members bill brought forward by The Nationals. It is a bill that strives to achieve balance between the industry and our consumers, therefore our communities. It is a very

straightforward attempt to represent the community wishes that we hear as we move around our communities. I would urge all members to support the bill as a practical way of managing the telemarketing business in Australia.

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

**Hon. BILL FORWOOD** (Templestowe) — I too support The Nationals in bringing this issue before the house. This is an issue of community concern and it is appropriate that this forum debate matters such as this. I speak today from the perspective of the shadow minister for resources and energy. I have been contacted by the Energy Retailers Association of Australia (ERAA), which put its views to me about what this bill would do to its business if it came into effect. That then follows through to its customers, because we know that the benefit of competition in this state has driven down electricity prices.

In correspondence to me the ERAA said that telemarketing is an important customer acquisition channel for energy retailers, representing 27 per cent of all industry-wide sales. A significant amount of the churn — and 1 million people have churned in this state — has come through telemarketing. The ERAA goes on to say:

Sales per customer after 5.00 p.m. are almost double the rate than before 5.00 p.m.

That is not surprising if you think of the change in lifestyle now with so many people working. With both husbands and wives working, less time is spent in the home during the daylight hours until 5 o'clock, so it is not surprising that telemarketers get a higher rate of acceptance of their calls after 5 o'clock. The ERAA letter goes on, particularly in relation to rural areas, to say that the higher costs of door-to-door sales cannot be justified in the country, and:

If telemarketing were not available, rural customers would be less likely to access competitive energy offers.

In other words, if this bill went through, the very constituents who I know The Nationals are keen to assist would be the ones penalised by it because they would be less likely to get the sort of offers that would lower their electricity costs.

Later in his letter he goes on to say:

Overall, the amendment would lessen the level of competition in the Victorian energy market, and therefore reduce the number of customers accessing the benefits of retail competition (including price discounts, rebates, and other value-add benefits).

I have actually used the telemarketing process and I did so because the offer I got — and it was after 5 o'clock on one of the few days I am actually home after 5 o'clock — —

**An honourable member** — What were you doing home, Bill?

**Hon. BILL FORWOOD** — I think I was getting ready to go out — but I was there at the time. What attracted me to this particular offer was an automatic discount of 5 per cent if I paid by direct debit, together with a sign-on fee of \$50 which was non-refundable if I left — that is, I did not have to pay it back if I left them. I got that offer through the telemarketing call.

On other occasions I have received calls when I have said, 'No, thank you very much' and hung up, and I understand that they can in some circumstances disrupt family activities, but overall, on balance people have a choice. If they do not like it, they can hang up. It would be very disappointing if the benefits that have come to Victoria through electricity competition were not spread widely because people did not have the opportunity to get the offers at the time most convenient to them. Because there has been a change in lifestyles we now lead, obviously that time is between 5 o'clock and 8 o'clock at night.

On behalf of the Energy Retailers Association of Australia I wanted to share those views with the Parliament.

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

**Hon. KAYE DARVENIZA** (Melbourne West) — I am pleased to make a contribution to this debate and to speak against the private members bill brought into the house by The Nationals.

It is also a rare occasion when I am able to say I support the contributions that the Honourable Bill Forwood and other members of the Liberal Party have made to the debate, because under normal circumstances we are opposing each other. However, on this rare occasion we are at one in opposing this private members bill.

I can understand the annoyance factor that people experience when telemarketers call them in the evening. Mr Bishop went on about how difficult it is to get rid of telemarketers. I have not had that problem. It is very simple: you say, 'No, thank you. I am not interested', and you hang up. You do not have to be rude; you do not have to get hot under the collar; you do not have to argue the toss with the telemarketer; you

simply have to say, 'No, thank you. I am not interested', and hang up. It is not difficult.

I also appreciate that there are benefits brought to consumers through telemarketing, and Mr Forwood gave an excellent example of that in his contribution to the debate. I also know that many charitable organisations raise funds for very worthwhile organisations through telemarketing. Most of us will have been contacted at some time by the lost dogs home, by paraplegic and quadriplegic sporting associations or by associations that represent disability organisations, whether they represent people who have a sight or hearing impairment or some other disability. It is an important way for some of these charitable organisations to raise money, and I know that many of us in the chamber have made contributions and donations through telemarketers, even if we have not done as Mr Forwood did and taken up some of the commercial offers that are available through this medium.

I do appreciate that telemarketing calls can be annoying and that they are made in the evening when people are often busy with dinner or other family activities, but they can be easily circumvented by either having an answering machine on so that you are able to screen your calls or, as I said earlier, by simply saying, 'No, thank you', and hanging up.

I want to refer to a few issues. This private members bill is a pretty desperate attempt by The Nationals to bring some attention to themselves and get a bit of publicity. Members in this chamber know that a lot of work has already been done by various states, including Victoria, and at a national level. We know there are opportunities for us to work together with the New South Wales government, and we are doing that. We are currently looking at bringing the laws in New South Wales into line with Victoria. This offers all interested parties, such as The Nationals and the Liberal Party, an opportunity to make submissions on a number of matters, including the hours of calling.

We know that is happening now, but The Nationals come in here and say, 'No, we have to bring in this private members bill'. I am damn sure that if there are any outcomes from that process or the campaign that is happening with New South Wales for a do-not-contact register, The Nationals will come in here and say, 'It is all down to us. We are the ones who should be getting the credit because we are the ones who raised this matter'. That is simply not the case.

The industry certainly supports the do-not-contact register because it knows that it is pretty pointless

calling people and persisting with calls if people are not interested. Why would an operator waste its time and money on a call centre if people are not going to take up the offers? The reason businesses and charities utilise call centres is because people take up the offers. Of course not everyone takes up the offers, but people do take them up. We have made changes to the legislation to protect consumers. If I have time I will go into that, but probably I will not have time.

Mr Bishop said that you cannot have your cake and eat it too. We are opposing this bill because it is poorly thought through. By The Nationals' own admission, it will be less effective than a national do-not-call register, which is something we, along with other state governments, have been working towards for a considerable time. We were working towards it long before The Nationals even gave this issue a second thought. The Nationals will come back when this is sorted out and say that the credit belongs with them, but it does not. This is a bad bill, and it does not deserve the support of members of this chamber. I am pleased that the Liberal Party is not supporting it. The bill is not worthy of support, and I oppose it.

**Ms HADDEN** (Ballarat) — I want to record my gratitude to The Nationals for generously giving me 10 minutes of their valuable time so that I can make a contribution and give my support to the Fair Trading (Telephone Marketing) Bill, which is a private members bill.

I support the bill for a number of reasons. It proposes a simple change of restricting telemarketing phone calls so that telemarketers cannot contact us between 5.00 p.m. and 8.00 p.m. on weeknights. I do not have an issue with that at all. It is not a ban on the telemarketing industry. It is not a knee-jerk reaction. This private members bill is a commonsense proposal to fix a problem. Everyone in this chamber who has spoken this morning acknowledges that it is a problem. Unsolicited, nuisance telemarketing calls are a big problem when we are at home in the evening. It is a commonsense initiative on behalf of The Nationals for the benefit of the community at large. It would protect our family time, our home time and our private time between 5.00 p.m. and 8.00 p.m., which is a pretty valuable time frame in our busy working lives.

This proposal is about striking a balance between the protection of consumers' needs and the protection of the telemarketing industry. The industry has expanded hugely over the last few years — there was a 6 per cent increase in calls between 2003 and 2004 and there were over 1.065 billion calls in Australia last year. I refer to a *Sunday Age* article dated 16 October. The article states

that the information research company, Commercial Economic Advisory Service of Australia, has estimated that :

... telemarketing companies were responsible for 1.065 billion calls in Australia last year, an average of 53 calls per person or 2.7 per house a week.

The figure does not include calls from overseas call centres —

which —

... could add another 200 million calls.

The article also refers to Teresa Corbin from lobby group, Consumers Telecommunications Network, which said there is great community anger over unwanted calls — and the anger was palpable. The article quotes her as having said:

It's up there as the no. 1 problem as far as consumers go at the moment ...

And:

They are getting absolutely fed up with it.

The Victorian federal Labor member of Parliament, Anna Burke, claims to have campaigned nationally for a do-not-call register. She says the issue is driving her and her constituents nuts. She is planning to introduce a private members bill in the federal Parliament calling for a do-not-call register. The Australian Direct Marketing Association (ADMA), which is the principal body for information-based marketing in relation to telemarketers, runs a do-not-call register. Consumers can ask to be taken off the call lists of member companies. The number of consumers who have taken up that offer has doubled in the past 12 months to over 320 000, which says that the community has had enough and wants some action. Many firms doing telemarketing are not ADMA members and therefore cannot be sanctioned under its codes of practice.

For at least the last two years the federal government has been saying that it is going to do something about a do-not-call register, but it has done nothing — and neither has the state government. All the Victorian government has managed to do is issue joint press releases with the New South Wales colonial masters calling on the federal government to do something. Why does Victoria not use some ingenuity and initiative and support this bill to protect families and that very valuable time between 5.00 p.m. and 8.00 p.m. on weeknights? That is all this bill asks to be done. In a press release dated 18 October the Minister for Consumer Affairs said:

This is a consumer issue ...

And:

The community wants to see real proposals ...

It certainly does. It wants to be left alone between 5.00 p.m. and 8.00 p.m. on week nights.

The other issue is that the Bracks government is forever spruiking in the Parliament, through its spin doctors and in press releases that Victoria is a great place to live, work and raise a family. Let us see some action. Government members should use action instead of words and pass this bill. Give families — —

**Hon. P. R. Hall** — It is a family-friendly bill.

**Ms HADDEN** — Mr Hall said it is a family-friendly bill! Let people have that valuable time with their families. Elderly people do not like to be intruded upon at that time of the evening. The privacy of the individual is protected under state legislation, but it appears that legislation does not protect the privacy of the individual in their castle, which is their home, between 5.00 p.m. and 8.00 p.m. on weeknights. We should not be subjected to intrusive unsolicited telemarketing calls between 5.00 p.m. and 8.00 p.m. on weeknights. It is obnoxious. I have not received any expressions of opposition to this bill from people in my electorate. I have heard nothing but support for it from many businesses that have said they have had enough of telemarketing, especially the overseas telemarketing calls.

Ms Lovell mentioned the approximately 12 000 jobs in call centres across country Victoria that will be impacted upon if this bill is passed. Where is her empirical evidence? Where is her research? I say she has not got any, because the facts are that these jobs at call centres can operate decently during the working hours of 9.00 a.m. and 5.00 p.m. seven days a week, so there will be no loss of jobs. We now have a casualised work force — we have part-time and casual workers — and often you will find someone at home between the hours of 9.00 a.m. and 5.00 p.m. When we come home from work we need to cook a meal, have a shower, talk to our partners and bathe our children. That is our quality time.

Jon Faine from Melbourne ABC radio made a very good suggestion on his program on 20 September when he was interviewing the Leader of The Nationals in the other place, Mr Ryan. He asked why telemarketing was not restricted so that calls are allowed only between 9.00 a.m. and 9.05 a.m. He was not joking; he was very serious. Mr Ryan said it was a question of balance — and it is a question of balance. Our telemarketing laws were last changed by this government in 2003, but that

has not stopped the unsolicited and harassing calls from telemarketers. The changes made by this government have not improved things at all, because we have seen a huge increase in telemarketing calls.

It is a big industry and it is not regulated sufficiently to protect our very valuable family time between 5.00 p.m. and 8.00 p.m. of a weekday evening. That is the prime time. It is not just a matter of saying, 'No, thank you', and hanging up. You have to get to the phone, so you have to leave what you are doing with your partner or children, or in the kitchen, to walk to the phone, pick it up and answer it. It is an imposition that we should not have to put up with during those valuable 3 hours of a weekday evening. I find it offensive that we are being subjected to telemarketing calls in that very valuable time of our working day. I have not heard anyone complain to me that they welcome telemarketing calls between 5.00 p.m. and 8.00 p.m. because the fact is, they simply do not.

The state government has been sitting on its hands for the last two years on this issue and has been blaming the federal government for not bringing in a do-not-call register. I took up Ms Mikakos's suggestion. At about 11.00 a.m. this morning I made a call to that 1300 number. It is actually a joint message put out by the Victorian and New South Wales governments. I had to give my name, address and phone number to support a do-not-call register. If everyone does that and everyone puts their name on a do-not-call register nationally, the telemarketing industry will go belly up; it simply will not survive — and I am quite sure that that is what will happen.

It is a balance in the community. This bill is saying we do not want telemarketing to go down the drain seven days a week. We just want to stop them between 5.00 p.m. and 8.00 p.m. of a weekday evening, which is valuable family time, so that Victoria can truly be a great place to live, work and raise a family.

**Hon. P. R. HALL** (Gippsland) — In reply, I start by thanking all members who have made a contribution to the debate this morning. I have truly appreciated hearing their views on this issue. I tend to think it is a very important issue, and that is why it has been the subject of a private members bill. Thank you to all of those who have expressed a view this morning.

I am disappointed to learn, though, that this bill will not be supported by the Labor or the Liberal parties, and I will comment on that as I make a few remarks in reply, but I appreciate the support of the Independent, Ms Dianne Hadden, in respect to this bill.

One thing that I was more disappointed in, though, was the fact that the Minister for Consumer Affairs, the minister responsible for the Fair Trading Act which this bill seeks to amend, was not prepared to come in and make a response to this private members bill. It was more disappointing that it was not because she was busy, because during the contribution of the lead speaker from the government the minister flitted in and out of here a couple of times and spoke to her adviser in the advisers box, who I presume is an adviser from Consumer Affairs Victoria. The fact that the minister was available but chose not to respond on a piece of legislation that would amend a statute she is directly responsible for was very disappointing indeed.

Let me then talk about some of the issues raised. First of all, the Honourable Jenny Mikakos led the debate for the Labor Party. She said two things I agree with entirely. She admitted that first of all there was a problem with telemarketing. I honestly believe that people who have contributed to this debate today would recognise to one degree or another that there is an issue associated with telemarketing that needs to be addressed. The fact that every speaker has advocated the establishment of a federal do-not-call register in itself admits that we all have a view that something needs to be done about telemarketing in Victoria and in Australia. At least you can say that this is an attempt to do something about it.

The other thing that I agreed with Ms Mikakos on was that legislation needs to balance the needs of consumers; I agree entirely with that, too. We have the Fair Trading Act, which was amended in 2003 when a section entitled 'Telemarketing agreements' was put into it. I claim that much has changed in the period of two years insofar as telemarketing is concerned. There has been a literal explosion in terms of the number of telemarketing calls taking place now compared to what there were two years ago.

The Honourable Dianne Hadden mentioned that well over 1 billion calls associated with telephone marketing are made in Australia by Australian-based companies alone. She also said that if you take into account calls originating overseas, you could add at least another 200 million. That is a significant number of telemarketing calls. Legislation to control this to a limited degree was put in place two years ago. It is quite right that the Parliament has had a look at the impact of telemarketing in the last two years and, if necessary, made amendments to legislation to address the negative effects of that impact.

This is what this bill attempts to do. We have identified that a particular problem exists for consumers between

the hours of 5.00 p. m and 8.00 p.m., and although we agree that this is not the perfect solution, as I said quite clearly in my second-reading speech, it is at least an interim solution to balance the needs of consumers, as Jenny Mikakos said this legislation needs to do.

Ms Mikakos said one of the reasons why the government would not support this bill was because it ignored the harmonisation process that is taking place between Victoria and New South Wales now. It is true that there is a process by which attempts are being made to have commonality between Victorian and New South Wales law applying to harmonisation. That is going on at the moment.

**Hon. A. P. Olexander** interjected.

**Hon. P. R. HALL** — Yes, it should have happened before legislation was introduced. I agree with Mr Olexander there. I certainly have had an input into that harmonisation process and have made a submission to the inquiry. I am not ignorant of that process, and I made comments as part of it.

It is The Nationals' strong belief that there are three main issues associated with telemarketing. One is the calling hours. The second is the absence of a do-not-call register. The third is the telemarketing calls that originate from countries other than Australia.

The harmonisation process does not make any mention whatsoever of a do-not-call register, nor does it make any comment or reference to addressing telemarketing calls originating from countries other than Australia. I can understand why it does not do the latter because the terms of reference of this harmonisation process probably do not allow it to consider that, but it does comment on the calling hours, and I have expressed the view on behalf of The Nationals in respect to those calling hours, and some of my colleagues have made reference to that in the process.

We believe that the harmonisation process between New South Wales and Victoria would only have a very limited impact, if any at all, on the main issues that we believe affect consumers directly.

Ms Mikakos also made mention of the do-not-call register established in America. I want to make a quick comment and give the house the benefit of some knowledge on that. The do-not-call register in America was established, and within a period of about two weeks 80 per cent of telephone subscribers had signed on to the -not-call register. That was not because every single telephone subscriber rang up themselves. The telecommunication companies in the United States actually put all of their customers on that do-not-call

register so that they could not be poached by the other telecommunication companies. That gives an interesting perspective on how it has evolved in the USA. In the UK the situation is totally different. I am advised that only 2 per cent of telephone subscribers there have signed up to the do-not-call register. That is a bit of background on that issue.

One thing that every speaker in this debate has agreed upon — including me in my comments and in the second-reading speech — is the need to address this at a national level and establish a do-not-call register. The Nationals are lobbying for a do-not-call register simply by seeking to amend the Fair Trading Act today. As the Honourable Bill Baxter has pointed out, our lobbying has had a bit of success. If the federal minister says tomorrow that she will establish a do-not-call register, I will take some but not all of the credit for lobbying to achieve that, because we have been lobbying on this for well over 12 months.

As I think the Honourable Bill Baxter said, The Nationals have put resolutions about the need to establish a do-not-call register to our national conference, and I have been in active dialogue with the Australian Direct Marketing Association for over 12 months on this very issue. If I have time I will outline that today. We have had some impact. It was not until I introduced this private members bill that the Victorian Minister for Consumer Affairs issued a statement calling for the establishment of a do-not-call register. She was totally silent on this issue until the bill was introduced.

We have also generated some discussion on prime-time media around the country. Ms Hadden spoke of an 8.30 a.m. time slot with Jon Faine in which this subject was discussed, and, to her credit, Anna Burke, the federal Labor member for Chisholm, also generated media discussion. If we can generate media discussion we will advance the case for things like a national do-not-call register. We have had further evidence of this today. The minister, via Ms Mikakos, informed the house that the Victorian government in conjunction with the New South Wales government has established a 1300 number for people to register their support for the establishment of a do-not-call register. Do you think she would have done that today if we had not been having this debate? Not at all. If a national do-not-call register is established by the federal government, the only credit I will claim is for being part of the lobbying process — and part of that process is the debate we are having today.

I turn to a couple of the comments by the Honourable Wendy Lovell during her contribution to the debate.

She spoke about her consultation with the industry, people involved in telemarketing and people involved in raising funds for charities. It was right of her to expand on the valid arguments put to her by those organisations. What was lacking from her contribution in terms of balance was any reference to consultation with consumer groups, pensioners associations — I have had dialogue with those organisations before — family associations and even organisations like the Country Women's Association. There was no mention of dialogue with those consumer organisations.

The Nationals believe consumer organisations would argue that this is one of the primary issues consumers are absolutely fed up about. I cite an article in the *Sunday Age* of 16 October 2005. It states:

Teresa Corbin from lobby group Consumers' Telecommunications Network said community anger over unwanted calls was palpable.

'It is up there as the no. 1 problem as far as consumers go at the moment', she said.

'They are getting absolutely fed up with it.'

Ms Corbin said people complained they were rung during the busiest part of their evening, between 6.00 p.m. and 8.00 p.m.

It is a matter of balance. I appreciate the views of people involved in the telecommunications or fundraising industries, but they have to be balanced with the views of consumers. This is what we seek to do — get a balance. We are not out to ban telemarketing — there are other options — but we say that calls between the hours of 5.00 p.m. and 8.00 p.m. are particularly intrusive.

I will make a quick comment on fundraising. Some of the evidence produced in this debate today suggests that this bill would have a negative impact on fundraising. I refer the house to an article in the *Age* of Saturday, 10 October. It discusses a national project established by the federal government called the Giving Australia project. The project involved surveying 6200 people, 2700 businesses and 481 non-profit organisations on fundraising. The survey showed that 47.4 per cent of people give every time or most of the time they are approached via doorknocking. When they are directly approached in the street or in a public place — for example, when raffle tickets are sold on the street — 20.2 per cent of people make a donation. When people are approached via telephone marketing, 9.6 per cent of people give every time or most of the time. I am not saying that charities do not raise a significant amount through telephone marketing, but it is only part of the funds they raise and probably — the study does not give details of the total funds raised — something in the

order of 10 per cent of funds are raised that way. The bill would have an impact — it may stipulate a time at which charities that are fundraising must call people — but it is not an insurmountable problem.

The bill might have an impact on jobs but as my colleague the Honourable Damian Drum said, it may cause telemarketers to be more innovative in the way they operate. He suggested they call during business hours. I point out that in Australia there are 18 million mobile phones — and how often do we get telemarketing calls on our mobile phones? I get an occasional one but not a lot. Telemarketing companies could direct their calls to mobile phones rather than fixed lines into households between 5.00 p.m. and 8.00 p.m. at night.

**Hon. B. N. Atkinson** — That would make it worse!

**Hon. P. R. HALL** — The Honourable Bruce Atkinson said that would make things worse. It might for some people, but we have the option of turning our mobile phones off, and that is easy to do.

I will quickly make two other comments. In his contribution the Honourable Bruce Atkinson spoke about the limitations of this bill in that it does not address overseas calls — calls originating from overseas. That is true, but neither does the legislation at the moment. I am not sure whether Victoria has the legal power to actually control any of those calls. I make this point: if the product being marketed is from a company with a registered office in Victoria, then the Victorian law can be applied to it. That was the response I received from the minister in a question I asked recently.

The Honourable Kaye Darveniza's point was that it was not a problem. One could simply hang up, put the phone down and say, 'No thank you'. That is a separate issue to the issue about intrusion. Intrusion means that you have to stop washing the dishes or stop reading a story to your child before going to bed and race out and answer a phone call only to find it is somebody trying to sell you a product. The whole issue is about intrusion, and this really impacts on older people as well. The Minister for Aged Care is in the house, and he would be well aware that old people feel very anxious when they receive calls after dark.

This is not the best solution. We admit that, but we might be waiting a long time before we get a national do-not-call register. We have got no guarantees that it will be introduced next week or next month. We can do something; The Nationals are prepared to do

something. I call on Labor and Liberal members to do something as well by supporting us on this bill.

**House divided on motion:**

*Ayes, 5*

Baxter, Mr ( <i>Teller</i> )	Hadden, Ms
Bishop, Mr ( <i>Teller</i> )	Hall, Mr
Drum, Mr	

*Noes, 37*

Argondizzo, Ms	McQuilten, Mr
Atkinson, Mr	Madden, Mr
Bowden, Mr	Mikakos, Ms
Brideson, Mr ( <i>Teller</i> )	Mitchell, Mr
Broad, Ms	Nguyen, Mr
Buckingham, Mrs	Olexander, Mr
Carbines, Ms	Pullen, Mr
Coote, Mrs	Rich-Phillips, Mr
Dalla-Riva, Mr	Romanes, Ms
Darveniza, Ms	Scheffer, Mr
Davis, Mr D. McL.	Smith, Mr
Davis, Mr P. R.	Somyurek, Mr
Eren, Mr	Stoney, Mr
Forwood, Mr	Strong, Mr
Hilton, Mr ( <i>Teller</i> )	Theophanous, Mr
Jennings, Mr	Thomson, Ms
Koch, Mr	Viney, Mr
Lenders, Mr	Vogels, Mr
Lovell, Ms	

**Motion negatived.**

**Sitting suspended 1.02 p.m. until 2 12 p.m.**

**Hon. Bill Forwood** — On a point of order, President, yesterday during the debate on the urgency motion the Leader of the Government described to the house his understanding of the Decimal Currency Bill. In the course of that he made some comments about how he thought that bill operated. Some additional research has been done on that particular matter. The Decimal Currency Bill, no. 7315, was passed by the Assembly and was received by the Council on 26 October 1965. It passed the Council on 9 November 1965 and was assented to on 30 November 1965. It defined an appointed date for commencement as 14 February 1966. In those circumstances, I invite the minister to correct the record.

**The PRESIDENT** — Order! With respect to the point of order, there is nothing I can do as President to direct the minister to say or do anything regarding the comments raised by the honourable member. However, apart from a period of about 1½ minutes, I was in the Chair for the whole of the debate and recall the minister saying he would stand corrected if his comments were not accurate. The minister made that statement on the record. There is no point of order on that matter.

**QUESTIONS WITHOUT NOTICE**

**Taxation: government fees, fines and charges**

**Hon. PHILIP DAVIS** (Gippsland) — I direct my question to the Minister for Finance, and I hope he will answer it accurately. I refer to the government’s refusal to release details of increased fees, fines and charges and to the Premier’s promise on 8 May 2003 in the *Herald Sun* that he would make available a full list of fees, fines and charges to Victorians. Given that 901 days have passed since this promise, when will the government release the full list as pledged?

**Mr LENDERS** (Minister for Finance) — I always welcome questions on matters in my portfolio as Minister for Finance, even from the Leader of the Opposition. I take great pride in the fact that this government has made government far more open and transparent than those opposite ever dreamed of. I will skirt past the reforms to the Auditor-General; I will skirt past the fact that this Parliament actually meets and is accountable; I will skirt past the fact that the government is not afraid to face question time; and I will skirt past the fact that every minister faces the Public Accounts and Estimates Committee each year for hearings, whereas the other mob were afraid. On the specific question the Honourable Philip Davis raises, I will take it on notice for the Treasurer, who is the minister responsible for the State Revenue Office.

*Supplementary question*

**Hon. PHILIP DAVIS** (Gippsland) — It is a mystery to members of this place what it is that the Minister for Finance actually chooses to take responsibility for, and I have to say the accuracy of that response was on a par with his contribution yesterday. Given the government’s refusal to release the full list of all fees, fines and charges that have arisen under the Bracks government, will the Minister for Finance confirm that the number of state fees, fines and charges now exceeds 2000?

**Mr LENDERS** (Minister for Finance) — I thank the Leader of the Opposition for his question to me as Minister for Finance. I stand by my previous answer but remind the Leader of the Opposition that on 16 January 2003 the *Australian Financial Review* accused this government of being too transparent.

**Telemarketing: do-not-contact register**

**Hon. J. H. EREN** (Geelong) — My question is referred to the Minister for Consumer Affairs. I understand the minister has been campaigning with the

New South Wales Minister for Fair Trading to urge the federal government to establish a do-not-contact register for telemarketing. Can the minister update the house on the progress of the campaign and how it is helping Victorian families?

**Hon. M. R. THOMSON** (Minister for Consumer Affairs) — I thank the member for his question. It is true that only this morning I called for the public to show interest and support for a phone line call-in to register support for a do-not-contact register. I know that this has been an issue of debate this morning and that members of the house have indicated that the telephone number is 1300 365 814. In case members did not get that down, it is 1300 365 814. For all of you who are sick and tired of getting phone calls, I suggest that you register your support for our campaign.

A phone call to that number allows you to register your support or leave your details so that we can inform you as to how the developments are going. As of 1.00 p.m. there had been 1740 calls, which equates to 7 per minute. The only reason the number is not greater is that the 25 telephone lines have been jammed. There would be more calls on the register right now if there were more opportunities for people to get through. It has been an overwhelming response.

We want to put this out to all Victorians. For the cost of a local telephone call they can dial 1300 365 814 and register their support for the campaign which is being run by the New South Wales government and the Bracks government to get a do-not-contact register established nationally. We have heard from the federal government that it is going to do it. We are going to demonstrate that the people of Victoria want it now — they do not want to wait. It works in the United States of America; there are 88 million citizens who have registered on the do-not-contact register and 92 per cent have indicated that they have had a significant drop in calls from telemarketers.

We are not suggesting that everyone should be banned from making calls. There are charities and other kinds of companies that may have a genuine need to make contact or run telephone contact campaigns of various sorts. Through consultation with the states and the consumer affairs ministers across the country we are very confident we can come up with a set of regulations that will suit the Australian circumstance. We are keen to see it happen. We will be doing all we can in Victoria. The Bracks government is committed to supporting the needs of consumers in this state.

### Commonwealth Games: public transport

**Hon. PHILIP DAVIS** (Gippsland) — I direct a question without notice to the attention of the Minister for Commonwealth Games; it is a matter that may affect access for country Victorians to the Commonwealth Games. Could the minister advise the house whether he has raised with the Minister for Transport in the other place as a priority issue the cuts to country rail services during the Commonwealth Games due to the worsening driver shortage?

**The PRESIDENT** — Order! I have some difficulty with the question, because as I understand it, it is referring to access for country Victorians to the Commonwealth Games and whether the Minister for Commonwealth Games has raised with the Minister for Transport in the other place rail service cuts as a result of driver shortages. I am trying to work out what the Minister for Commonwealth Games has got to do with the cuts to drivers in transport. Could the member assist?

**Hon. PHILIP DAVIS** — I will endeavour to assist the house. The question is directed to the Minister for Commonwealth Games about a critically important issue for country Victorians — that is, their capacity to access the Commonwealth Games via country rail. The Minister for Commonwealth Games has responsibility for the organisation of the event. I have directed a question to him about dealing with a problem which is evolving and which has been identified as cuts to rail services during the Commonwealth Games.

**The PRESIDENT** — Order! I am feeling in a generous mood, but I have some difficulties with this on the basis that the member is talking about the transport system and drivers, which is the responsibility of the Minister for Transport in the other place. There is a bit of a long bow there. The basis of the question is rail services, drivers' availability, transport, the lack of drivers affecting the running of trains and whether that has a connection with the Commonwealth Games and the responsibility of the Minister for Commonwealth Games. I am not sure, but I will give the minister the opportunity — —

*Honourable members interjecting.*

**The PRESIDENT** — Order! The responsibility for drivers and transport is with the Minister for Transport, and the Commonwealth Games are the responsibility of the Minister for Commonwealth Games. The Minister for Commonwealth Games can respond with respect to the Commonwealth Games, but I do not see how transport and train drivers fall within his portfolio.

**Hon. J. M. MADDEN** (Minister for Commonwealth Games) — I always welcome the opportunity to talk about the Commonwealth Games. I do not want to set a precedent by answering about issues under another minister's portfolio, but I am very happy to speak generically on issues of access in relation to country Victorians.

I make it very clear that we will be making specific announcements in relation to traffic and transport in the coming weeks — that is, in relation to the comprehensive planning and preparation that is being undertaken in relation to all aspects of transport management — public transport, road transport and all the other ways in which people may or may not want to access the Commonwealth Games.

We are always conscious of the access of country Victorians in relation to all matters concerning the Commonwealth Games. I highlight that by the fact that we will have the Commonwealth Games baton go through every local government area in Victoria. We will also have regional venues hosting elements of the Commonwealth Games, whether it be the sports events in Geelong, Bendigo, Ballarat and Traralgon or whether it be the live sites in those areas. The exception to that is that the live site will not be in Traralgon but in Moe. We are sharing it amongst the communities in the Latrobe Valley.

In terms of enjoying the spirit of the Commonwealth Games and being, as the motto suggests, united by the moment, as opposed to some other groups in the community, we know that means all communities across Victoria will have a tremendous opportunity to be involved by celebrating all aspects of the Commonwealth Games in their local community, by adopting a second team and by warming up for the games on 20 November.

I encourage all parliamentarians to be part and parcel of that in their local communities. As well as that, people can be involved through the Getting Involved program. The Commonwealth Games is comprehensively about all Victorians, and the government is always conscious of public access to transport and tickets — the whole process, the whole box and dice in relation to every aspect of the Commonwealth Games.

As I mentioned before, the government will be releasing the transport planning details in the next few weeks. I am sure that release will clarify all these matters, put to rest any concerns and answer any queries that members of the public or the opposition may have in relation to those matters.

*Supplementary question*

**Hon. PHILIP DAVIS** (Gippsland) — I thank the minister for his answer. In the spirit of the generosity of his answer, I will follow up with a further question concerning, as he said, his inclination to talk further about to traffic, transport and access issues. I ask: would the minister confirm that he is working closely with the Minister for Transport to ensure that country Victorians will not suffer a cut in their rail services and therefore access to the Commonwealth Games during those events because of the government's commitment to allocate the available drivers in the network to the metropolitan rail network?

**Hon. T. C. Theophanous** interjected.

**Hon. PHILIP DAVIS** — I take on board the interjections but the question is quite clear: is the minister assuring country Victorians that their access to the Commonwealth Games will not be affected by the reallocation of drivers to the metropolitan train network?

**Hon. J. M. MADDEN** (Minister for Commonwealth Games) — Again I just want to make it clear that I am not specifically responsible for the transport infrastructure itself, but I am very conscious of the policy decisions in relation to the Commonwealth Games that will see the implementation comprehensively of all aspects of the Commonwealth Games. I just want to make that clear. Can I just say that whether it be transport, tickets, venues, community celebrations, live sites, the festivities program taking place right across the state or the volunteers, the government is conscious of the needs of country Victorians in every aspect of the Commonwealth Games. Can I just reinforce that I am sure that everybody in Victoria will be very pleased with the announcements to be made in the forthcoming weeks.

**Energy: consumer protection**

**Mr SOMYUREK** (Eumemmerring) — My question is to the Minister for Energy Industries. Can the minister advise the house of any recent announcements about new figures on disconnections of electricity supply to consumers in Victoria and what they mean for families in Victoria?

**Hon. T. C. THEOPHANOUS** (Minister for Energy Industries) — I thank the member for his question and his interest and I thank many members here for their interest in how the government's reforms in this area are progressing.

I can report to the house that recently the Energy and Water Ombudsman (Victoria) released statistics showing that in the first half of 2005 disconnections have dropped by more than half. I welcome the release of the figures as yet another sign of how the government's programs are working for families in this state. Last year we introduced the most far-reaching consumer protection legislation in Australia, imposing compensation payable by retailers for wrongful disconnection. Where there was wrongful disconnection, retailers were liable to pay to the consumers themselves \$250 per day while the disconnection occurred.

Whilst the actual fines or payments from retailers are negligible, what is not negligible is the reduction in the number of disconnections for consumers. The figures show that the policy that we put in place actually works. We wanted to protect Victorian families with that legislation. We put in place a potential fine of \$250 per day for wrongful disconnection. That meant that retailers looked very carefully before they disconnected families. What it meant in real terms was that we had a reduction of 55 per cent in electricity disconnections and a reduction of 57 per cent in gas disconnections. We are talking about 700 Victorian families who were not disconnected in the last six months, as a result of the policies of this government. It means that those 700 families continued to have heating and to be able to cook and have hot water in their homes.

**Hon. J. A. Vogels** — Free power!

**Hon. T. C. THEOPHANOUS** — I notice that the opposition simply laugh about this but let us look at what they had to say when we introduced the legislation. The Honourable Bill Forwood said that he wanted to:

... make the point quite frankly that we do not support the bill ...

That was his statement. He went on to describe the \$250 payment as, and I quote, 'ludicrous nonsense' — that is how he described it. I am sure that the 700 families — —

**Hon. Philip Davis** — On a point of order, President, I am certainly confident in saying that my colleague and friend the Honourable Bill Forwood needs no assistance to defend himself in this place. However, modesty does not permit him on this occasion to take a point of order. So on his behalf I point out to the house and ask you, President, to remind the minister that questions without notice are not an opportunity for ministers to attack opposition members. The question the minister was asked related specifically to the

administration of his portfolio and he should stick to his script.

**Mr Smith** — Further on the point of order, President, my eyes might be deceiving me, but I am of the view that Mr Forwood is in fact in this chamber. If Mr Forwood takes offence at any remark made in this chamber he is more than capable of defending himself and he has the opportunity to do so. It is not appropriate or necessary for anyone else to raise that point in here.

*Honourable members interjecting.*

**The PRESIDENT** — Order! The comment made by Mr Bob Smith is correct — a member does not have the right to raise an issue about another member if that member is in the chamber and Mr Forwood is in the chamber. However, on the substance of the point of order about the minister straying from the question he as asked, which was something to do with new figures on electricity disconnections, I ask the minister to come back to the question at hand.

**Hon. T. C. THEOPHANOUS** — President, it just shows how sensitive the opposition is on this issue. You have the Honourable Bill Forwood rushing over to the computer to check whether in fact he did say 'ludicrous nonsense'. I am happy for him to find that he indeed described it as 'ludicrous nonsense'.

**Hon. Bill Forwood** — On a point of order, President, as I get older my memory is failing but it tells me that in fact we did not oppose the legislation. If the minister would care to source the comments he says I made, I will be able to verify whether or not this is —

*Honourable members interjecting.*

**The PRESIDENT** — Order! after question time the minister can answer the question of the member but, as I have already ruled, I want the minister to come back to the question before him and respond to that.

**Hon. T. C. THEOPHANOUS** — President, I can tell you that those 700 Victorian families that were not disconnected but continued to have gas and electricity and to be able to cook and have hot water and heating do not consider the actions of this government as ludicrous nonsense!

**Questions interrupted.**

**The PRESIDENT** — Order! It seems our whole sound system has crashed at the moment. I will get some advice on whether it can be fixed.

**Hon. Bill Forwood** — President, I suggest we suspend the sitting.

**The PRESIDENT** — Order! The house is suspended until the ringing of the bells.

**Sitting suspended 2.40 p.m. to 2.49 p.m.**

## BUSINESS OF THE HOUSE

### Sound system

**The PRESIDENT** — Order! I thank honourable members for their assistance during the slight interruption of the sitting. Hansard has informed me that Mr Baxter's question was not recorded, so I think it is appropriate to ask him to repeat his question to the minister.

**Questions resumed.**

### Local government: property valuations

**Hon. W. R. BAXTER** (North Eastern) — I direct a question to the Minister for Local Government — now with notice! The minister will recall that following a question I asked on 14 September the government announced that changes to municipal valuations used for rating purposes consequent upon water legislation currently before another place will be postponed until 2008. I remind the minister that this change could result in heavy rate increases for ratepayers in country towns; in fact during the demonstration on the front steps of Parliament House at lunch time, the figure of 27 per cent for Kerang householders was mentioned.

What action is the government taking to assist affected councils to identify an equitable solution to the problem that this government has visited upon them?

**Ms BROAD** (Minister for Local Government) — I thank Mr Baxter for giving notice of the question! It is an important matter and according to the notes that I have retrieved in the intervening period, it was actually 3 October when the Minister for Water, John Thwaites, in another place announced that irrigation water rights will continue to be included in water rates until 1 July 2008. That decision and that announcement was made because the government acknowledges that it is going to take some careful work to assist councils to work through the impacts of this important reform to management of our vital water resources from the point of view of particular affected councils and ratepayers.

The government is working with the Municipal Association of Victoria to determine the best way to

assist councils and shires to develop rating strategies in advance of this change, which will now take place in 2008. The MAV has welcomed the government's announcement and is working with it to assist councils on these issues.

As Minister for Local Government I am taking a keen interest in the progress of those discussions, which are taking place principally between the Minister for Water in the other place and his department and the MAV. I am certainly receiving information about the progress of those discussions, and I will continue to do that.

### *Supplementary question*

**Hon. W. R. BAXTER** (North Eastern) — I thank the minister for her advice, but I point out that as she is the Minister for Local Government and rating is the most important role that councils have, I hope the minister takes a hands-on interest. To that end I ask: will the government consider smoothing the impact of this rebalancing of the rate burden brought about by its changes to the Water Act by funding a phase-in period over three years?

**Ms BROAD** (Minister for Local Government) — I can assure the member that I certainly am continuing to take a keen hands-on interest in this matter.

The Minister for Water in the other place and the MAV are considering the most effective ways to assist councils and shires through the process of developing rating strategies. I understand they are considering a number of mechanisms to determine the most effective means of support they can offer councils and shires to work through the issues.

### Local government: planning support grants

**Hon. S. M. NGUYEN** (Melbourne West) — My question is addressed to the Minister for Local Government. Can the minister advise the house on how the government is helping local councils, in particular those that face resource constraints, to address issues of disadvantage and rapid population change and help make our suburbs great places to live and raise a family?

**Ms BROAD** (Minister for Local Government) — I thank the member for his question. The Bracks government is continuing to work in partnership with local councils across Victoria to find ways to increase community input into planning in their local areas to address issues of disadvantage and rapid population change. Partnerships like that build stronger communities by helping people to help others as well as themselves. In doing so, they will help others to make

our suburbs a great place to live and raise a family. That is why I am pleased to be inviting applications for local area planning support grants. The grants are a key initiative of the Bracks government's \$788 million social policy, A Fairer Victoria, which includes a range of actions that ensure communities have greater input into their futures.

The local area planning support grant program is providing \$3.1 million over three years to support Victoria's local governments to address issues of disadvantage as well as rapid population change. Councils identified as being resource constrained will be particularly encouraged to take up the opportunities provided by the grant program. The funding will help local councils to respond to the challenge of addressing disadvantage in their communities by improving their local area planning capabilities as well as developing a data management and sharing framework.

The local area planning support grant program also seeks to change the way levels of government work together, so the grants will fund projects that increase integrated local area planning between local and state government departments and agencies as well as projects that involve community members in the planning and implementation of community programs and infrastructure. I intend to launch the guidelines for grant applications later this year, and I encourage councils to consider those guidelines and take up the opportunities the grant program provides.

The Bracks government can deliver this initiative because its policies are economically responsible, credible and deliverable, unlike the Liberal Party's half-baked half-tolls policies, which cannot be implemented. If they were implemented it would mean that important programs like this local area planning support grant program could not be delivered because funds would be used instead to fund the half-baked half-tolls policy. By contrast, the Bracks government will continue to work in partnership with local government — with councils and shires right across Victoria — in the interests of the wider community and in line with its commitments to governing for all Victorians in a financially responsible way and ensuring that we continue to make Victoria a great place in which to live, work and raise a family.

### **Commonwealth Games: Melbourne Sports and Aquatic Centre**

**Hon. ANDREA COOTE** (Monash) — I direct my question without notice to the Minister for Commonwealth Games, the Honourable Justin Madden. I have been advised that staff at the

Melbourne Sports and Aquatic Centre will not be employed during the Commonwealth Games, that they will have to take leave without pay and that gymnasium memberships will be suspended. How much compensation will be paid to the permanent staff at the centre who will be stood down during the games, and what compensation will be paid to members of the Melbourne Sports and Aquatic Centre gymnasium for the forced suspension of their memberships?

**Hon. J. M. MADDEN** (Minister for Commonwealth Games) — As I mentioned earlier, I always welcome questions on the Commonwealth Games, and I particularly welcome them from a diverse range of shadow portfolio areas because it shows how comprehensive the delivery of the Commonwealth Games is.

An enormous amount of planning is taking place in delivering the Commonwealth Games. One of the comprehensive areas of delivery is venue agreements. We have to enter into agreements with the venue operators and owners right across the state on the delivery of games events at each of those venues, and predominantly Melbourne 2006 is entering into arrangements for access to those venues. It is working through those agreements, and I understand that most venue operators and owners have signed on. Of course, there will be implications for each one of those venues, but it is up to the management of those venues to come to appropriate arrangements.

Recent information I have in relation to the Melbourne Sports and Aquatic Centre (MSAC) is that the vast majority of staff there will be used for Commonwealth Games-type delivery anyway. They will be part of the model used to deliver the games. It does not guarantee that all staff will be used, but the vast majority of them will be used.

There are implications for the regular users of the venues, whether it be the sportspeople themselves or gym members at MSAC, but it is up to each of the venue managers to enter into arrangements with each of the groups. I reinforce the fact that 'compensation' is not a word that we use; it is a word used by members of the opposition — although it was a word they never wanted to use when the grand prix was being delivered.

I am very confident that each venue manager will enter into arrangements with the user groups to minimise the impact of the games and to maximise the opportunities after the games to increase the levels of use, enthusiasm and interest in each of the facilities. Members will see the Warming Up for the Games Day on 20 November. This is a great opportunity to use the games as a vehicle

to get more people actively participating in their communities, whether it be in physical activity in sport or as volunteers.

We are confident that the arrangements set in place will work comprehensively with all stakeholders and user groups, but we are conscious that we need to minimise the impact and maximise the opportunity. We are happy to work very closely with the venue managers and operators if they feel a bit of pressure in relation to that. We are confident that we will maximise the opportunities for MSAC going into the future, particularly for the personnel and members as well.

*Supplementary question*

**Hon. ANDREA COOTE** (Monash) — I thank the minister for his answer, but I need an assurance. Will the casual staff be compensated to the same degree?

**Hon. J. M. MADDEN** (Minister for Commonwealth Games) — I do not pretend to be an expert on industrial relations; it is not my portfolio, but it is interesting that a Liberal Party that supports comprehensive industrial relations changes in the state and nationally would suddenly be worried about compensation for part-time workers. I find that incongruous coming from the Liberal Party, given its current form at a national level.

There is the difference. We are very conscious of those matters, and we will work very closely with the management to minimise the impact. If there are implications for those staff, I am sure the management — and we are working very closely with the management — will use the opportunities to maximise their opportunities after the games. We will expect greater patronage at the Melbourne Sports and Aquatic Centre because we will have an additional pool for the lap swimmers and other areas for use by the community.

**Work Safe Week**

**Hon. R. G. MITCHELL** (Central Highlands) — My question is to the Minister for WorkCover. Will the minister advise the house of recent activities that will help improve safety in Victorian workplaces?

**Mr LENDERS** (Minister for WorkCover and the TAC) — I thank Mr Mitchell for his question: it is very pertinent in Work Safe Week. I cannot but acknowledge that the shadow WorkCover minister is wearing his Work Safe Week paraphernalia today. It is good to see that happening. In response to Mr Mitchell's question, this morning I had the great pleasure of attending the Royal Exhibition Building to

address about 1500 occupational health and safety representatives at an all-day conference and training session. It was particularly exciting to address that group of people because this is the legacy of safer workplaces.

I acknowledged Mr Forwood was wearing his WorkCover bands. On this side of the chamber I will start with Ms Darveniza, who was a union official who lived and breathed occupational health and safety across regional Victoria. Mr Smith was, I think, the first occupational health and safety officer in the iron foundry industry, before his later career as a union official more broadly. I could keep going around the chamber, and certainly Mr Nguyen and Mr Eren spent time as occupational health and safety officers. On this side we have people with rich experience in business including Mr McQuilten, Mr Hilton and Mr Viney. They also understand the importance of these areas. On this side of the house members know the importance of occupational health and safety.

What we see, too, is that occupational health and safety starts with people being involved in the workplace. Research shows that workplaces with occupational health and safety representatives are safer than those without them, and injury statistics show that up.

I thank Mr Mitchell for asking me the question because I know he is interested in things regional, and regional Victoria. He has a diverse background, and while I am not sure whether he was an occupational health and safety representative, he has been an apprentice shoemaker, he has driven tow trucks, he was an RACV serviceman, he sold truck and bus parts and he has managed diesel engines. So he comes from a rich background of working with people across his area, and of course he works very hard in his electorate in northern Victoria. On this side of the house we realise that no matter the experience, whether it is Ms Darveniza or any of the other people I mentioned in their professional capacity, or others in their life capacity, we work with these areas and know that it is important.

The WorkSafe awards will be held on Thursday night. I will be attending them during the parliamentary dinner break. Mr Forwood will also be there. A number of finalists will be there, including Frank de Jong from Smorgon Steel; Ralph Hassell from Leighton Contractors, Peter Mancuso from Qantas Airways, Percy Pillai from Nonferral Pty Ltd and Steve Quarrell from Coles Supermarkets. They are all finalists from the metropolitan areas.

From regional Victoria there will be Andrew Cashin from Empire Rubber in Laanecoorie — Mr McQuilten's home town; David Healy from ESS Support Services; and Rodney Williams from Trafalgar High School, which is my old high school. All of those people are being recognised for their role as occupational health and safety representatives, and for helping to make their workplaces safer.

It gives me great pride to have been at the launch today. The cream of occupational health and safety officers in the state were there; 1500 people were enthused about making their workplaces safer and resolute that the federal government should not undermine that safety. They were concerned about making their workplaces safer. It is the work of those good people that makes Victoria a safer place, a better place and a good place to live and raise a family.

### Work Safe Week

**Hon. BILL FORWOOD** (Templestowe) — My question without notice is to the Minister for WorkCover and the TAC. He mentioned that I was proudly wearing my occupational health and safety regalia. Occupational health and safety is an issue that is taken very seriously by all members in the chamber.

My question relates to the promotional materials that the minister and I and other members are wearing which, as the minister knows, were made in China. Would the minister advise the house of what steps the Victorian WorkCover Authority took to establish that the factories in China which produced these promotional materials have standards of occupational health and safety which he would be satisfied with?

**Mr LENDERS** (Minister for WorkCover and the TAC) — I will take on notice the specifics of Mr Forwood's question, but I am sure that his question in no way detracts from or belittles a very important Work Safe Week. This government is proud to focus on safety in this state. We take pride in the fact that we are bringing down the number of deaths and injuries in the workplace and empowering occupational health and safety officers to get information from the WorkSafe inspectorate. I know his colleague Dr Naphthine, the member for South-West Coast in the other place — who probably voted the same way as he did in the leadership ballot — has been trivialising this in another place, but I take great pride in being part of Work Safe Week.

I will take on notice his question about where the promotional material was manufactured, but I take great pride in focusing on safety in Victoria. Members

on this side of the house, and I hope those opposite, can take enormous pride that Victoria's WorkSafe system is the envy of the rest of the country. I am sure it is the envy of workers in China. We are going in a direction which means it is more likely than ever before that workers when they leave for their workplace are likely to come home safe at the end of the day. That is of critical importance to us, and it reflects how far we have come as a society.

We have moved on from what happened in 1788, when the conservatives in the British Parliament opposed the first chimney sweeps legislation because it was too onerous, and what happened 100 years ago, when women in Ballarat became leaders by saying we needed safety and we had the first factories act. We are going down a path of safety, and we will continue down that path of safety. I am sure that by his question, which I have taken on notice, Mr Forwood was not seeking to trivialise Work Safe Week.

### Go for Your Life campaign

**Mr PULLEN** (Higinbotham) — My question is to the Minister for Sport and Recreation, and I trust this question is relevant to his portfolio. I ask the minister to outline to the house the Bracks government's latest Go for Your Life initiative to assist members of the community who are currently under-represented in participation in physical activity and to ensure Victoria remains a great place to live and raise a family.

**Hon. J. M. MADDEN** (Minister for Sport and Recreation) — I welcome Mr Pullen's question and his genuine interest in all things concerning physical activity. I know he is a great cricketer at his own club, but he is also a great supporter of community-based physical activity at every level. Recently I had the great pleasure of launching the Go for Your Life flagship project, the Active Cabbies — Moving People project. This project is designed to assist cab drivers at Melbourne Airport in particular —

**Hon. Bill Forwood** — On a point of order, President, this question has been asked before and answered by the minister before. We know that he likes to promote initiatives, but he cannot answer the same question twice.

**Hon. J. M. MADDEN** — On the point of order, President, Mr Forwood has trouble remembering what he has asked and what answers he has got in the Parliament, so I am not quite sure he can comprehensively give an opinion about my previous answers.

**The PRESIDENT** — Order! The member is entitled to raise the point of order. If the minister believes this is the first time he has answered a question about the latest Go for Your Life initiative to assist members of the public, that is the responsibility of the minister. If the question has been asked and answered previously, the member's point of order will be upheld and the minister will not be permitted to answer it. I invite the minister to advise the house whether this is a new question or the question Mr Forwood referred to.

**Hon. J. M. MADDEN** — On the point of order, President, the Go for Your Life project is quite comprehensive. I am sure that as I provide details in the answer, the member will realise it is quite a comprehensive program with many aspects to it.

**The PRESIDENT** — Order! I thank the minister. The minister has undertaken to the house that this is a different question. I ask the minister to continue his answer.

**Hon. J. M. MADDEN** — As I said, what we know about the community and physical activity is that there seems to be a direct link between social disadvantage and physical activity, and there are members of the community who are under-represented in participation in all sorts of areas. One of the key under-represented groups is culturally and linguistically diverse communities. Some 52 per cent of people from those communities do no physical activity. We are investing in the Active Cabbies program so that taxidriviers will not only be involved in and be advocates for the program but will also be ambassadors in their communities as they promote physical activity and healthy eating.

We also know that the level of social disadvantage is quite prominent in statistics on under-representation in physical activity. That is why we have strategically invested significant amounts of money in targeted areas to increase participation — whether it be RecLink Australia, in which we have invested \$540 000 to assist people of all ages in the community who experience disadvantage to be actively involved in physical activity, whether it be the \$400 000 allocated to the Victorian YMCA for the Active Families project or whether it be the \$400 000 allocated to the Fun 'n Healthy in Moreland project. It is worth noting that the latter project in particular is a groundbreaking study into the health and wellbeing of primary school students.

What is interesting when it comes to physical activity, diet, inactivity and obesity is that there is not a comprehensive range of research that anyone can go to

to find out what comprehensively works and what does not work. The Fun 'n Healthy in Moreland project involves in addition to implementing a program the conducting of research into the health and wellbeing of primary school students to see what does and does not work. As well as that, we are funding community walking grants with an amount of \$300 000. We are also providing funding of more than \$10 million for the Access for All Abilities program. When that program is linked with the Go for Your Life program it means we are providing programs and projects such as tai chi for deaf people, seated exercise and strength training for older people and physical activity opportunities for adults who are experiencing long-term mental illness.

These are comprehensive and strategic investments to make sure we increase participation levels in under-represented groups in the community, who because of social disadvantage often do not involve themselves in physical activity. Clearly the opposition does not fully appreciate what we do with the strategic investments in this area, because we are no doubt making Victoria a great place to raise a family.

**QUESTIONS ON NOTICE**

**Answers**

**Mr LENDERS** (Minister for Finance) — I have answers to the following questions on notice: 2552, 5304, 5312, 5453–56, 5458–62, 5683–87, 5690, 5691.

**CONGESTION LEVY BILL**

*Second reading*

**Ordered that second-reading speech, except for statement under section 85(5) of the Constitution Act, be incorporated on motion of Mr LENDERS (Minister for Finance).**

**Mr LENDERS** (Minister for Finance) — I move:

That the bill be now read a second time.

**Incorporated speech as follows:**

City traffic congestion, particularly during the morning and afternoon peak, has been identified as a major issue impacting on Melbourne's future economic prosperity and livability.

A Committee for Melbourne traffic task force report showed the current cost of congestion in Melbourne is \$4 billion, and is expected to double to \$8 billion by 2015. Over 60 per cent of these are costs to business.

Research by the Victorian Transport Association has also found that congestion is significantly restricting productivity in our important freight industry.

Action needs to be taken now to reduce this impact and ensure economic growth.

Around Australia and across the globe, governments are grappling with how best to maintain a city's accessibility, while reducing levels of traffic congestion and related environmental impacts.

Road traffic significantly contributes to greenhouse gas emissions and pollutants entering our atmosphere.

For Victoria to continue its record of strong economic growth and for Melbourne to remain one of the world's most livable cities, we need to recognise the challenges posed by increasing traffic congestion and take action to combat it.

The congestion levy (the 'levy') outlined in this bill forms part of a broader strategy by the government to alleviate traffic congestion in the city and improve the metropolitan transport system.

It is an appropriate and timely response to one of the most significant challenges facing Melbourne's ongoing livability and prosperity: inner city traffic congestion.

Balancing environmental and economic concerns, the measure will help reduce congestion while also encouraging more short-stay car park spaces, ensuring Melbourne stays a vibrant and dynamic place to live, work and visit.

The levy will provide an incentive for those currently commuting by car to and from the city during peak hours to look at other options, such as car pooling, public transport and walking.

The Business Council of Australia and the City of Melbourne, as well as environmental groups, all support congestion charges, with similar systems in place in Sydney and Perth.

The government recognises that the solution needs to be multifaceted. No one initiative on its own will reduce congestion.

We need a package of measures including public transport improvements, road upgrades, regulatory improvements and more use of information technology. This is why the government has asked the Victorian Competition and Efficiency Commission to investigate a range of policy options to tackle transport congestion in Melbourne and major provincial cities.

The levy is about reducing congestion, not raising revenue. All revenue generated from the levy will be used to fund important metropolitan transport initiatives including in the immediate vicinity of the city of Melbourne, city of Yarra and city of Port Phillip. In addition each year, \$5 million of the revenue will be provided to the City of Melbourne to fund urban upgrades including a free commuter and visitor shuttle bus to help make getting around the city easier.

The levy is targeted to the times and the areas that will have the greatest impact on congestion — the morning and afternoon peaks and on roads leading to and from the CBD.

The levy will only apply to long-stay parking; so short-stay shoppers and visitors to the city will not be affected. This will make sure Melbourne's CBD remains a dynamic and vibrant area for shopping, entertainment and tourism.

Car parks without charge and owned by health, education, religious and other community and emergency service organisations will be exempt from the levy.

Together with other government and City of Melbourne initiatives, the levy will assist in ensuring the city's economic and environmental sustainability.

An extensive consultation process has been undertaken with industry and key stakeholders about the implementation of the levy and its administration.

The levy implementation strategy reflected in the provisions of the bill is consistent with the government's objective of ensuring the levy is easy to understand, simple to administer and that the impact flows through to those contributing to congestion. The implementation strategy is also designed to ensure there is minimum impact on car park administration costs and operating flexibility.

I will now summarise the main features of the bill, outlining how the levy will be applied.

#### **Amount of the levy**

The levy will apply from 1 January 2006. In 2006 the levy will be \$400 per leviable car parking space, increasing to \$800 in 2007. The amount will be indexed annually from 2008.

#### **Liability for the levy**

The levy will be imposed on the owners of parking spaces, with 'owners' defined to include registered proprietors of land, owners of strata title properties and lessees of Crown land.

#### ***Private and public car parks***

The levy will apply to parking spaces in both 'private' and 'public' car parks.

#### ***Owners and operators***

Owners and operators of public car parks will be jointly and severally liable for the payment of the levy.

There are several reasons for this:

- it ensures that there is a capacity to pass the levy through to car park users;

- a significant number of public car parks are not operated by the owners of the premises;

- operators rather than owners typically have best access to timely and accurate information on car park operations; and

- operators of car parks are typically best able to assist the State Revenue Office in ensuring compliance with the law.

**Existing tenancy arrangements**

Car park owners have identified that in some circumstances they will not be able to pass the cost of the levy through to their lessees — for instance, where a lessee has an agreement to pay the lessor an annual fixed amount.

Given that an aim is to provide a disincentive for long-stay car park users, there should be a capacity for the levy to be passed through to end users. To ensure this, it is proposed to adopt the approach followed in New South Wales — lessors will be able to obtain payment of the levy directly from their lessees where pass-through is not provided for in current contractual arrangements.

This measure will apply until owners and lessees have had an opportunity to restructure their arrangements to take into account the impact of the levy. If the lessee does not pay the levy to the lessor, the lessor will be entitled to recover the levy amount as a debt from the lessee.

**Area to be covered by the levy**

The levy will apply to the Melbourne CBD and the surrounding areas of Southbank, St Kilda Road, Docklands and East Melbourne. The boundaries aim to ensure equity and cover parking which contributes significantly to city congestion.

**Exemptions**

In addition to short-stay car parking spaces, the following spaces will not be subject to the levy:

- on-street parking, residential parking and bicycle and motorbike parking;
- disabled car parking spaces;
- parking spaces provided by hospitals for patients, or those visiting or accompanying patients;
- loading zones;
- parking spaces provided without charge owned by local councils, religious bodies, hospitals, charities and public benevolent institutions, universities, museums and libraries;
- parking spaces provided without charge used by ambulance, fire brigade and police motor vehicles;
- temporary car parking spaces used for events such as Yarra Park adjacent to the MCG;
- car sales display spaces and car service spaces;
- special parking spaces provided exclusively for shift workers and not available to the public for long-stay parking during normal business hours;
- parking spaces designated for the exclusive use of short-stay visitors to business premises;
- parking spaces allocated for fleet vehicles specifically garaged in those spaces overnight; and
- parking spaces designated for exclusive use as bus layover areas.

The exemption for residential parking only applies where a resident uses a long-stay parking space — it will not apply where a parking space owned by a resident is leased or licensed to a non-resident. A residential exemption also applies where a resident rents a space in a public car park and where parking spaces are provided solely for hotel residential guests.

**Long-stay/short-stay car parking spaces**

The levy will apply to a 'long-stay parking space' that is defined as:

- any parking space which is available for parking on an ongoing basis by an owner (or which the owner has leased or licensed to another person or business for their ongoing use for parking); and
- any parking space in a public car park which is used for a period of 4 hours or more commencing on or before 9.30 a.m. (and where the car exits after 9.30 a.m.) on any weekday (excluding public holidays).

Public car parks will be able to establish the proportion of long-stay parking spaces based on either:

- a statutory ratio (proposed initially to be 75 per cent); or
- information provided by the owner or operator on the actual pattern of park space usage (e.g., records of actual use) or an appropriate sample count methodology approved by the State Revenue Office.

For 2006 only, it will be possible to seek an adjustment of the liability during the year, after usage information for part of 2006 becomes available.

For private car parks, all spaces will be deemed to be available for long-stay use. However, an adjustment will be made for periods when a private car parking space is not able to be used for parking.

**How the levy will be collected**

The levy will be an annual charge calculated at 1 January each year, with the owner or operator having the choice of payment in full or by four equal instalments. Liability for the levy will arise on 1 January each year and the number of spaces for which the levy is payable will be based on the use of the parking spaces in the previous calendar year. Transitional arrangements will apply for the calculation of the number of spaces subject to the levy for the 2006 year.

Each car park owner or operator will be required to submit an annual return to the State Revenue Office detailing:

- the ownership of the parking spaces;
- the total number of parking spaces;
- any claimed exempt spaces; and
- for public car parks — records of the actual usage or deemed usage under the statutory ratio.

After 2006, operators will be permitted to submit a 'no change' return where they want to simply confirm that the details from the previous year are unchanged.

**Section 85 statement**

**Mr LENDERS** — I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons for altering or varying that section by this bill.

Clause 37 of the bill inserts a new subsection (4) into section 135 of the Taxation Administration Act 1997 to provide that it is the intention of sections 5, 12(4), 18(1), 96(2) and 100(4) of the Taxation Administration Act 1997, as those sections apply after the commencement of clause 37, to alter or vary section 85 of the Constitution Act 1975. These provisions preclude the Supreme Court and Victorian Civil and Administrative Tribunal from entertaining proceedings of a kind to which these sections apply, except as provided by those sections.

This bill provides that for the purposes of the Taxation Administration Act 1997, the Congestion Levy Act 2005 is a 'taxation law'. A central purpose of this bill is to bring the levy under the Taxation Administration Act 1997. The intent of clause 37 is to ensure that the current limitations of the Supreme Court referred to in section 135 of the Taxation Administration Act 1997 will apply to the congestion levy. In this sense the same reasons will apply as to why the provisions referred to in section 135 of the Taxation Administration Act 1997 alter or vary section 85 of the Constitution Act 1975 as did apply when the Taxation Administration Act 1997 was first enacted.

Section 5 of the Taxation Administration Act 1997 defines the meaning of 'non-reviewable' in relation to the Taxation Administration Act 1997 which now also applies to the congestion levy.

The reasons for limiting the jurisdiction in relation to a compromise assessment under section 12 of the Taxation Administration Act 1997 are that agreement has been reached between the commissioner and the taxpayer on the taxpayer's liability, and the purpose of the section would not be achieved if the decision were reviewable, and this provision now applies to the congestion levy.

Section 18 of the Taxation Administration Act 1997 establishes a procedure, the adherence to which is a condition precedent to taking any further action for recovering refunds. The refund provisions replicate those existing in the current taxation acts. The purpose of the provisions is to give the commissioner the opportunity to consider a refund application before any collateral legal action can be taken. The purpose of these provisions would not be achieved if the commissioner's actions were subject to judicial review.

This provision will apply to the congestion levy under this bill.

Section 96 of the Taxation Administration Act 1997 establishes an exclusive code for dealing with objections and appeals, and this provision will also apply to the congestion levy under this bill. This code establishes the rights of objectors in a statutory framework and precludes any collateral actions for judicial review. The objections and appeals provisions of the Taxation Administration Act 1997 establish that review of assessments is only to be undertaken in accordance with an exclusive code identified in that particular division. The purpose of these provisions would not be achieved if the commissioner's consideration of an objection were subject to judicial review.

A power is provided to the commissioner under section 100 of the Taxation Administration Act 1997 which provides the commissioner with discretion to allow an objection to be lodged even though out of time. This decision is non-reviewable to ensure the efficient administration of the act and to enable outstanding issues relating to assessments to be concluded expeditiously. This provision will apply to the congestion levy under this bill

**Incorporated speech continues:**

As I said at the outset, the solution to congestion will be multifaceted. The congestion levy outlined in this bill is one element of a suite of public transport and traffic management measures that aim to address the growing global problem of traffic congestion.

I commend the bill to the house.

**Hon. BILL FORWOOD** (Templestowe) — I move:

That the debate be adjourned until the next day of meeting.

**Mr LENDERS** (Minister for Finance) — I move:

That all the words after 'the' be omitted and replaced with 'bill be debated forthwith and that Ms Glenyys Romanes be called as the next speaker' be inserted in their place.

I so move because the government has listed this bill as a priority for this week and it is the sole bill on the government business program. If this house had sat past 4.30 p.m. last Thursday and received the message from the Assembly this would not be necessary.

**Hon. B. N. Atkinson** — Whose fault is that?

**Mr LENDERS** — I note the interjection, 'Whose fault is that?'. I completely accept that the government could have kept the house sitting to receive the bill. The

bill — assuming it is passed this week — will take effect on 1 January 2006 and will then give the commissioner of state revenue the capacity to send out notices and do the material things required for it to work efficiently and expeditiously. That is the reason the government listed it as the sole item in the government business program.

I am conscious that there are nine bills on the notice paper. The government is moving that this bill be debated forthwith so that we can have two days of debate on the bill, if that is the wish of the house, before adjourning at the normal time of 4.30 p.m. tomorrow.

For those reasons I moved that this be dealt with expeditiously and that Ms Romanes be the lead speaker. It will expedite the commencement of debate on the bill. It is unusual not to have the lead opposition speaker speaking first, but having a government speaker commencing debate does not affect anybody's time or capacity to speak. On the presumption that this procedural motion is carried, Ms Romanes will commence debate, followed by speakers from other parties with the normal time they would have under the sessional orders. I commend this motion to the house.

**Hon. PHILIP DAVIS** (Gippsland) — I make it absolutely clear that this proposal from the government is outrageous. It is a cavalier abuse of the government's control of the house and the exercise of its numbers in this place for it to insist on removing the conventional rights of the opposition to respond formally to a bill which has been introduced by the government. Frankly it continues the emboldened approach that we have seen in recent times from the government, which in every sense is the executive dominating the Parliament. The executive no longer feels —

**Ms Broad** — What about John Howard? What about Melbourne Cup Day?

**Hon. PHILIP DAVIS** — The minister interjects with 'Melbourne Cup Day'! What a foolish comment from a minister of the Crown who does not know that Melbourne Cup Day is not a public holiday in Canberra. For heaven's sake, Minister, you are so out of your depth in this place that you should just leave!

**The PRESIDENT** — Order! Enough! I ask the minister to stop interjecting, and I ask the Leader of the Opposition to address his comments through the Chair.

**Hon. PHILIP DAVIS** — I beg your pardon, President, but the foolishness of a minister of the Crown in that respect is unforgivable.

The Leader of the Government just made an observation that if the house had sat beyond 4.30 p.m. last Thursday the bill could have been introduced last week. Quite clearly that is the case and it was within his gift to determine that that should be so. Indeed the minister acknowledged that the bill could be debated tomorrow. We acknowledge it could be debated tomorrow. It is part of the government's business program. We oppose the business program. The government has insisted on a business program and has put one bill on it, being the Congestion Levy Bill. It is a matter for the government to determine the order in which bills are debated and clearly it could be the first item of business listed for tomorrow.

The conventional arrangements in this place are clearly set. The opposition has leave to adjourn the bill until the next day of meeting so it can prepare an adequate response. Indeed an opposition member sought to adjourn the debate and the government has overrode that. What is worse is that the government has removed the opportunity for the opposition party to hold the government to account by making the principal response to the government's legislation. It is denying the function of Parliament, which is to examine in detail the legislative proposals put forward by ministers.

This place is not here simply to operate as a rubber stamp as directed by a rampant executive, which has been demonstrated by the complete lack of standards displayed in regard to the arrangements set out for parliamentary debate, for the scrutiny of legislation and the passage of legislation through this place.

**Hon. J. H. Eren** interjected.

**Hon. PHILIP DAVIS** — We know how the Labor Party holds this place in contempt. We know it holds the Parliament in contempt. It has demonstrated it holds the office of the Governor in contempt. It is my view that this is an absolute abuse of the processes of this place.

There is only one thing for us to say about the way the government is behaving. It has no regard for the open and transparent operation of the Parliament; it has no regard for the rights of the people as vested in members of Parliament; and that the executive will do whatever it can to push its agenda through the Parliament irrespective of the views of the community and irrespective of the importance of there being a proper process and examination of legislation.

**Ms Broad** — What about the commonwealth government?

**Hon. PHILIP DAVIS** — The minister interjects and suggests that the commonwealth Parliament should not be considering legislation when it is sitting which demonstrates her own contempt of parliamentary process. It is clearly the case that the minister is not fit to be in this chamber. The minister has repudiated the fact that the commonwealth Parliament is an important institution that proceeds according to its conventional arrangements in regard to examining legislation before it, just as this place ought to but has not — —

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

**Hon. P. R. HALL** (Gippsland) — The Nationals also oppose this motion. The reasons we oppose it is that it is a completely unproductive and unnecessary motion. It is a contravention of the normal process. Mr Forwood took the call on this particular bill after the second-reading debate and moved that debate be adjourned until the next day of meeting, which is the normal process that would apply to any bill going through this chamber. In these circumstances we do not think the Leader of the Government's suggestion that there were some reasons why we needed to start debate on this bill today is justified.

Probably this all started yesterday when a government business program was moved. We had been operating pretty well as a chamber up until this week when a government business program was imposed upon us. The Congestion Levy Bill has caused some controversy and concern to the public, and there will be opposition to it from both the Liberal Party and also The Nationals, but there is no doubt in my mind that we would have cooperated with the government to get the bill through by 4.30 p.m. on Thursday. That has been the record. When there has been no government business program goodwill has been demonstrated and we have shown that we are able to get the government's agenda through without the restrictions of government business programs. This would have happened again tomorrow. There was no need for this amendment, moved by the Leader of the Government.

It is an extremely unhealthy precedent to suggest that at any time, if the government feels like it, it can bring debate on a bill forward forthwith. That is a very unhealthy exercise. It does not give people the opportunity to digest the information, and sometimes it is new information that comes forward by way of a second-reading speech, particularly if there have been amendments in the other house. It is unnecessary, sets a bad precedent and is not necessary at all. For those reasons The Nationals join with the opposition in opposing this amendment.

**Hon. B. N. ATKINSON** (Koonung) — I wish to continue the emphasis of the opposition in its dismay about the government's approach to Parliament, its contempt of Parliament, its intention to continually try to ram legislation through this place without any regard to the proper conventions of Parliament — without any proper regard to the history of Parliament, without any regard to the need to have proper and sensible debate on issues that come before this place so as to ensure that the rights of the people of Victoria are protected, and that legislation is properly scrutinised.

This legislation is an outrage. It comes after debate here yesterday on the government having intervened — and, we would say, against offending the constitution — to stop the Governor from giving royal assent to legislation. Twice in one week the government has shown that the executive is keen to pursue its agenda at all cost and without any deference to this place as a house of debate and where there has been a tradition of proper, fair and transparent debate over many years.

It is interesting that Mr Eren, who was not here and whose interjections are usually ill founded, interjected in that debate to mention the Kennett years. I can assure the house that not once in the Kennett years did that government, despite having whopping majorities in both houses, try to circumvent debate in the way this government is trying to do here. Not once did that government seek to deny an opposition member the right to lead the debate on any issue.

This has only happened once before in my time in Parliament, and that was when the government sought to allow Mr Viney to speak in my place on a particular motion because the government wanted to control the agenda to the detriment of debate in this house. Not once did the Kennett government try to prevent the house from having proper consideration of a bill in the context of the processes and so forth that we have held all the way through. This motion is an outrage, and it will be opposed.

**Mr VINEY** (Chelsea) — Every time we have one of these debates the Honourable Philip Davis raises it as a threshold issue, as another example of the dastardly deeds of this government, and he does it time and again. He thunders loud, but when in government in the Kennett years I do not believe, President — and you were here — there was too much thunder coming from the Honourable Philip Davis about the ramming through of legislation, such as the Grand Prix legislation; about the nobbling of the Auditor-General; and about the removal of what were reasonable practices of accountability in Victoria in that period.

We have been working on the basis of cooperation with the opposition for the entire period and have attempted to be cooperative for the entire life of this Parliament, since the Labor Party took such a number of seats at the last election as to give it a majority for the first time. We have been emphasising the importance of cooperation at every opportunity, but we have always made it clear that on occasions there will be important legislation that the government believes has to be passed. This is another instance.

What we are doing in moving this motion and having the debate brought on today is giving maximum time to the house for the bill to be debated and properly considered. If we were not to do that, and as we are to finish debate on the bill at 4:30 p.m. on Thursday, if we take into account the time taken for members statements, statements on reports and papers, and questions without notice the time available for debate on the bill would be even more limited. It is an important piece of legislation, as the Leader of the Government said, and it needs to be passed and implemented by 1 January 2006.

It is important this bill be passed this week, therefore the government has moved to maximise the amount of time available to the house to properly debate and consider it. The Honourable Philip Davis's contribution, when he talked about abuse, rubber stamps, executive control and denial of proper processes and examinations, was simply a joke when one considers the style and manner of the Kennett government in removing processes of accountability in this state. One thing we know is that the people of Victoria were able to hold that government to account.

*Honourable members interjecting.*

**The PRESIDENT** — Order! The Leader of the Opposition should stop interjecting, and Mr Viney will address the Chair.

**Hon. Philip Davis** — On a point of order, President, thank you for reminding me. I make the point that the member has been on his feet for nearly 4 minutes and I have not heard him speak about the motion. The fact is that this is not the opportunity for a general debate and a swipe at previous administrations, it is about his needing to focus on the matter before the Chair, which is a strictly limited debate about procedure.

**The PRESIDENT** — Order! I ask the member to come back to the motion before the house, which is a procedural motion as to whether debate takes place forthwith or on the next day a meeting, and the member is speaking on the amendment to have the bill debated

forthwith. I ask him in the time allocated to come back to the motion before the house and the amendment.

**Mr VINEY** — As I said earlier, the purpose in the government moving to amend the motion for the adjournment of debate is to maximise the amount of time available to the house for this important legislation. I reject absolutely the contribution from the Honourable Philip Davis to the debate when he made those allegations about the government after he sat as a jelly back in the Kennett period and did no such thing. These are matters that the Honourable Philip Davis raised in his contribution to this debate, and he has no credibility on it.

He was also criticising Minister Broad for her interjection. One must think about the point she was making. When it comes to accountability, it is a disgrace for the federal government to bring on its workplace changes on Melbourne Cup Day. We are about having an open and accountable debate.

**Hon. Bill Forwood** — On a point of order, President, on the matter of relevance. Issues in other jurisdictions have nothing to do with the procedural debate before the house.

**The PRESIDENT** — Order! On the point of order, the member's point of order is correct, but also it has to be acknowledged that the Leader of the Opposition was entertaining members across the chamber, for which I pulled up he and the minister, but the member should, as I have ruled less than a minute ago, come back to the motion before the house.

**Hon. Philip Davis** — On a point of order, President, I advise you that I was not entertaining members across the chamber.

**The PRESIDENT** — Order! That is a frivolous point of order.

**Mr VINEY** — It is important that adequate time be available to debate this piece of legislation. We are giving the chamber two days in which to do so, and the house should therefore support the amendment moved by the government.

**Hon. BILL FORWOOD** (Templestowe) — I have a couple of quick points I would like to make in reply. I pick up the contribution by the Leader of The Nationals. If the government had come to us, I am absolutely confident we would have agreed to pass this legislation by 4.30 p.m. on Thursday. That proposition, to my knowledge, was not put to anybody, but that is the way this house operates.

**Mr Smith** — You ratted before.

**Hon. BILL FORWOOD** — If it thought we were going to rat, then the government always has the capacity to use the gag or guillotine as the standing orders allow.

The second point I wish to make deals with Mr Viney's contribution. Mr Viney wants to maximise the amount of time available, to ensure adequate time is available for debate. For some peculiar reason the government has listed this bill in its government business program. Let me tell you how it works.

**An honourable member** — You don't have to tell us.

**Hon. BILL FORWOOD** — I don't need tell you — do members know when it finishes? It finishes on Friday afternoon at 4.00 p.m.

**The PRESIDENT** — Absolutely.

**Hon. BILL FORWOOD** — 'Absolutely', I hear the President interject. So the circumstances are we could have quite easily, if the government did not want to reach agreement with us, started this tomorrow which is the normal way of doing it, debated it through until 10.00 p.m. on Thursday, started it again first thing on Friday morning and debated it until 4.00 p.m. on Friday, and then it would have been passed.

I put it to the house that that was unlikely to have happened, but if that is what the government wanted to do, this debate could have lasted two full days. So all we have now is the circumstance where the government has heavy-handedly come in here and abused the processes of this place unnecessarily. Again I say to the Leader of the Government: if he wants this place to operate properly, he should ask for agreement.

**House divided on omission (members in favour vote no):**

	<i>Ayes, 20</i>
Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hadden, Ms
Bishop, Mr	Hall, Mr
Bowden, Mr	Koch, Mr
Brideson, Mr	Lovell, Ms
Coote, Mrs	Olexander, Mr
Dalla-Riva, Mr ( <i>Teller</i> )	Rich-Phillips, Mr
Davis, Mr D. McL.	Stoney, Mr
Davis, Mr P. R.	Strong, Mr
Drum, Mr ( <i>Teller</i> )	Vogels, Mr

*Noes, 23*

Argondizzo, Ms	Mikakos, Ms ( <i>Teller</i> )
Broad, Ms	Mitchell, Mr

Buckingham, Mrs	Nguyen, Mr
Carbines, Ms	Pullen, Mr
Darveniza, Ms	Romanes, Ms
Eren, Mr	Scheffer, Mr
Hilton, Mr	Smith, Mr
Hirsh, Ms	Somyurek, Mr
Jennings, Mr	Theophanous, Mr
Lenders, Mr	Thomson, Ms
McQuilten, Mr ( <i>Teller</i> )	Viney, Mr
Madden, Mr	

**Omission agreed to.**

**House divided on insertion:**

*Ayes, 23*

Argondizzo, Ms	Mikakos, Ms
Broad, Ms	Mitchell, Mr ( <i>Teller</i> )
Buckingham, Mrs	Nguyen, Mr ( <i>Teller</i> )
Carbines, Ms	Pullen, Mr
Darveniza, Ms	Romanes, Ms
Eren, Mr	Scheffer, Mr
Hilton, Mr	Smith, Mr
Hirsh, Ms	Somyurek, Mr
Jennings, Mr	Theophanous, Mr
Lenders, Mr	Thomson, Ms
McQuilten, Mr	Viney, Mr
Madden, Mr	

*Noes, 20*

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hadden, Ms
Bishop, Mr	Hall, Mr ( <i>Teller</i> )
Bowden, Mr	Koch, Mr
Brideson, Mr	Lovell, Ms
Coote, Mrs	Olexander, Mr
Dalla-Riva, Mr	Rich-Phillips, Mr
Davis, Mr D. McL. ( <i>Teller</i> )	Stoney, Mr
Davis, Mr P. R.	Strong, Mr
Drum, Mr	Vogels, Mr

**Insertion agreed to.**

**House divided on amended motion:**

*Ayes, 23*

Argondizzo, Ms	Mikakos, Ms
Broad, Ms	Mitchell, Mr
Buckingham, Mrs	Nguyen, Mr
Carbines, Ms	Pullen, Mr ( <i>Teller</i> )
Darveniza, Ms	Romanes, Ms
Eren, Mr	Scheffer, Mr ( <i>Teller</i> )
Hilton, Mr	Smith, Mr
Hirsh, Ms	Somyurek, Mr
Jennings, Mr	Theophanous, Mr
Lenders, Mr	Thomson, Ms
McQuilten, Mr	Viney, Mr
Madden, Mr	

*Noes, 20*

Atkinson, Mr	Forwood, Mr ( <i>Teller</i> )
Baxter, Mr	Hadden, Ms
Bishop, Mr	Hall, Mr
Bowden, Mr	Koch, Mr ( <i>Teller</i> )
Brideson, Mr	Lovell, Ms

Coote, Mrs  
Dalla-Riva, Mr  
Davis, Mr D. McL.  
Davis, Mr P. R.  
Drum, Mr

Olexander, Mr  
Rich-Phillips, Mr  
Stoney, Mr  
Strong, Mr  
Vogels, Mr

### Amended motion agreed to.

**Ms ROMANES** (Melbourne) — I am in the most invidious position of having to speak when 20 members of the chamber did not want me to do so. I am pleased to have the opportunity to speak today and assist the government to expedite debate on the bill in order to maximise the time for the implementation of the administrative provisions for the registration of car parks before the levy comes into operation on 1 January 2006. The Congestion Levy Bill 2005 is very important. I welcome it as a public policy response to one of the 21st century challenges particularly in affluent cities — that is, congestion. Congestion is a fact of life in our city and many others throughout the world and one that threatens economic prosperity and livability.

I start by referring to a very interesting presentation that I heard in Melbourne in the middle of last year by a gentleman called Mr Gordon Price, a visiting urban planner and former councillor of the City of Vancouver. He made some very interesting comparisons between Vancouver and Melbourne, which are the two most livable cities in the world but are still facing various challenges, with transport in particular being one of them. Mr Price put forward a very interesting but alarming scenario. His presentation to us showed that the Melbourne metropolitan area had 2 537 635 registered vehicles in 2003. The growth in car registrations in the year to 2004 was 51 258 vehicles. That is about 140 new cars on the road each day. If you allow a parking spot of 4.5 metres for a vehicle and then consider the new registrations each year, that is 230 kilometres of road space.

If we apply our minds to think what that means in practical terms, that 230 kilometres of road space is more than twice the distance from Pakenham to Melton. Yet we have no limits on the production of cars in the private sector. We are increasingly facing the challenge of accommodating private cars in particular, but also other vehicles, in these sorts of quantities. That is a formidable challenge. We have found through the building of more freeways in Melbourne and in other parts of the world that we cannot build our way out of congestion. In fact the more we build, the more we attract cars onto those freeways and the more congestion grows every day, particularly in the peak periods.

Therefore we need a range of measures. We need levers of various kinds, and incentives and disincentives to increase people's transport choices so that not everyone takes the choice to leap into a private car and endeavour, particularly with our radial network, to drive into the centre of the city. It has been well documented that the economic costs of congestion are particularly heavy for business. Some 60 per cent of the estimated economic costs come to rest on businesses. It therefore becomes a major penalty for them. A Committee for Melbourne report showed congestion costs the city of Melbourne around \$4 billion each year, and that is expected to rise to \$8 billion by 2015.

**Hon. B. N. Atkinson** — The government was very keen to hear Ms Romanes speak a few moments ago. President, I draw your attention to the state of the house. Apparently no one wants to listen to her now.

### Quorum formed.

**Ms ROMANES** — I was outlining the considerable economic costs of congestion for Melbourne as well as the estimates of \$8 billion a year by 2015 if nothing is done to address rising congestion. There are other consequences. The Victorian Transport Association surveyed truck drivers back in 2002 and found 50 per cent of drivers spent 3 hours of a 12-hour shift standing still in their vehicles because of heavy traffic. The association anticipates that without any measures to address congestion this will increase to 6 hours over the next decade.

As well as the economic costs there are considerable health costs. The commonwealth Bureau of Transport and Regional Economics estimates that air pollution has caused considerable morbidity as well as the early deaths of between 900 and 2000 in the year 2000 due to deteriorating air quality, with more than 85 per cent of these in capital cities. Of course, more than 80 per cent of air pollutants are due to cars and other vehicles, and 15 per cent are greenhouse gases.

The government has put forward in the bill before the house today a proposal for the implementation of a car parking levy on long-stay, permanent, inner city car parking spaces. The intention of the levy is to address congestion by providing a financial deterrent to people readily jumping in their cars and driving into the city and finding fairly cheap long-stay and long-day car parking, and providing more of a balance between the cost of car parking and other forms of transport, therefore putting forward the proposal as an incentive to consider whether there are not more favourable choices.

**Hon. Bill Forwood** — An incentive!

**Ms ROMANES** — An incentive to make a different decision about whether there are not more favourable forms of transport that people can take in order to get into the city. At this point in time, for many people the cost of bringing a car in and parking it all day is cheaper than taking a zones 1, 2 and 3 ticket on public transport to come into the city. Therefore, tipping the balance towards public transport and encouraging people to look at other forms of transport is a very important initiative.

The proposal provides for a levy of \$400 for a long-stay car parking space in 2006, moving to \$800 per car parking space in 2007. It provides for a range of exemptions including residents and various other groups and it will move beyond 2007 to annual increases according to the consumer price index.

The proposal is targeted in particular at suburban commuters because it is the commuters coming into and going out of the city at peak times who are causing the worst congestion around inner city Melbourne. It is also intended to help shift the proportion of car parking spaces within public car parks to short-stay parking spaces, providing options for visitors and shoppers to continue to come and use the city. It is very clearly directed and targeted at the peak periods when congestion is at its worst and traffic is day after day grinding to a standstill along many of the entrance roads to the city.

The issues have been highlighted in the report by the commonwealth Parliament's House Standing Committee on Environment and Heritage on the inquiry into sustainable cities, entitled *Sustainable Cities*. That parliamentary committee highlighted the need for various road pricing measures. What we are seeing across the globe is the response of different cities to similar problems of congestion that are producing gridlock and destroying the economies of many of the major cities across the world.

Back in 2002–03, London introduced a different kind of congestion charge which levies every vehicle going into a particular central geographical area. Singapore provides a different method of variable pricing according to the amount of congestion on a particular day and in different places. New York uses the method of a levy on parking — the method that Victoria is looking to introduce — and for some years now Perth and Sydney have had car parking levies, hypothecating the funds raised, as the Victorian government intends to do, and putting those resources into public transport initiatives to continue to improve the public transport system, which in turn makes it more attractive to people as an alternative to the private car.

We acknowledge that not everyone will be able to make that shift, but the Bracks government's objective is to shift 20 per cent of motorised vehicle passengers to public transport by the year 2020. That is beginning to happen, and we have seen in the last year a growth of 8 per cent in people using public transport — that is, a doubling of the growth in the previous few years — so it is beginning to happen. We are going to raise \$40 million from the car parking levy, \$5 million of which will go to the City of Melbourne and the rest to new public transport initiatives. It is a very important funding stream for public transport, and I commend the bill to the house.

**Hon. BILL FORWOOD** (Templestowe) — I am pleased to have an opportunity to speak on this bill although I think I am speaking one day early.

**Ms Romanes** — Yesterday would have been one day early.

**Hon. BILL FORWOOD** — One day early! Let me first make a point in relation to Ms Romanes's opening sentence. She said she did not particularly like the feeling of having to stand up and speak when 20 people did not want to hear her. We were quite happy to hear her; what we were incensed about was that the government had decided to force us to debate the bill forthwith rather than debate it at the appropriate time tomorrow.

**Hon. T. C. Theophanous** — You were informed about it.

**Hon. BILL FORWOOD** — Yes, I was informed about it, but it does not mean I have to like it — and I do not like it!

**Hon. T. C. Theophanous** — You're here to play games.

**Hon. BILL FORWOOD** — I was quite happy to listen to the contribution that Ms Romanes made to this debate. I was very interested in many of the things she had to say, particularly that this was the government's public policy response. I look forward to other members of the government articulating a public policy response to the serious issue we face in this state — that of congestion — because there is absolutely no shadow of a doubt that this bill is not a public policy response to congestion but a naked grab for cash. I could not help but mark heavily a sentence in the middle of page 2 of the eight-page second-reading speech, where it says :

The levy is about reducing congestion, not raising revenue.

Frankly, that is nonsense; absolute nonsense! We will be dealing with this issue in more detail later this evening, but I also refer to page 6 of the circulated copy of the second-reading speech, where it says:

This bill provides that for the purposes of the Taxation Administration Act 1997, the Congestion Levy Act 2005 is a 'taxation law'.

I repeat those words in the second-reading speech that say the bill 'is a "taxation law"'. Government members should not come in here and give us the green credentials. It should not come in here and give us the we-are-dealing-with-congestion line, because the minister's second-reading speech bluntly and baldly states that this is a taxation law.

Why are government members not honest about the way the government governs? Why do they not say, 'We are putting a tax on car parking spaces', rather than come in with the half-baked spin and doctoring of the English language that we hear time and time again from this government?

**Hon. T. C. Theophanous** — You can talk, Bill.

**Hon. BILL FORWOOD** — I am talking, and let me repeat the point I was making. This is absolute nonsense.

Members on this side of the house treat this piece of legislation seriously, and at 2 o'clock today there were five of us listed to speak on this bill. There was me as the lead speaker, because I deal with Treasury matters, but Mrs Coote, Mr Atkinson, Mr David Davis and Mr Vogels were also going to contribute as this is an important debate, and of course we were going to take this bill into the committee stage and analyse some of the clauses in more detail.

I must tell the house that since the heavy-handed action of the government in forcing this bill to be taken forthwith, I am advised that the Opposition Whip has been overwhelmed by people on this side saying, 'I want a crack at this too'. I suggest to you — —

**Mr Smith** — That is their right.

**Hon. BILL FORWOOD** — I pick up the point made by Mr Smith that that is their right. I am pleased to announce to the chamber that a number of members from this side of the house intend to have their threepence worth, or fourpence worth, to exercise their right to comment on the legislation before the house and on — —

**Hon. T. C. Theophanous** — We are giving them the opportunity!

**Hon. BILL FORWOOD** — Thank you, Mr Theophanous. You are giving us the opportunity to do it.

**The ACTING PRESIDENT (Ms Hadden)** — Order! Through the Chair, Mr Forwood.

**Hon. BILL FORWOOD** — Certainly, Acting President. I am aware that the Acting Presidents met today over lunch and that standards in this place will be markedly better because of that. I am sure that Mr Smith, when he takes his turn in the Chair — —

**Mr Smith** — I did not go to the meeting, so do not expect too much.

**Hon. BILL FORWOOD** — Okay; let me get back to the issue before the house.

This is an important piece of legislation, and it is legislation that requires scrutiny. We will of course be taking it into committee and analysing it in some detail, but what we know is that when the budget was brought down this year we were advised that the government had decided it would introduce this levy. We were told it would raise some \$40 million and that it would — would you believe it — address the issue of congestion!

In the briefing on the bill I particularly asked about how we will measure its success. What I look forward to from the government members who are going to contribute to this debate — or perhaps the Leader of the Government when he sums up — is knowing how many vehicles now come into Melbourne. How many come in? How will we measure the success of this legislation? There is no doubt that we will raise money from this levy, but the government's ostensible purpose for this legislation, as the Treasurer said in his second-reading speech, is not to raise revenue; it is about reducing congestion. If the government is going to reduce congestion, the first thing I want to know is what the level is now. How do you measure congestion?

I put this question to the advisers in the briefing and guess what I got? The blank stare. No-one in the government had thought about measuring the congestion. Honourable members in this place, particularly Mr Baxter, with whom I have the honour to work on the Public Accounts and Estimates Committee, and Mr Theophanous, who was a member of that committee for many years, know that one of the functions of government — —

**Hon. T. C. Theophanous** — The good old days!

**Hon. BILL FORWOOD** — The good old days.

Ms Romanes, another fine member of the Public Accounts and Estimates Committee, also knows that what we are about is measuring. If we are going to put funds into something, we like to know what the outcomes are. If we are going to take funds out of something — ‘incentives’ is the word I think Ms Romanes used — we would like to know the outcome. I invite one member — just one member — of the government to give us the line in the sand about what the congestion level in the city of Melbourne is now, and how we are going to measure it each year.

**Hon. T. C. Theophanous** — You do not think there is congestion?

**Hon. BILL FORWOOD** — That is not my point, Mr Theophanous. I already said that I think there is congestion. My point is, let us measure it and see how successful this particular means is in lowering that congestion.

Just as an aside — and I will return to this later in my contribution — I know that last night the City of Melbourne resolved:

... that the City of Melbourne monitor and report on the extent of compliance with the objectives of the long-stay car park levy in the first two years of its operation;

... that the City of Melbourne monitor and report in 12 months on the impact the car park levy has had on traffic congestion in Melbourne and the cost of parking in the city both short and long-term including the impact on retail and business communities.

I am saying to honourable members opposite that the City of Melbourne is going to try and do some measurement. I ask: what measurement is the government doing? This is its legislation.

While I am dealing with this point, let me go to a broader issue. The government brought this legislation in. It is going to be passed eventually and the government is going to start reaping the benefits of the revenue. We know that the first levy is \$400 and then it goes up to \$800. But we also know that the Treasurer in his wisdom has sent a reference to the Victorian Competition and Efficiency Commission (VCEC), would you believe — one of his quangos. Guess what that reference is about? It is about congestion.

One would have thought that if this government were serious and wished to be treated seriously in this debate, rather than jamming it through now, rather than just saying it is about congestion but about raising \$40 million, it would have done the work first to work out the most appropriate ways of dealing with the congestion that exists in this state rather than willy-nilly

banging on a tax — because that is what it is — to raise that money.

**Hon. Andrew Brideson** — We know what the review will find.

**Hon. BILL FORWOOD** — Of course we know what the review will find, although I should say that much of the work done by the Victorian Competition and Efficiency Commission has been of good quality, similar to the work done by the Productivity Commission. I hope it is not going to take riding instructions from the Premier on what to find in this particular reference it has been given. I hope it will come back and truthfully and honestly give its view on the impact of congestion and what can be done about it.

But the point I am making is that the order is wrong. If the government believes there is a congestion problem, the first thing it should do is measure it and then act. If it wants to hold an inquiry into congestion, then let us have the inquiry. Let us not just use the budget to raise the money and hide it behind the fact that we think it is a green issue — because it is not.

While I am talking about Ms Romanes’s contribution, I was intrigued by her use of the word ‘incentive’. I think she was suggesting that if we put up the price of parking in the city, it will be an incentive for people to use some other mechanism. I suggest that if that is the case, it is a very blunt incentive. I think of incentives as — —

**Hon. B. N. Atkinson** — It is punitive.

**Hon. BILL FORWOOD** — Thank you. I do not think of incentives as punitive; I think of them as attractions for people to behave in a particular way. What we have here is not an incentive but a bludgeon; we have the big thump. The problem with the big thump is that many people who come into this city to work do not have access to smooth and reliable public transport. I am one of the people, as I know is Ms Romanes, who live in an inner city-type area. I can walk to a train station within 5 minutes. It is easy for me to leave the car at home, and as honourable members know, I sometimes come in on the train. The train I take stops at Jolimont and I have been known to get off there and go to the Melbourne Cricket Ground.

I have also been known to take the train around the loop and get off at Telstra Dome to go to the football. It suits me fine, but there are many parts of my electorate, including the outer parts of Doncaster and Mitcham and areas like that, where it is not so easy to catch a train or a bus.

**Hon. J. G. Hilton** — Drive to the station.

**Hon. BILL FORWOOD** — I pick up the interjection from the member who suggests that people should drive to a station. Many people do, and since the price of petrol has gone up, if you want to get a parking place in the side streets around the Ivanhoe station — which is the one that I use — you have to get there pretty early because a lot of people are now doing that, which is one of the reasons I am sure — —

**Hon. T. C. Theophanous** — It is working!

**Hon. BILL FORWOOD** — Mr Theophanous says it is working. No, Mr Theophanous, the price of petrol is changing people's habits. What the government is doing is compounding the issue — —

**Hon. T. C. Theophanous** — Is that an incentive?

**Hon. BILL FORWOOD** — Is that an issue of the Bracks government?

**Hon. T. C. Theophanous** — Is that an incentive?

**Hon. BILL FORWOOD** — Mr Theophanous wants to take credit for the increase in the price of petrol. I look forward to getting out to the people of Victoria that Mr Theophanous's view is, 'Bring on the rise in the price of fuel because that will stop people using their vehicles'.

**Mr Smith** — That's his view!

**Hon. BILL FORWOOD** — I know it is not yours, Mr Smith.

**The DEPUTY PRESIDENT** — Order! Mr Smith is not in his place!

**Hon. BILL FORWOOD** — No, but he makes good comments in any case.

**Hon. T. C. Theophanous** — On a point of order, Deputy President, I am happy to have a vigorous debate on these issues, but I think it is inappropriate for the honourable member to make totally incorrect suggestions as to what my views might be on a particular subject which is not even related to the bill. He should desist from doing so.

**Hon. BILL FORWOOD** — On the point of order, Deputy President, I wholeheartedly agree with the member, but I wish to make the point that it is not a point of order; it is a debating point, which he might care to make later. But in case the member is concerned that I am putting words into his mouth, which I am not allowed to do, then I unreservedly withdraw any

imputation that the member is responsible for the rise in the price of fuel, which I think is what he is looking for.

**The DEPUTY PRESIDENT** — Thank you.

**Hon. T. C. Theophanous** — Keep going!

**Hon. BILL FORWOOD** — The Deputy President has to rule on the point of order!

**The DEPUTY PRESIDENT** — Order! I uphold the point of order. Mr Forwood has conceded that he must not put words into the mouth of another member in this place.

**Hon. BILL FORWOOD** — Thank you. I welcome the opportunity to return to the point that I was making, which was that Ms Romanes regards this piece of legislation as an incentive, whereas members on this side of the house regard it as the bludgeon or a blunt instrument — and it is not just me who says that. For many years, one of the great favourites of the Labor Party has been Access Economics. It has made a lot of money — although probably not as much as Bill Shannon, who according to today's papers is up around \$11 million or \$12 million, and that is a reward for being the chair of Progressive Business — and done a lot of work for this government.

I know that as the Minister for Energy Industries, Mr Theophanous had Access Economics do a huge amount of work on whether or not we should have some sort of emissions trading system. I am pretty sure he was quite comfortable with the result he got — after he sent it back and told Access Economics to do it again.

**Hon. T. C. Theophanous** — On a point of order, Deputy President, the member keeps reflecting on actions I may have taken in a way which is unsatisfactory. He suggested before that I sent back a report from Access Economics to have it changed. That is totally false; I do not send back reports to have them changed. Reports are produced by independent bodies, in this case Access Economics. It is inappropriate for him to make those comments.

**The DEPUTY PRESIDENT** — Order! I do not uphold the point of order. We have entered the realm of debating points. The minister will have a chance to respond at the end of the debate, and I suggest he might save his comments for then.

**Hon. BILL FORWOOD** — That is a good ruling, Deputy President. I look forward to Mr Theophanous's contribution and to his comments about the work that Access Economics did for him in relation to emissions

trading systems. What we know is that Access Economics was commissioned by the Property Council of Australia to prepare an assessment of the Melbourne long-stay car parking levy scheduled for introduction on 1 January 2006. Its executive summary says:

The levy is payable by owners of private and commercial car parks in the Melbourne CBD, applying to non-residential, off-street, long-stay and permanently leased parking spaces. It is to be charged at a rate of \$400 a year per long-term parking space, rising to \$800 in 2007.

And rising to more after that on an expanded area, and I will deal with that point later. However, under 'Stated rationale for the levy' the assessment says:

According to the Victorian government, the levy is intended to:

reduce traffic congestion, pollution and greenhouse gas emissions in the CBD (and increase reliance on public transport); and

increase the supply of short-stay off-street parking; and

raise revenue to fund a range of public transport initiatives.

Access Economics, on whom the government often relies for advice, went on to say in the assessment:

The proposed Melbourne long-stay car parking levy is not good policy.

I contrast that with the comments made by Ms Romanes when she stated that this was a public policy response. Access Economics then went on to say:

... Rather:

it is at best a blunt, poorly targeted and discriminatory method of mitigating the costs associated with traffic congestion in the Melbourne CBD ....

Let me repeat those words: blunt, poorly targeted and discriminatory.

**Hon. R. G. Mitchell** — Are you sure that wasn't your last campaign?

**Hon. BILL FORWOOD** — Let me pick up the words of Mr Mitchell. This document I am quoting from was prepared by a firm that is one of the government's leading advisers — Access Economics. I am pleased to have on the record that Mr Mitchell, for one, disagrees with Access Economics. I look forward to his contribution to this debate.

Next the Access Economics assessment says :

using it to increase the supply of short-stay off-street parking directly undermines its role in reducing traffic congestion and associated costs ...

That I thought would be apparent.

**Hon. T. C. Theophanous** — Do you want to do your correspondence here?

**Hon. BILL FORWOOD** — It is just that I have been hanging out for this, Mr Theophanous. These are my amendments, as you can see. I am grateful that they have arrived. I will talk about them in the moment.

Access Economics says — and there are its words, not mine — that this:

... directly undermines its role in reducing traffic congestion and associated costs ...

I would have thought that even the government could have worked that out. What it is trying to do, it says, is to get more people into the city by getting people out. Instead of having one car in a long-term space, it is looking for lots of cars to use that space. What is that going to mean in greenhouse gases? Instead of one car parking and staying, three or four cars will park in the same space. There is a little bit of odd logic here. I know there are a number of members on the government side who are highly intelligent — some are not quite so highly intelligent, but a number of them are — and some of them are in the house today.

**Hon. Andrew Brideson** — Name them.

**Hon. BILL FORWOOD** — I will. Mr Hilton, Mr Theophanous and Mr Smith are highly intelligent members of the government, and they know — —

**Mr Smith** — You will get my vote.

**Hon. BILL FORWOOD** — Thank you.

**Hon. T. C. Theophanous** — What about Ms Darveniza?

**Hon. BILL FORWOOD** — Ms Darveniza is asleep.

**Hon. Andrew Brideson** — What about Mr Mitchell?

**Hon. BILL FORWOOD** — He is not here; that is a vacant space.

**Hon. Andrew Brideson** — There will be a levy on that.

**Hon. BILL FORWOOD** — There will be a levy on the space opposite. It is pretty obvious that honourable members opposite know the government has got this wrong. Access Economics goes on to say:

On balance, only the third objective cited for its introduction rings true — it appears more likely to be focused on raising revenue through the imposition of a new selective business tax rather than reducing congestion costs.

Let us just get that on the record — a new selective business tax. I refer honourable members to schedule 1 at page 24 of the bill, which contains a map. The text below the map states:

The levy area is the area within the bold black line on the above map being the area in the cities of Melbourne, Port Phillip and Yarra and the Docklands area bounded by Hoddle Street, Punt Road, Queens Road, Kings Way, the West Gate Freeway, CityLink, Footscray Road, Dudley Street, Peel Street, Queensberry Street, Rathdowne Street, Carlton Street, Nicholson Street, Gertrude Street and Langridge Street.

We estimate there are 70 000 spaces in that area. We are not sure quite what sort of spaces they are. That is the area which is covered at the moment.

What I suspect is likely to happen is that as Melbourne continues to grow some entrepreneurs are likely to want to build a new car park or two. Where do you reckon they are likely to build them? I would have thought they will not build them in the levy area but just outside the levy area, which is an area that is well serviced by trams. I am confident in telling the house that the next car parks built to service the inner city area will be built just outside the levy area shown in schedule 1 — for example, in Punt Road, out on Dudley Street, around the market or a bit further out.

What do members reckon the government will do next? It will play leapfrog and extend the area, will it not? Yes, of course it will — just a little bit and then just a little bit more. We know that the levy in New South Wales started off at \$200 and incrementally went to \$400 per space and then to \$600 per space. At the moment it is \$800 per space. In Victoria we do not use the incremental approach. We are big bang people, are we not? It will be \$400 in the first year and it will go to \$800 in the second — and it is at about that time the government will expand the area and up the price. We know it wants to index this in any case. But more than that, it will up the price, make no mistake about it.

How will this actually work? We could spend a lot of time talking about the definitions, and I am sure we will when we get to the committee stage. There are some interesting issues about what is a parking space — what is a public car park and what is a private car park. For example, a private car park is a car park or a part of a

car park that is not a public car park. I put it to members that if a private car park is not a public car park, then every car park potentially is caught by the legislation. Then of course we know that the government —

**An honourable member** interjected.

**Hon. BILL FORWOOD** — It is true. If you define a private car park by saying it is not a public car park, you have nowhere else to go. You have got everything covered. It is either a public car park or it is a private, because if it is not public, it is definitely private, and there is nothing you can do. That is the logic of the issue that is before the house today. Then we know that the registration man and his fleet of people will come along and say, 'If you could actually put a car there, that is a long-term car parking space'.

We know that the Treasurer — the poor man's Alan Stockdale, as he has been described in other quarters — got caught on this, so he has desperately tried to say that he sought advice from the State Revenue Office and he talked about all the individual people who would not get caught by this. He said they would not have to register, but of course they will. They will be duty bound to do it — and if they do not the Gestapo will be around with a \$6000 fine. Why is the government doing that? Because this is not a bill about reducing congestion. As I said earlier, this is a taxing bill. For that reason we will be moving amendments to the bill.

I will deal with the long title, which begins:

A bill to impose a levy on long-stay parking spaces ...

We will suggest the removal of the word 'levy' and the insertion of the word 'tax' — because that is what it is.

I am quite happy to foreshadow that we will be taking the bill into the committee stage and moving amendments. More to the point, we will move to omit the short title and insert in its place 'Parking Tax Bill'.

**Hon. T. C. Theophanous** — You are playing games!

**Hon. BILL FORWOOD** — I look forward to the support of Mr Theophanous and the government for the amendments we will move in committee so that this bill will be treated properly. It is not a congestion levy bill. As the second-reading speech makes perfectly clear, this is a taxation bill. The government should be upfront and honest and include the word 'tax' in the bill title.

**Opposition amendments circulated by Hon. BILL FORWOOD (Templestowe) pursuant to sessional orders.**

**Hon. BILL FORWOOD** — I have circulated the amendments I propose so that honourable members will have the benefit of seeing the changes we propose and which members of this house of review are duty bound to carefully consider.

**Hon. T. C. Theophanous** — What is the difference between a levy and a tax?

**Hon. BILL FORWOOD** — I look forward to engaging with Mr Theophanous in detail as we go through the clauses.

**Hon. E. G. Stoney** — On Friday?

**Hon. BILL FORWOOD** — I hope not.

**Mr Smith** — Where are the rest of your amendments?

**Hon. BILL FORWOOD** — I only have 100; they are all there. I foreshadow that we will consider this bill in detail and oppose some clauses outright. That is an important point to make. This government needs to learn that it cannot use terms like ‘congestion levy’ when what it means is ‘parking tax’.

Let me continue by discussing the report by Access Economics. In its executive summary it says:

The proposed levy rates poorly against best practice policy instrument design.

We know this government has no standards — that it brings in sloppy, half-baked legislation. You only have to look at the way it has behaved in relation to the Racing and Gambling Acts (Amendment) Bill to realise that this government is seriously lacking in standards.

**Hon. B. N. Atkinson** — It is a joke.

**Hon. BILL FORWOOD** — I thank Mr Atkinson — it is a joke. Access Economics, one of the government’s favourite advisers, says that this legislation rates poorly against best practice policy design. The report goes on to say:

It should not be implemented.

On behalf of the opposition I announce here and now that even though we expect the government to use its numbers to force this legislation through to the detriment of Victorian motorists in a mad grab for cash, we will vigorously oppose the legislation and articulate our reasons as honourable members continue to speak on the legislation.

**Hon. Andrew Brideson** — We are standing up for the worker.

**Hon. BILL FORWOOD** — I thank Mr Brideson. We are standing up for the people who are again being slugged by this government. You only need to look at how many slugs this government is putting on the ordinary people of Victoria. It slugs them with a water tax. It slugs them with a tax on car registration. What about the pensioners rebate on drivers licences? Time and again all this government does is add another tax. For example, let us think about the land tax on trusts, which we will be dealing with some time in the near future. In order to fund its blow-outs this government continues to think up more ways of raising money.

I suggest that honourable members look, for example, at the annual report of the Department of Treasury and Finance, which was tabled in Parliament yesterday and which reveals that the number of bureaucrats employed in DTF has risen from 511 in 2003–04 to 554 in 2004–05, an 8 per cent increase in one year, and that the number of executive officers has risen from 70 to 76. The total wages bill is up by nearly \$10 million to \$77.3 million — up 14 per cent in one year. The number of executives receiving \$100 000 or more is up again.

We say that instead of slugging ordinary Victorians with annual increases in fees and charges for driving licences, marriage licences, camping licences, fishing licences and every other licence that the government will not tell us it is putting up — and it still has not told us, despite the 901 days that have elapsed since the Premier promised he would tell us which bills we were all going to get slugged for, such as extra fees for small business, self-funded retirees and other property owners with extra land tax on trust — the Premier should be controlling his own bureaucracy.

The point is that this government cannot — it has proved time and again that it cannot — maintain budget fiscal rectitude. If you look at the annual reports of each of the departments under this government, you see that they are absolutely unable to bring their expenditure in below the budgeted figure. What they do is blow out their expenditure but cover it by increasing the amount of revenue that comes from a burgeoning economy. Rather than there being some choice in how the surplus of the state is spent — for example, on better public transport — it goes to meet the outlandish expenditures of the government departments, which then leads in to the next step. The next step is to get more money, and the government thinks up another half-brained, hair-brained scheme for raising funds.

The Access Economics assessment says:

Individuals by their revealed preference at current prices value the convenience and comfort of car travel ...

It further states:

If an object of policy is to reduce congestion in urban areas — and as noted above, the stated objectives suggest some confusion on this point — then all car use should be the focus of policy, not parking spaces for some subset of car users. In this context, the overriding aim of the policy should be to ensure that all individuals, including casual visitors to the CBD —

central business district —

face the real resource costs of their decisions.

I put the following proposition to members opposite — and I will put it to the minister in the committee stage as well. I live in Ballarat and I decide I want to come to the Melbourne CBD for a day's shopping. I get into my car, drive down, arrive in a car parking space before 9.30 a.m. and stay there more than 4 hours. In those circumstances, according to the legislation before the house, despite the fact that this is my one trip to Melbourne for the year to do the Christmas shopping, I will be hit with the congestion levy.

**Hon. T. C. Theophanous** — Rubbish!

**Hon. BILL FORWOOD** — The minister said 'Rubbish'. I look forward to the adviser in the box and whichever minister is at the table advising the house why it is rubbish. I put it to members that every single person from country Victoria who comes to Melbourne and parks before 9.30 a.m. in a car parking space in the defined area shown in schedule 1 will be caught by this levy for their one, two or three trips each year. The point made by Access Economics is absolutely true. This should not be aimed at some subsets of car users. If, as Ms Romanes said, the government were serious about a public policy response to congestion, it would have come up with better policy than the grab for cash that it has come up with now.

Access Economics report goes on to say:

A well considered policy to reduce congestion in the CBD would target congestion at its source and vary according to the amount of congestion caused. Congestion is related to the time of the day ... is location-specific, travel route-specific and type of vehicle-specific.

For example, as well as creating more air pollution, large vehicles travelling at peak times add disproportionately to traffic congestion, particulates and greenhouse emissions, and also wear and tear on road infrastructure (and in this latter respect are effectively cross-subsidised by passenger car users anyway).

As intelligent members of the government would know, there is a sensible public policy response available, but we have not got it with this legislation. We know that because we have read the bill. I note that Ms Romanes

gave a very erudite speech on her own, backed up of course by the large ringbinder handed out by the government bureaucrats to every member of the government who is unable to come up with a speech of their own. We do not get considered responses from the government, we get the government policy line as written by the bureaucrats. I ask the thinking members of the government — and I know there are some — to consider the issues that have been put before the house by Access Economics in relation to this. I go back to what Access Economics said in relation to the car parking levy:

... it is at best a blunt, poorly targeted and discriminatory method of mitigating the costs associated with traffic congestion ...

using it to increase the supply of short-stay off-street parking directly undermines its —

aim —

... in reducing traffic congestion ...

It cannot be any plainer than that. What do we have from the government? More nonsense!

Last night the Melbourne City Council unanimously passed a motion in relation to the long-stay car park levy.

**Hon. B. N. Atkinson** — They were trying to make them the scapegoats, the stalking horse, for this.

**Hon. BILL FORWOOD** — I look forward to your contribution, Mr Atkinson. Those of us who are interested in public policy are well aware of the structure of the Melbourne City Council. We know that it no longer has Kimberly Kitching on it.

**Mr Smith** — A good woman, too!

**Hon. BILL FORWOOD** — A good woman, I know — better than her husband, whose father, Bill Landeryou, was a member of this place when I first joined many years ago. He, of course, was a member of the storemen and packers union, and for a brief time a cabinet minister in the Cain government. Although Ms Kitching has gone, the council has some Labor members on it. It has, would you believe, some Greens on it and some people who, I suspect, describe themselves as Independents; two at least I know are members of the Liberal Party, but last night the council unanimously passed a motion.

It is important that the house consider the motion passed last night by the Melbourne City Council. It resolved:

That the City of Melbourne monitor and report on the extent of compliance with the objectives of the long-stay car park levy in the first two years of its operation;

and:

that the City of Melbourne monitor and report in 12 months on the impact the car park levy has had on traffic congestion in Melbourne and the cost of parking in the city both short and long term, including the impact on retail and business communities.

The council's resolution continues:

3. that the state government be asked to:
  - 3.1 consider inclusion of medical practitioners within the list of exemptions provided for emergency services;
  - 3.2 commit all proceeds to sustainable transport initiatives relating to Melbourne only (for example, public transport, walking and cycling) that are not otherwise scheduled to be funded by recurrent expenditure.

I am gravely concerned that the government will get a taste for this particular type of fundraising, and the next spot will be Chadstone, Eastland, Fountain Gate or even Geelong. This will be expanded to grab car parks. I do not think there is any doubt that this money-hungry government will head for car park spaces everywhere it can.

The City of Melbourne is saying that it wants the money raised in Melbourne to be spent in Melbourne. That is interesting, and it certainly wants it spent on issues not scheduled to be funded by recurrent expenditure — in other words, it does not want this government's usual thimble and pea trick, which says, 'We are going to hypothecate this money to you but with this hand we will take away some of the money you are already getting. Yes, we have kept our promise; yes, we have hypothecated the money but have you got any more money than you started with?'. Of course not — not with this government, otherwise it would not be bothering to introduce this sleight of hand and the thimble and pea trick.

The Melbourne City Council then goes on to say that it would like to be consulted, and states:

- 3.3 consult with the City of Melbourne with regards to how the proceeds are allocated on an annual basis; and
- 3.4 allocate to the City of Melbourne \$5 million or 13 per cent of projected revenue, whichever is greater on 1 January each year.

Honourable members who are well aware of the thimble and pea trick would know that the government

has made an estimate and said it will give the City of Melbourne \$5 million, but what happens if this particular tax raises more than the \$40 million? We suspect it is highly likely, given the squads of people who will be out there identifying every particular piece of land that could be used or may one day be used as a car parking space and which is therefore, of course, subject to the levy.

In the first year when estimates will be made and 75 per cent of all spaces will be deemed to be long-stay car parking, then you get the point; people will understand that the council does not trust the government to give it its share of the money. It reckons that the government will get little more than it says it will.

The council goes on in its resolution, passed unanimously last night:

- 3.5 consider to include provisions in the legislation to prevent car parking operators passing on the costs of the long-stay parking levy to the short-stay users.

It is another fallacy in this particular public policy model which this government has introduced. The government says, 'We will calculate the amount to be paid by multiplying the number of long-stay car parks by the amount set — \$400 and later \$800'. It does not say how it is to be raised. One way of raising it is to put up the price of all of them, so you can put up the price simply of short-stay car parks to cover this because nowhere in the legislation does it say that the money must come from a long-stay car park.

All it says is that the people responsible, be they the owner or the lessee as classified in the legislation, must pay an amount equivalent to the mathematical sum of the number of long-stay car parks as designated by the amount of the levy. It does not say that it must be charged on them. The government can get the money from wherever it likes.

The government will spread the cost over everything, which means that short-term-stay parks will go up as well, and there is nothing in the legislation that prevents that from happening, so the City of Melbourne has asked the government to include provisions in the legislation to prevent car parking operators passing on the costs of the long-stay levy to short-stay users, and then the council states:

- 3.6 clarify the impact of the car park levy on car park spaces on Crown land managed by the council.

This is a complex issue which I intend to deal with in committee, and I look forward to getting some responses from the government at that time.

The City of Melbourne then resolved in paragraph 4:

that, in accordance with options provided for long-stay car parking levy implementation strategy, the number of long-stay spaces in public car parks owned by the City of Melbourne be established by actual usage records rather than the statutory ratio.

I would have thought that that was reasonable, but this government in its mad grab for cash has come up with a 75 per cent formula; and if you do not like it, you can do your surveys, you can hire a couple of people to count how long people stay at each space, and you go around each night and count how long they were there. This is not a highly computerised business, it is an absolute administrative nightmare. Forget about all the private people being forced to register, which the Treasurer tried to back down on but has not backed down on, and which we will also explore in some detail.

**Hon. W. R. Baxter** — He won't amend the bill, then?

**Hon. BILL FORWOOD** — No, he will not amend the bill — just trust the State Revenue Office. If the Treasurer wishes, because we have time to debate this bill, he has the time to introduce an amendment that might deal with the issue which he so rapidly backed away from, when it was brought to the attention of the Victorian people — that is, how every single person with an off-street car park in the city of Melbourne, as defined in this area — even the people living in Collingwood and Fitzroy — have to register their off-street car park; and if they do not, they are up for \$6000.

Even the Treasurer has time to get the parliamentary draftspeople to draft an amendment and it can be then introduced, which we will happily accept and which could then go back to the other place in time for the government — —

**Hon. T. C. Theophanous** — The Treasurer said it will be dealt with.

**Hon. BILL FORWOOD** — I pick up the interjection by the minister that the Treasurer has said that it will be dealt with.

**Hon. J. A. Vogels** — You trust him?

**Hon. BILL FORWOOD** — No, we do not trust him, because his track record on these issues is appalling. This is the person who will not tell the people of Victoria the names of the raft of licence fees that are automatically indexed.

**Hon. J. A. Vogels** — Thousands.

**Hon. BILL FORWOOD** — Thousands of them. He will not tell the people of Victoria what they are. This is the Treasurer who took away — —

**Hon. T. C. Theophanous** interjected.

**Hon. BILL FORWOOD** — I do, because up until the Treasurer introduced that particular piece of legislation, there was no capacity for Parliament to gather funds other than through appropriation. Now the Treasurer has brought in the greatest automatic rort of all time. He has slipped it under the counter and has not even told people what the various issues, activities and licences are which are subject to his tax.

The council goes on to say:

That revenue received by the City of Melbourne from the long-stay car park levy be preserved within the council's accounts for the transport-related purposes as set out by council's transport strategy once it is implemented or other sustainable transport initiatives approved by the council.

Under point 6 it says:

By instrument of delegation sealed by the council under section 98(1) Local Government Act 1989 ... delegate to the chief executive officer, or the persons from time to time acting in that position, the authority to enter into any necessary agreements with the appropriate agency of the Victorian government to enable the transfer of the yearly proceeds of the long-stay car park levy to the City of Melbourne.

Under point 7 it says:

Under section 98(3) of the act, authorise the instrument of delegation to the chief executive officer, or the person who from time to time acting that position, to empower him or her to delegate any power, duty or function delegated to him or her under the paragraph above, to a member of council staff.

Let us put it this way: the Melbourne City Council is going to have to do a lot of the donkey work around this particular area, although we will be closely studying the number of people the State Revenue Office (SRO) puts on for the purposes of ensuring compliance with this particular piece of legislation. We know, of course, that they will be out at night with a torch and magnifying glass looking for the spots of oil on the bit of grass inside the gate of the person living in the suburbs, because that is a car parking space as defined by this government and that person will be up for \$6000 like a flash. We know this government is so hard up for cash that it will be out there with its squad of Inspector Clouseaus looking for the oil just in order to get the money.

There are so many other issues I need to raise in the 5 minutes left to me before I am gagged by the sessional orders of this place, which are preventing me from dealing with this bill with the complexity it requires.

**Hon. T. C. Theophanous** — You can do it in committee.

**Hon. BILL FORWOOD** — But as I said to the minister, and he acknowledges that I will be taking the bill into the committee stage, we will be looking for some explanation of many clauses. For example, the bill says in proposed section 32, under the heading ‘Levy is a charge on land’:

An unpaid levy is a charge on the land on which the leviable parking space in respect of which the levy is payable is or was situated.

I put it to members that if you take the letter of the law as that says, and if somebody who is living on a \$1 million block of land gets a crisis of conscience about being forced to register their particular plot and refuses to pay the \$6000 fine, then this clause gives the government the right to take their property and sell it up because it is a charge on the land. Honourable members in this place may say that is unlikely, but what I say is there are thousands of people who are now subject to the heavy hand of this government, the blunt instrument, which says you must register even if you do not have to pay the levy. If you do not register, because of clause 32 there can be a charge on your property — and mate, you can be done! It is ridiculous that this parking space levy — —

**Hon. T. C. Theophanous** — All you have to do is register.

**Hon. BILL FORWOOD** — All you have to do is register. I look forward to advising the thousands of people in this city who do not have to pay the levy that all they have to do is register, in the words of Mr Theophanous. They have to register according to the form specified by the SRO, which I have not seen. Has anybody seen the form? Is the form ready? Perhaps we could have a copy of it during the committee stage. Of course you will be able to download it or go and get it, and once you have got it all you have to do is get it in and have it registered in the first couple of weeks of January. This is meant to happen — would you believe it? — in the period when most people are having their Christmas holidays and are going away. Not for this government; the blunt instrument and the money grubbing come out. I am confident the people of Melbourne will be very pleased to know that according

to the minister all they have to do is register. Right, okay, good.

I want to talk briefly about proposed section 13 under part 3 — —

**Hon. Andrew Brideson** — On a point of order, Acting President, we have heard from the honourable member that he still has many points he would like to put on the table for discussion, and I move an extension of time, if that is possible, under sessional orders.

**The ACTING PRESIDENT (Mr Smith)** — Order! There is no point of order. The member should resume his seat.

**Hon. BILL FORWOOD** — I thank my honourable colleague Mr Brideson for the opportunity. I would have liked to have continued because, as honourable members know, this bill consists of 37 clauses plus a couple of schedules and there is a lot to get through, and I needed more than the 1 minute and 12 seconds left to do it. However, as the member says, I will take the opportunity when we get to — —

**Hon. T. C. Theophanous** — The unlimited committee stage.

**Hon. BILL FORWOOD** — When we get to the unlimited committee stage, I will want to talk particularly about the definition of parking space which, as I said, captures vacant land. If you have more than 25.2 square metres, then you have yourself a car parking space — even if it is a bit of lawn. Did members know that? If you have a bit of lawn and you can park a car on it, then, boy, you are caught by this government — absolutely.

**Hon. Andrew Brideson** — What about a Smart car?

**Hon. BILL FORWOOD** — A Smart car — well, I think they are trying to capture absolutely everything.

We will also be looking to have an explanation of the definition of ‘operator’, meaning:

a person who is not the owner of the premises on which the car park is situated but who operates the car park under a lease, licence or other arrangement —

and how that particular definition will work in relation — —

**Hon. T. C. Theophanous** — Time!

**Hon. BILL FORWOOD** — I note that the Minister for Energy Industries is trying to sit me down, but my intention — —

**The ACTING PRESIDENT (Mr Smith)** — Order! Mr Forwood, your time has expired.

**Hon. W. R. BAXTER** (North Eastern) — The house witnessed earlier today an example I have not seen for a long time. The Leader of the Government in this place is such a control freak that he wants to structure everything so that he believes he has it absolutely within his grasp. He is clearly under instructions from the Treasurer, who has got himself into such hot water over this bill, and the Premier, for the fool he made of himself on the 3AW program in not knowing what is in his own legislation. Clearly the instructions have come from on high: ‘Get rid of this legislation. Get it off the notice paper as quickly as you can’.

What did members see? Despite the fact that it is the only bill on the government business program for this week and in the normal course of events would have passed at 4.30 tomorrow afternoon, if this Leader of the Government had been prepared to work with the opposition and the third party, what did he do? He set out to antagonise the opposition by attempting to jackboot this bill through the house 24 hours earlier than was necessary or was the expectation. In the process he has, of course, aggravated all members on this side and his action has been entirely counterproductive. I am now not too sure what will be the end result. Clearly the end result is in the hands of the government as much as it is in the hands of the opposition. If ever I have seen such an unnecessary and counterproductive action before, I cannot recall it at this time.

**Hon. T. C. Theophanous** — We would have taken the word of The Nationals.

**Hon. P. R. Hall** interjected.

**Hon. T. C. Theophanous** — We would have trusted you.

**Hon. W. R. BAXTER** — The cooperation and trustworthiness of The Nationals is well known, and I think the same can be said for the opposition in terms of the business of the house.

*Honourable members interjecting.*

**Hon. W. R. BAXTER** — If arrangements are made as to the passage of legislation, I think the record will show that those arrangements have been adhered to,

unless a member of the government, through hubris or something else, has gone over the top and given the opposition cause and reason to make some change. I put that on the record: we are here having a debate today that we should be having tomorrow and that has undermined the whole debate. It has put a nastiness into the debate and it has soiled the debate quite unnecessarily. The responsibility for that rests entirely at the feet of the government.

There is no doubt that this bill is a taxing measure, pure and simple — I think Mr Forwood referred to it as a naked taxing measure. Despite all the rhetoric in the second-reading speech and dressing it up as somehow to do with alleviating congestion in the CBD, the bill itself puts paid to the notion that it is anything but a taxing bill because a clause of the bill makes it very clear that this legislation comes within the purview of the Taxation Administration Act of Victoria. Clearly it is a taxing measure. It has been dressed up, though, as somehow or other to do something about congestion in Melbourne and elsewhere. I do not think anyone has any doubt — there is no question — that traffic congestion is an issue in many cities of the world, not the least being Melbourne.

The intriguing thing I find is that we have the Treasurer on 14 September 2005 sending to the Victorian Competition and Efficiency Commission terms of reference and that the commission was to conduct an inquiry and make a report on:

- ... the nature and incidence of transport congestion:
  - a. in Melbourne;
  - b. the major ... cities of Geelong, Ballarat and Bendigo; and
  - c. at key modal and intermodal freight transport facility interfaces ...

There are several other points in the terms of reference, dealing with how congestion might be tackled. The transmittal letter from the Treasurer — which, oddly enough, is undated — requires the report:

- ... to be submitted within 12 months of the receipt of this reference.

I cannot work out when the 12 months starts because there is no date. Nevertheless, that has to be some time early in 2006.

It seems to me very strange that one would send off a reference like that, particularly when the commission produced a discussion paper as to how it might handle the reference. At paragraph 1.1 on page 8 its says:

An important task is to develop an understanding of the nature of congestion, the extent of any problems resulting from congestion and the main factors giving rise to it.

These are the operative words:

This will assist with the process of identifying policy options for tackling congestion.

Having ordered the commission to do it, why would one pre-empt the commission's work by rolling in this piece of legislation which is dressed up to say that it has something to do with congestion — if one has just given a reference to your own commission to come back with some policy options? The whole thing is absolutely contradictory. It is the one minister, the same man, on the one hand giving one of his own creations a task and on the other hand pulling the mat from under it by pre-empting what its members might do by introducing this legislation.

I think it is an indication of a Treasurer who is coming under a lot of pressure. He knows from his experience and in reflecting upon the disastrous Cain and Kirner governments that the people of Victoria will not for one moment stand for budgets sliding into the red, and he has become obsessed about that. He has become subject to a lot of pressure from his colleagues, who do not want that to happen. That is quite right. I do not object to that. I think that is what the people of Victoria want. The conundrum that the Treasurer is now facing, of course is that, despite all his colleagues not wanting the budget to slide into the red, they also have insatiable demands for cash for their pet projects and an extraordinary inability to run things efficiently. The Treasurer is well aware that the trend lines are not looking too brilliant, that the increase in government expenditure and outgoings is rising at a far faster rate and up a steeper incline than revenues are rising.

The Treasurer knows full well that when those two lines intersect he will be in deep trouble, as is the government. He is now taking every opportunity to do what he can to grab cash wherever he can, as surreptitiously as he can or dressing it up in some other form. But essentially he is trying to pad the coffers so that he can put off the evil day of the intersection of those two lines on the graph as long as he can. I do not object to him having that objective, but I object to the manner in which he is going about it.

For example, we had the secret tax on family trusts — that is, land tax. I say it was secret because it took so long to flush out what the Treasurer intended to do. He announced one thing in the budget. We in The Nationals and other people made so much noise about it that we had an announcement from him on Friday

which dramatically scaled down his intentions. He did not come clean and say he had been wrong-footed and caught out. He came up with an escape clause, so basically that revenue source has gone out the window.

We have had the example of the Treasurer's attempt to instruct the State Revenue Office to charge conveyancing duty on the interest component of vendor term contracts on property transfers. Again it was a surreptitious attempt to garner more revenue. Again it was blown out of the water by some good work by some Nationals members and others, and solicitors from country Victoria who deal with those sorts of contracts.

Some of the Treasurer's revenue-garnering activities have failed because people in the community have had a wake-up. As well, we and the opposition vehemently opposed his move last year for him to have the capacity to jack up fees and charges on 1 July every year. As the *Herald Sun* indicates today, it would go up not only by the consumer price index but he has the capacity to jump it up at an amount greater than the CPI. As the *Herald Sun* editorial says today, why will the government not tell us which fees and charges have been increased? Why will it not disclose which ones now have a profit motive component in the level at which they are set? This government said it was going to be open and transparent. They went to the people of Victoria on that basis. Now the *Herald Sun* today says this government is anything but transparent.

I thought the language of the *Herald Sun* editorial today was couched in such a way that a sense of frustration is creeping into the editorial writing in the corridors of the *Herald Sun*. I am pleased about that because I think the *Herald Sun* has a grave responsibility to shine a light into the dark corners of this government and keep it up to the measure. Thus far the *Herald Sun* has not sufficiently exposed the shortcomings of this government and in particular it has not exposed the incompetence of many of the ministers. I hope what we have seen in the *Herald Sun* editorial today is the beginning of a greater scrutiny of this government by that good newspaper.

I acknowledge that congestion is an issue for this city to deal with. I would like to see the government deal with it in a proper manner. I support the reference to the Victorian Competition and Efficiency Commission; I think that is a suitable forum for it to be examined.

But we know that this government has got form when it comes to dealing with congestion. We recall how it opposed the CityLink project, which I happen to know a bit about. The CityLink project was one of the

greatest measures — probably the greatest measure — that the city of Melbourne has ever seen in terms of relieving congestion. Can you imagine for one moment what congestion would be like in the city of Melbourne today if we had not built CityLink nearly a decade ago? It is frightening to comprehend. The city would be grinding to a halt. Containers would be stuck on our wharves, unable to be moved.

But we recall how the then ALP opposition and the now Minister for Transport in the other house so vehemently opposed CityLink and how they so strongly opposed the creation of short-term car parking spaces on many of the roads such as Toorak Road, Alexandra Avenue and a number of others. They fought tooth and nail against the creation of parking spaces on those roads. They have come a complete circle, it seems to me. In the second-reading speech of this bill they are saying the reason for this legislation is that it will achieve that purpose; it is going to create more short-term parking spaces on our streets. It did not want that at all 10 years ago. Again, it seems that hypocrisy knows no bounds in politics.

**Hon. T. C. Theophanous** interjected.

**Hon. W. R. BAXTER** — The minister acknowledges what I say. He just says it is a different location. I say to the minister the principle stands firm.

It seems to me we have actually got plenty of road space in this city. We are quite fortunate compared with other cities around the world. This city was developed at a time even before the advent of the motor car when it was known from previous experience in older cities that narrow and winding streets were a recipe for difficulty and congestion.

We are fortunate that we had administrators and planners in the City of Melbourne in the early days of the calibre of Governor La Trobe and the surveyor Robert Hoddle, who braced this city with the tremendous thoroughfares that we now have. It is just a pity, I often think, that some of the successors who were planning the streets in the surrounding suburbs were less visionary — for example, where Royal Parade turns into narrow Sydney Road. However, that is what happens, and we have to live with it. But compared with Sydney, with its very narrow streets, we are lucky indeed, and we ought to be able to come up with a system that relieves congestion before we start using the big stick by taxing parking spaces in the way that this legislation envisages.

I often notice when I am coming to Parliament from the country that if I leave home at 6.00 a.m. I get down to

Barry Road in Campbellfield or around that area in about 2½ hours and I then become enmeshed in very heavy traffic indeed. If I leave an hour later and arrive in that area between 9.30 a.m. and 10.00 a.m. I find I get a free run. Similarly when I am leaving this place, if I can get away at 4.00 p.m. I can get an easy run out, but if I get out at 5.00 p.m. it is very heavy. If I leave at 6.00 p.m. things are easing up again. I do not think this government or this community has given enough attention to looking at how we might better stagger our peak times and make better use of the available road space, because it seems to me there is a capacity to do that. You do not have to take many cars off the road at a particular time to improve the flow immensely.

**Hon. P. R. Hall** — The proof is the school holidays.

**Hon. W. R. BAXTER** — I was about to come to that, Mr Hall. The proof is what happens during the school holidays, when although probably only about 5 per cent of people actually go off for holidays interstate or wherever and are not going to work, Mr Hall and I have noted that it makes an extraordinary difference to the density of traffic on our freeways and arterial roads. It is not as though we have to take half or even a third of the cars off the road; we just have to encourage a relatively small number to use the roads at some other time and we will see a great improvement in the flow of traffic.

I acknowledge that on some of our truck routes we have congestion for a greater number of hours per day, and that needs to be addressed as well. I note that the Business Council of Australia has made some recommendations in that respect, as has the Committee for Melbourne. A lot of those solutions require significant investment in infrastructure, and we are seeing some of that coming about now. The Western Ring Road has been one of the great congestion solvers, along with CityLink. The recent commitment by the federal government to build the Deer Park bypass is clearly going to ease congestion on our truck routes. I do not think this bill will do anything at all to alleviate congestion on our truck routes. It will not address that issue at all. This bill will simply slug commercial car parking spaces in the central business district and will not help the economy by getting our freight moving faster along the roads.

The government ought to be committing more to upgrading public transport. I find it extraordinary, and I have thought this for many years, that although our forefathers built the suburban rail system and installed the state's tram system — despite a number of attempts to get rid of them during the 1950s, we still have them and are now the envy of the world because of it — no

government has expanded the tram system even though the geographical spread of Melbourne has expanded extraordinarily in the last 20 to 30 years. Various governments in the past have done some work to improve tram capacity by putting in the fairways and keeping traffic off the tram lines — for example, in Nicholson Street that has been useful — and there have been a couple of exceptions, such as the extension of the tram service out to East Burwood and now on to Vermont and an extension of the Bundoora line.

Similarly we have done very little with the suburban rail network. That was well illustrated in articles in the weekend newspapers about people who live at Mill Park and the like. At the time people were contemplating building a house in those new areas they were promised — at least by the real estate agents, although I certainly do not say you can believe real estate agents all the time, but I think they were led to believe this by governments as well — that those localities would be provided with a suburban rail service. It has not happened.

I think there is a tremendous capacity to encourage people onto public transport if it is reliable, clean, pleasant and comfortable. I use the Nicholson Street tram quite a bit. The new trams are very good, but I acknowledge that they can be very crowded at peak times. I come in very early when there is hardly anyone on them, so I do not particularly notice it — and of course we leave here after normal working hours so very few are using them on the way home. I do observe that in the peaks they can be pretty crowded and to a degree a bit uncomfortable but not necessarily unpleasant.

When I was Minister for Roads and Ports and my office was in Denmark Street, Kew, I used the Eastern Freeway to travel from my residence in North Carlton out to the office. I was always going against the traffic in the mornings and had a free run, and I noticed all the cars queuing up on the Eastern Freeway, trawling along and almost invariably carrying only the driver and no passengers. I often thought to myself, 'If I were doing this every day of my life I would go barmy'.

Frankly, I cannot understand why there is not a greater attempt to make car pooling work. I acknowledge that car pooling has been promoted in the past. In fact I promoted it as a former roads minister, as did my colleague Mr Alan Brown when he was transport minister in a previous government; and as did Mr Cooper, the member for Mornington in the other place, when he was Minister for Transport. We attempted to encourage people to car pool, but somehow or other, because of the Australian desire to

do your own thing or to be entirely independent, it has not exactly caught on. But I am sure the fact that people are spending an hour or more in traffic jams on freeways such as the Eastern Freeway would encourage people to use the trains if they did not strike the problems Mr Forwood alluded to.

Those who can conveniently use public transport are using it, but there are too many people who are not conveniently serviced by the suburban rail system. That is where the government ought to be turning some of its attention before it starts taxing the owners and users of car parks.

If anyone really thought this measure was going to be limited to the area outlined in schedule 1 of the bill forever and a day, they are clearly living in fairyland and not very much attuned to what this government does. It is sticking out a mile that this is just the initial area. Mr Forwood put his finger on it when he said that it would be progressively extended over time. Every time the Treasurer needs more cash he will just expand the boundaries. Clearly there will be fresh areas, such as in Camberwell, Box Hill, Chadstone, or any of those suburban business centres which are all becoming busier and busier, and so they should. They are to be encouraged rather than having all commerce concentrated in the city of Melbourne. Schedule 1A, schedule 1B and schedule 1C will be inserted into this act as other areas are nominated.

We thought we had got rid of it, but I just learned from Mr Forwood earlier that there is still the requirement to register your car park, whether it is an exempt car park or not. I did not come down in the last shower, and it is obvious to me that that is going to assist in compiling a huge database of car parks all over the place. It is one way of finding out where a taxable area is. If anyone thinks the tax is not going to be extended, again they are in fairyland.

I find it quite extraordinary that members of the government backbench think their electors are going to be happy with the prospect of having to go through all this red tape of registering and then having it hanging over their heads that sooner or later they will be getting a bill in the mail for \$800 a year; and if they do not register they will be getting a fine of \$6000. A fine of \$6000 for not registering a piece of ground seems to be out of all proportion to the fines you get for executing an illegal activity. I cannot fathom how the government came up with this figure of \$6000. Clearly it wants to stampede people into registering car parks so it knows where they are. Once it knows where they are this government will extend the tax to those car parks.

We all know it will not be the owners who are going to pay. It is going to be the users, because the owners will pass it on. Who are some of the users I represent? They are the people who come down to Melbourne — like the people out on the front steps of Parliament House today who came down this morning; parked their cars somewhere before 9.30 a.m. and are still here waiting for the water bill to come on in the other place. They are the people who are going to be paying this \$800 a year.

**Hon. Andrea Coote** — That is perhaps the government's intention. It does not want them coming down.

**Hon. W. R. BAXTER** — That might be so, Mrs Coote. They are the people who are going to pay for it. It is not only Mr Forwood's constituents but mine and those of Mrs Coote, Mr Koch, Mr Drum and Mr Hall. Those people we represent who are only coming to Melbourne intermittently, and probably less than five times a year, are not really the people who are causing congestion in the city of Melbourne on a daily basis. Why should they be penalised? And they will be penalised under this legislation.

This is an outrageous piece of legislation. It has been ill thought out; we do not know how it is going to work; the definitions contained in it are very convoluted indeed, and there is no doubt we will be inviting the minister at the table to clarify some of those convoluted definitions during the committee stage. It smacks all along of a Treasurer saying, 'I need another source of revenue. Cook one up for me'. This is what has been served up. It is a total disaster and it ought to be opposed.

**Hon. ANDREA COOTE (Monash)** — This bill is absolutely outrageous. I take up Mr Forwood's proposed amendments. It is not really a congestion levy; it is a tax. It is absolutely a tax.

This bill fails in three major ways. Firstly, it is actually a tax disguised as a levy. Secondly, it concentrates on the congestion of traffic, with short-term suggestions or ideas but no long-term solutions by any stretch of the imagination. Lastly, it will not prevent more congestion in the city; there is absolutely no way it will do that.

The more one drills down into this bill, the more complicated and complex it becomes. On reading this bill one sees it is obvious that it does not clarify anything; in fact it makes the situation worse. I am very pleased that we are going into committee on this bill because we need to get the details of what exactly it means and what the ramifications are going to be. The

reason it is so complex is — just as the other speakers before me have said — that it really is not what it is purported to be; it is actually just another revenue-raising instrument. That is all it is.

The Leader of the Government is trying to bulldoze this bill through. Why is he trying to bulldoze it through? It is because the public is starting to wake up to this. It has now seen what this means and recognised what the ramifications will be. The people of Victoria will be watching very closely, and they are not going to forget. These may be small things to the government, but the revenue-raising exercises that this government goes through have not been forgotten by the people of Victoria. They will watch and see what is going to happen. We will see it manifested at the ballot box.

Everywhere I go in the state pensioners tell me how unfair they consider \$80 car registration fee imposed on them to be. They remember how draconian this measure has been and are very angry about it — and what about the action of the State Revenue Office with the land tax on residential aged care facilities. In that exercise we saw retirement homes suddenly being hit with a land tax out of the blue with no consultation with the industry, the peak organisations or the proprietors of residential care facilities,.

The State Revenue Office was again told to find more money. The government said, 'See whom you can get money out of this time', and the State Revenue Office went to residential aged care facilities. In many instances people were going to have to pay around an additional \$80 000 a year without being able to budget for it. However, so much pressure was put onto the government by the shadow Treasurer in another place, and indeed by me, that the government reneged on it, as it should have because it was appalling.

So the government has had to go back to the drawing board to find more money. It was not content with trying to impose more taxes on the aged care sector, it wanted to go right across the board and decided to get the money from motorists.

This bill has been described as 'sneaky' and 'deceptive' and as a 'greedy revenue grab'. It disadvantages inner city dwellers, most of whom are in Monash Province in the areas of Prahran, Windsor, South Yarra and Docklands. As other speakers have said, it will not be the car park owners and operators who will have to bear the brunt of this, it will be the workers. It will be the very people that this Labor government is supposed to represent. It will be the people who do not want to but who are forced to drive to work. They are the ones who will be disadvantaged by this bill.

In an article in the *Herald Sun* of 26 September, John Ferguson says:

Suburbs, or parts of suburbs, to fall into the tax's catchment area include South Melbourne, South Yarra, Port Melbourne, East Melbourne, Southbank, West Melbourne, Carlton, Docklands, Fitzroy and Collingwood.

The suburbs that border the tax are Windsor, St Kilda, Prahran, Richmond and Abbotsford. Which means that the Thwaites claim that this is simply a tax on the CBD's private and commercial car parks is nothing less than garbage.

I could not agree more. We have already spoken about the fact that this will be like an amoeba starting in the CBD and spreading out like some sort of disease into the suburbs and beyond. It will not only happen in Monash Province, but as we go into the next election with the new regions, and the Southern Metropolitan Region which will start in Kew and go to Sandringham, all of those areas will suddenly find that their new activity centres under the disastrous Melbourne 2030 plan will need car parks. It has been acknowledged that a tax will be imposed on them. We will find this tax eating its way into the suburbs. There will be more and more of these taxes. This government will not be able to help itself.

Let us also look at what happens with congestion at the moment in my electorate. The government should be doing more about changing the current situation. For example, people come off the Monash Freeway and go down Toorak Road to avoid the tolls. It is an absolute disaster and this government is doing nothing to rectify that issue. It is the same with the tram-free zones in the afternoons in Toorak Road; they are an absolute and unmitigated joke. It does not work. On several occasions I have asked for clarification of the time savings, but the government cannot give them to me. In fact, it has been mentioned that there may not be any savings at all and the situation is going backwards.

Look also at Williamstown Road from where traffic tries to get onto the West Gate Freeway. That should be alleviated but this government is not even bothering to look at that. I have spoken before about Punt Road. No-one wants to take responsibility for car parking in Punt Road in non-peak times. The major north-south thoroughfare is clogged at most times. This government is not looking at those situations. It is not looking at building extra freeways or building tunnels. It is not looking at long-term solutions to alleviate the congestion in the city, which under its own Melbourne 2030 planning scheme is going to get worse and worse.

Parking in the city of Stonnington is exceedingly difficult at the moment, and this bill will not help at all.

The city raises \$14 million a year from car parking fines. The City of Port Phillip raises \$11 million and residents there already pay an additional parking levy. This government charges for parking around Albert Park Lake. Parking meters are being installed and people who park there for the day are now being fined. Parking is an enormous issue in those areas, but this bill does not address a situation which will become worse and worse. There will be another level of fines and parking levies imposed on people who are already paying a considerable amount of money.

Let us look at what the bill does and how it will impact on those areas. I remind the house about what we are dealing with in my electorate. We are looking at apartment and office blocks along St Kilda Road and sporting facilities like those at Albert Park Lake and Fawkner Park. We are also looking at event locations — for example, the entertainment complex around Crown Casino and events such as Moomba and the like all through the Domain. What will be the ramifications for those areas?

I believe people living in apartments will be the ones most jeopardised. What about the people who have two or three car parking spaces? They may let someone from another apartment use their third space if they have four spaces, or their second space if they have three. What will happen to the many elderly people living in high-rise apartments? What will they do about the register? They will be confused. They have a very short time frame in which to get in their registration. How are they going to know that they have to register? Will they be informed? How costly will it be to inform them?

I would particularly like to know how it will be monitored into the future because my feeling is that we are going to have a new realm of inspectors. This government is very good at putting on more and more public servants. At this stage it has put on an additional 30 000 public servants, most of whom are inspectors of some sort or another, and it is at great cost to the public of Victoria. Who is going to monitor this? Who will monitor where the spaces are and ascertain whether it is a visitor car spot, an additional car space or whether it is used around the Alfred hospital, for example, for people coming in for day surgery?

I know the hospital uses various apartments close by. What will happen to the car parking facilities that come with those apartments? The apartments might be used for people awaiting heart-lung transplants. Are they going to be charged? Who is going to pay? How will it work? Who will monitor the parking spaces and make certain the law is being adhered to? I find it extremely

difficult to understand; many issues need to be addressed.

The government has said that people will be forced into taking more public transport. If you look around my electorate in particular, public transport is totally inadequate. For example, the Sandringham line passes through parts of the area where the levy will be applied, including Windsor and South Yarra. The August figures put out by Connex show that trains on that line were averaging three cancellations a day. That is hardly an inducement to people to leave their cars at home and catch the train, if they are likely to be waiting on the station to catch the train home or waiting to catch the train to work, only to discover that their train has been cancelled. That is not going to induce somebody to want to leap onto the train, especially at Windsor station because, as any member who has visited Windsor station recently will have seen, there is graffiti everywhere. It is intimidating, it is shocking, and people are certainly not going to be encouraged to catch the train from Windsor.

Then we can look at the series of accidents that continue to happen at tram stations all along St Kilda Road. Some of these have had some tragic results, but this government is not even addressing the issue. It patches up the problem as it happens. It is not taking any sort of long-term approach to what should be done.

Let us look at some of the aspects of this particular bill — for example, part 5, ‘Registration and Returns’, and the requirement for registration. As has been raised already today, how will private car parking be affected? How is it going to be set up? Who is going to monitor it? It will not take long at all once these parking spaces have been identified for it to become another tax. At the moment the government is saying, no, there will not be any tax, but how long is it going to take? Will it be before the next election or will it be the election after that? My suspicion is that it will not be next year. I do not think it will be imposed prior to the November 2006 election. But just wait: if Victoria is unfortunate enough to have this Bracks government come back to office, this will become absolutely a tax and it will milk all the people from the new Southern Metropolitan Region electorate, all the way from Kew down to Sandringham, and people are going to be paying just to have their own car spaces on the properties where they live.

We will have another look at some other aspects of this bill; we will have a look at the levies, the private car parks and the obligation of lessees. This is confusing. It is a huge impost and it is very concerning.

I do not have time to drill down into the rest of this, but I am very concerned about sporting facilities and, as I have mentioned before, Albert Park is in my electorate as also are Fawkner Park, around the Domain, and around the Yarra, and although there seems to be some sort of consideration or mention of how this is going to operate, once again it seems to be confusing. It does not seem to be clear.

It will be extremely interesting for the house to go into committee on the bill and try to get some detail of exactly how this is going to work. My concern is that it will be an additional level of red tape. It will cause confusion, and I can see an expansion coming very quickly. The government refuses to rule out the possibility of having an expansion. I think this is going back to what I suggested before — it is a sneaky, deceptive, greedy revenue grab — nothing more. It is a tax, not a levy.

**Hon. P. R. HALL** (Gippsland) — I am happy to have the next opportunity to speak on this obnoxious piece of legislation— the Congestion Levy Bill. What a farce it is, first of all in the sheer title of it being termed a levy. It is not a levy; it is a naked tax, as has been described by Mr Forwood in his contribution, and no-one except this government could suggest otherwise. It is a rip-off, an absolute blatant tax on people who visit and require to park their vehicles in the central business district of Melbourne. No, that is wrong; it is more than the central business district of Melbourne: it affects more than the CBD as significant areas as described in schedule 1 of the bill will also be caught with this \$800 per annum tax grab on car parking spaces.

I want to make a couple of comments about how farcical this situation has become this afternoon — that we are having this debate at this point in time. I am not going to repeat what I have said during the course of the debate on the government motion that debate be held forthwith on the bill — I think it is a joke. It reflects poorly on the government that it has no sense of the need for cooperation with the opposition parties.

We would have assisted the government in getting this bill through in a timely fashion, but no, the government, as is its wont, wants to impose its will and it has brought this debate on prematurely. As Mr Baxter said, it has antagonised members of the Liberal and National parties. Any reasonable person who looked at the process which has led us to this debate would entirely agree that it has been far from productive — it has been counterproductive — and I dare say the debate we are about to have is going to extend three or four times as long as it would have if there had been a sense of

cooperation between the government and the opposition parties.

It is also a joke in that it appears no government members are going to speak on this bill, apart from Ms Romanes, who led the contributions for the government purely as a process to get the debate going under the motion the government moved. If it turns out that we have no other Labor members speaking on the bill, the even more farcical situation will be that only the Liberal Party and The Nationals are prepared to stand up and debate the bill today, tomorrow and Friday, because that is how long it is going to take — it will take three days to get this bill passed.

Before I go to some of the details, I want to talk about a couple of aspects of this bill that I believe are completely illogical. Firstly, this is the Congestion Levy Bill. In the second-reading speech it is claimed that the levy will be an incentive for people to take other forms of transport into the city, thereby reducing traffic congestion.

I find it extraordinary that there is absolutely no skerrick of proof put forward by the government to suggest that the levy will actually work. If it has worked in other cities around the world, I would have thought the government would have cited some evidence to suggest that it could work, but not a scrap of evidence has been given in the second-reading speech or by the government's lead speaker. It appears that no other government members are going to stand up and argue, and give us evidence that it will work. I simply do not believe it will work. I do not think an increase in parking charges in the central area around the CBD will be an incentive to get people to stop driving their cars into the city. I do not think it will work at all.

We have seen with the cost of petrol escalating by at least 50 per cent that that has not proved to be a disincentive because people have to use their cars. They have increased their expenditure certainly on petroleum to utilise their cars, but a price increase in itself has not got around the necessity to use a vehicle, and with no planned upgrades of public transport into the city, again there is no real reason to suggest that this congestion tax will achieve what the government says it will achieve — that is, to reduce the number of cars coming into the city. As I said, it is absolutely appalling that the government makes these claims without lodging any evidence of proof.

I also go now to another issue which was raised by my colleague Mr Baxter and mentioned in the second-reading speech. The speech says:

The congestion levy (the 'levy') outlined in this bill forms part of a broader strategy by the government to alleviate traffic congestion in the city and improve the metropolitan transport system.

Where is that broader strategy? There is again no evidence whatsoever that the government has a broader strategy. This seems to be a one-off cash grab by itself. If you look at page 2 of the second-reading speech, you see that it says:

We need a package of measures including public transport improvements, road upgrades, regulatory improvements and more use of information technology. This is why the government has asked the Victorian Competition and Efficiency Commission to investigate a range of policy options to tackle transport congestion in Melbourne and major provincial cities.

It has been brought up in debate already that the government has given terms of reference to the Victorian Competition and Efficiency Commission and that the commission has begun its managing transport congestion inquiry. The commission has published an issues paper, which turned up in my office last week. I suppose it suggests that through that process the strategy to address the issue of congestion in the city will be developed.

This is simply a one-off cash grab through a levy or tax and not part of a broader strategy, as is claimed in the minister's second-reading speech. The congestion tax will not be effective in complete isolation. The government claims that this needs to be part of a broader strategy, and I agree that we need a broader strategy. However, I do not think a congestion tax should be part of that broader strategy, nor do I think it will be effective.

The Nationals acknowledge that Melbourne has a problem with congestion. When we country members drive into this great city — unless we are lucky or choose our time, as the Honourable Bill Baxter said — we run into some pretty significant congestion. My colleagues from eastern Victoria know that coming in the Eastern Freeway is still jolly heavy. It would have been worse without CityLink, I might add, but it is still a very frustrating and time-consuming journey into the city on the old South Eastern Freeway, now the Monash Freeway, particularly during peak hour.

I go to the point made by my colleague the Honourable Bill Baxter, who said this is perhaps more an issue of timing than capacity. I concur that Melbourne is fortunate with its roads and that there are times during the year when the traffic loads on those roads are bearable and they run fairly efficiently. Particularly during school holidays — not just at pick-up and drop-off times but throughout the day — I notice that

the traffic moving around Melbourne's roads is much lighter. You get better movement around the city at those times of the year. The Treasurer said that school traffic accounts for only 5 per cent of traffic on our roads. I will take his word for that. If that is so, it means that a relatively small reduction means less congestion on our road network.

There are certain times during the day when movement along Melbourne's roads is good — when we do not have a congestion problem — so perhaps as part of a broader strategy we should, as the Honourable Bill Baxter suggested, look at staggering the use of those roads. That may mean staggering school starting times. In my electorate we have the local Latrobe Valley bus network. The Morwell schools start at 8.30 a.m. and the Traralgon schools start at 9 o'clock. The starting times are staggered so that the local bus network can drop kids off at Morwell schools and then collect and drop off kids for Traralgon schools while still meeting school starting times. There are ways to stagger the use of both public transport and private vehicles.

Public transport is an issue. The government acknowledges that it needs to improve public transport. My wife is reluctant to use public transport by herself because of safety factors and some people are reluctant to use it because of hygiene factors. The safety aspect in particular needs to be improved, and if it were people might be encouraged to use public transport.

I want to talk a little bit about road infrastructure. Part of our congestion problem is created by infrastructure problems and a lack of freeway connections. I am sure that people in the eastern suburbs who use the Eastern Freeway detest the bottleneck when it hits Alexandra Parade. You run into the Melbourne cemetery and there is simply nowhere to go —

**Hon. Andrew Brideson** — It is a dead end!

**Hon. P. R. HALL** — It is a dead end, as the Honourable Andrew Brideson said. Many of our freeways were like that before CityLink was built. As its name suggests, CityLink at least provides a link between the Monash, Tullamarine and Western freeways. We seem to be planning projects in this state that have no logical connections with other road infrastructure. For example, I do not think the EastLink project has a northern connection. The original plan was for a ring-road that would completely encircle Melbourne, connecting with the Monash Freeway. It was envisaged it would pick up the Hume Highway and the Tullamarine Freeway, go right around to the Western Highway and then to Geelong Road. But there is no plan for EastLink to connect with the ring-road at

all. That freeway will be built with no destination at the top end for people who want to circumnavigate the city and travel to the northern parts of the state. I suggest that much congestion is caused by infrastructure problems, and the government needs to address this as part of a broader strategy.

There are a lot of practical problems with this legislation. We have already seen evidence of that, particularly regarding the question of which car parking spaces will be required to be registered and which will not. We have heard the Premier and the Treasurer fumble and bumble along when asked publicly about practical aspects of this legislation. When I read this bill I am still not totally clear on how some of its practical aspects will work. Perhaps the committee stage, either tomorrow or on Friday, will give me the opportunity to explore some of those practicalities and I will get a better understanding of how it will work, if indeed the government is able to provide that explanation.

This is a tax, and I commend Mr Forwood for his work in preparing amendments to rightly rename this bill and each of its clauses as provisions imposing a tax, not a levy, because there is no doubt that is what it is. It is interesting that this legislation is being debated in the same week the government is introducing further new tax measures in the form of an increase in brown coal taxes — in fact, it is doubling those taxes. That legislation is also scheduled to be debated during the course of this week, if we have time. As the *Herald Sun* reported today, the record of this government in respect of fee rises, tax increases, to a broadening of its collect on taxes and charges from the people of Victoria is not a proud record.

**Mr Pullen** interjected.

**Hon. P. R. HALL** — It is not a proud record at all, Mr Pullen. I sat here for a great number of years when The Nationals and the Liberals were part of the government, and the then Labor opposition accused the then conservative governments of being high-taxing, high-charging governments. That conservative government has nothing on the current government which will go down in history as one of the highest taxing governments we have ever had in this state.

**An honourable member** — What about the goods and services tax?

**Hon. P. R. HALL** — Yes, we have got the GST, and what the GST is actually delivering to this state is record amounts of money. The government is swimming in money. From \$20 billion to \$30 billion, which is what it is now getting, and yet it still has the

hide to increase charges like this in the form of congestion taxes and brown coal taxes. My goodness, the cheek of this government to actually impose these taxes on the people of Victoria. November will tell when the people of Victoria decide.

**The PRESIDENT** — Order! The time has arrived for this house to meet with the Legislative Assembly in the Assembly chamber to recommend three members for appointment to the Victorian Health Promotion Foundation. The joint sitting will conclude at an appropriate time for the dinner break, so I propose to resume the chair at 8.00 p.m.

**Debate interrupted.**

**Sitting suspended 6. 16 p.m. until 8.03 p.m.**

## BUSINESS OF THE HOUSE

### Sound system

**The PRESIDENT** — Order! I advise the house that during the dinner break the computer for the sound system was replaced with a new one and the equipment downstairs was rebooted. The problem should now be fixed.

## JOINT SITTING OF PARLIAMENT

### Victorian Health Promotion Foundation

**The PRESIDENT** — Order! I have to report that this house met with the Legislative Assembly this day to elect three members of Parliament to the Victorian Health Promotion Foundation, and that Mr Hugh Francis Delahunty, MP, the Honourable Bill Forwood, MLC, and Ms Maxine Morand, MP, were elected to the foundation for a three-year term commencing on 27 March 2006.

## CONGESTION LEVY BILL

### *Second reading*

**Debate resumed.**

**Hon. B. N. ATKINSON** (Koonung) — It is disappointing on two grounds to be tonight talking about the parking tax bill: firstly, the context in which this bill has been introduced to the house today. We have had a debate on the procedural matters concerning this. As I have said previously, this has not happened in my time in Parliament, and it is an unprecedented position again where the government has used its

numbers, presumably so that the minister can ensure that he goes to the WorkCover dinner tomorrow night and that he is not delayed in the house.

The problem he has now is that the way he has approached this means we will now pursue this matter vigorously. There are many matters in this legislation that will be taken up in the committee stage because this is significant legislation that should not be rammed through so that the government can try to avoid the scrutiny and adverse publicity that this legislation will receive as more and more people become familiar with what it is all about.

This is very poor legislation. It is simply a tax bill that is designed to raise \$38 million, and it is a shambles in terms of administration. We note that while the legislation is yet to even pass the house, and while it is not subject to government amendments, the Treasurer is already backflipping on parts of it and is suggesting that some aspects of the administration that had been discussed and debated in the other place will not proceed when this legislation is enacted. In other words, the State Revenue Office apparently, for instance, is now to complete the forms as to some of the car parks that exist in the city but are not subject to the payment of tax. That is an interesting thing because previously people were going to be required to put in returns whether or not their car park was liable for tax.

This is an unfortunate debate in other respects because the government clearly is pursuing an ideological position on this without taking into account what the impacts will be on the city, what the impacts will be on motorists and what the impacts will be even in terms of public transport users going forward.

I was interested, and other members may well have seen them, to read two articles in the *Age* during the past week. They were in light of the fact that the government is trying to push more and more people onto public transport to achieve its aim of 20 per cent of people travelling by public transport rather than by cars by 2020.

One of the two articles is in the *Age* of 24 October. It states:

Humans might be living on the moon before Melbourne's rail network is expanded, according to the timetable of the state government's public transport chief.

Director of public transport Jim Betts told stunned audience members —

it was at a Municipal Association of Victoria forum —

at a transport forum recently that the government planned no major train or tram extension during the next 15 to 20 years.

It said, 'No major extensions at all'! A couple of paragraphs later the article went on to say:

Mr Betts' revelation, which is a blow for supporters of rail extensions and new lines to places such as South Morang, Epping North, Cranbourne East, Doncaster and Rowville, came as transport minister Peter Batchelor confirmed that extending the rail system was no longer a high priority. He told the *Age* that capacity on existing lines needed to be improved by adding extra track and new signalling, before new lines or extensions could be built.

That particular objective is simply not achievable particularly in the eastern suburbs. The government went to the 1999 election determined to put in a third rail track, a passing track, between Blackburn and Mitcham stations, but has found out that it cannot complete that project because it would simply mean the boom gates at major roads would be lowered so much longer that traffic congestion in the eastern suburbs would become absolutely gridlocked.

It is not possible, and in fact the Public Transport Users Association says that a plan to triplicate the line out to Dandenong is absurd. It is a farcical project and at a cost of \$1 billion it will simply not be feasible. Indeed many other people have looked at that particular project.

Without any intention of investing further in the public transport system, how can the government come into this place with this piece of legislation? The legislation is punitive on people who drive motor cars and come to the city. The public transport options are simply not available to them and, according to the timetable and comments by Mr Betts, they are clearly not even on the government's horizons going forward. The government has no intention of actually improving public transport; it is simply forcing more people onto an already inadequate system and doing that by a very blunt instrument of charging this additional tax.

The tax comes in at \$400 per parking space; next year it will go to \$800 per parking space. As the Honourable Bill Forwood said earlier in this debate, it is quite likely to keep on increasing not just in accordance with the consumer price index, but with major incremental increases. This government is really all about achieving a taxation return through this legislation. It is not serious or genuinely attempting to improve public transport.

It is interesting to note the boundaries that have been included in this legislation and to point out it is very likely the government will be coming back very soon to this place seeking an extension of those boundaries to

increase the tax intake. In the city of Melbourne we have already seen organisations like Shell and Coles Myer leave the central business district to set up head offices in suburban areas. Why have they done that? In the past each time those major corporations were asked their reasons for moving to the suburbs out of the central business district, they gave as one the key considerations the cost of parking and the ability of getting their staff in and out of the city, and of paying the parking costs associated with those staff in this city.

I dare say if this legislation goes through the consequences are going to be significant. They are not just consequences in terms of costs on motorists and people who come to park in the city. There will be consequences in terms of a shift in the economic balance of the central business district, which has thrived in recent years in part because of policies that were set in place during the Kennett government. The fact is this sort of policy is the very dampener that could turn a lot of that economic activity on its head.

This is clearly not an incentive. The government tries to dress up this congestion levy in all sorts of fancy wrapping and suggest it is an incentive to put people on public transport. The public transport system is already inadequate. As Mr Hall said, there are quite a number of reasons why people use cars and not public transport. I suggest that some of those people come into the city in their cars because they actually carry goods into the city and they will be caught up in this legislation because they simply do not have an alternative in terms of bringing in those goods on public transport. Many people use their cars because of safety, convenience and comfort, which are all matters that were touched on by Mr Hall. They also use them because of their reliability and they are able to guarantee their cars will be available to take them to the places they need to go.

The public transport coverage is appalling throughout much of Melbourne. Certainly in my electorate the Rowville area in particular is crying out for better public transport. It is simply not an option for the people of that area to take public transport to the city. They really have to look at using their cars. The public transport coverage through most of outer metropolitan Melbourne is totally inadequate to achieve any sort of a service that would encourage and provide an incentive for people to use public transport. Many people use their cars for multipurpose, multidestination trips. Public transport is inadequate for that.

This legislation is appalling because of the amount of red tape it will bring to organisations. This government keeps on saying it is keen on cutting red tape. It wants to support and not be down on small business. I note

Mr Pullen is nodding vigorously when I say this government claims it wants to cut red tape. And yet if you look at this particular piece of legislation and all of the red tape that it alone visits upon so many small businesses across the city, you see it is a nightmare.

Even though the State Revenue Office is now going to take over some administration for some parking spaces, particularly for residents within the city area, in fact there is still a major problem. I do not know how they are ever going to work out which spots are going to be covered by the legislation and which ones are not. Indeed I notice one of the definitions for public spaces, and one of the options people have in terms of meeting their obligations for the \$400 per space tax under this legislation, is that they can accept in the first year — and the second-reading speech states this is the initial threshold — to pay 75 per cent as a statutory ratio on the car parks they have available on a property and those they pay for. In other words, they pay the tax on the 75 per cent on the basis that that is the proportion of long-term car parks to short-term car parks. I dare say the reality is that situation will also change going forward.

The opportunity to find which are long-term and which are short-term spaces is going to be very difficult for many car park operators. In fact this will mean that most of them will simply throw up their arms in horror — and I guess the government will be fairly keen for this to happen — and simply say they will pay the tax, and they will simply just amortise the cost over all the spaces. Short-term parking spaces will not escape an increased charge under this system because the owners of car parks will amortise the costs over all their car parks and not simply apportion them to certain car parks that they believe happen to be long-term car parks. It simply would be an administrative nightmare and impossible to administer by those organisations.

As has been indicated by the Honourable Bill Forwood, this proposal by the government has been condemned by Access Economics in one of two thorough studies of this proposition. Indeed I note that government speakers in this debate have referred to congestion taxes in Sydney and Perth. The reality is that the congestion tax that those two cities have introduced has had absolutely no impact on congestion and has been of no benefit to those two cities. Access Economics says that this tax will do no better. A report commissioned by Melbourne City Council showed exactly the same result, that this congestion tax will not provide any relief from congestion in the city but in fact is simply a money grab by the government.

It is totally at odds with any intention to try to reduce congestion, particularly given that this government refuses to consider road projects like duplication of the West Gate Bridge or the connection of the Eastern Freeway with the CityLink project. If we want to talk about congestion then we have to start talking about the major road projects and the linkages of existing road projects that in fact would enable us to reduce some of that congestion and allow cars to get to where people want to go rather than having to travel on particular routes to pick up linkages on the conventional road network.

If the government were serious, this tax would be part of a total plan but it is not part of a total plan. As I said, at a recent Municipal Association of Victoria seminar Mr Betts put the lie to the claim that this government really intends to do anything about improving public transport as part of a package with the congestion levy. It is interesting to note that the plan of the Melbourne City Council for its \$5 million allocation from the \$38 million that will be raised is a proposal to put in a new bus service which will duplicate existing public transport services in the city. It seems an absolute nonsense to duplicate what is already there rather than introducing something new.

I urge members of the house to reject this legislation outright. It is shocking for business in terms of red tape, increased costs and what it will do to the economic activity of the city going forward. As I said, others like Coles Myer and Shell will start to look at relocating their head offices elsewhere because of the costs associated with staying in the city.

**Hon. D. McL. DAVIS** (East Yarra) — I am pleased to make a contribution to the debate on the Congestion Levy Bill, or should I say the car parking tax bill. It is an outrageous suggestion of this government. Of course everyone on both sides of the house and across the community is interested to see congestion properly managed and environmental targets achieved. This approach of the government will not achieve those targets, including the stated intention of managing congestion. In short it is simply a nasty additional tax that this government is proposing to place on people in the Melbourne central business district and surrounds.

As I prepared to speak on this bill, I became more and more unhappy with the government's approach. As I looked at the areas that will be impacted upon by the bill, it became clear that the bill will have a significant impact on Melbourne as a destination and make it a very unpleasant place to travel to because ultimately all the cost will be passed through to the consumers who will use the services.

I am interested in what the City of Melbourne has done. I welcome the tax motion that the council passed as recently as this week. I note that it has drawn attention to some matters that I will come back to, including the inclusion of various health practitioners and others within the gamut of exemptions from the menu.

I am interested also in the contribution made by Access Economics through the Property Council of Australia in its proper and thorough examination of the proposed new car park tax. It is worth reading into the public record the overview of the Access Economics assessment. It says:

The proposed Melbourne long-stay car parking levy is not good policy. Rather:

it is at best a blunt, poorly targeted and discriminatory method of mitigating the costs associated with traffic congestion in the Melbourne CBD.

using it to increase the supply of short-stay off-street parking directly undermines its role in reducing traffic congestion and associated costs; and

on balance, only the third objective cited for its introduction reads true — it appears more likely to be focused on raising revenue through the imposition of a new, selective business tax rather than reducing congestion costs.

The proposed levy rates poorly against best practice policy instrument design.

It concludes, in short:

It should not be implemented.

I can only say that that is a very fair summation of the proposal from the Treasurer that is in this bill.

Members have seen the tax take or collection of revenue in Victoria from all sources go up massively under this government. This is a high-taxing government that is determined to ramp up tax at every turn, whether it be land tax, stamp duty or the enormous amount that is raked in through the GST. That should have been a sufficient source of revenue for this government to ameliorate many of the collections that it has introduced in other areas. Instead, the greedy Treasurer and greedy Premier have decided to collect tax on every turn and to push up the amount of tax collected.

The revenue of the government has gone up from \$19 billion to \$31 billion in its just six years in government. That extraordinary increase is impacting severely on Victoria's competitiveness. In 1999 Victoria was the state that led the national pack in performance and in attracting business investment and new people from both overseas and interstate. That is

no longer the case. Victoria has slid back through the pack to somewhere near the middle. That is not good enough for a state like Victoria. It means that the state is not performing to the standard that it should be. This government is not up to the mark or the standard that is required.

In its resolution in the past few days the City of Melbourne drew attention to the failures in this car park tax bill. It resolved:

... that the state government be asked to:

... consider inclusion of medical practitioners within the list of exemptions provided for emergency services ...

I make the point strongly that when this harsh, nasty tax is imposed on various businesses and others, those costs will be passed through. The tax will be imposed on health care businesses across the area designated in the bill. Those health care businesses will be exempt if they are charitable organisations but not if they are for-profit organisations. That will include people like medical and other health care practitioners. Again those groups will be targeted by the government.

Members have seen an enormous targeting of health care practitioners by the government, whether it be its attempt to impose a state-based higher education contribution scheme through its submission to the recent Productivity Commission inquiry on the medical work force or its proposed imposition of a super land tax on trust holdings. The original design included a 1 per cent super tax on those who had trusts. It was only after enormous community pressure that the government backed off, but it will still impose a tax disincentive on those holding land in trusts. The government has not thought that through. It would be better if we had a neutral approach that did not discriminate between land holdings of various types for that trust tax.

The bill imposes another tax on the list of extra taxes on the health care sector. Those extra taxes will be passed through to consumers in higher prices and reduced accessibility and availability of health practitioners of various types. Including in the tax regime medical practitioners, dentists and others who may have parking on the premises for staff and practitioners will be a negative for health care in the city of Melbourne and surrounds.

I also make the point that the private hospitals sector will be targeted. This was again a government decision not to have a competitively neutral arrangement. Government hospital car parks will be exempt, but I do not believe that private hospital car parks will be

exempt. That significant issue needs to be addressed by the government. It needs to understand that this perhaps is an unintended consequence. If it is not an unintended consequence, the government should be prepared to modify this bill and remedy those issues. The government has not thought through the full consequences of this legislation. It has not understood that the impact on the community will be severe.

I am looking at schedule 1 and the description of the area covered. The area of the Museum car park is included, as is the area bounded by Footscray Road, Dudley Street, Queensberry Street, Peel Street, Gertrude Street, Langridge Street, Punt Road, Queens Road, Kings Way, West Gate Freeway and CityLink. So for all of the new Docklands area that the government has included, it will be quite unhelpful to the development of that zone. On the south side, in the Albert Park electorate, the Minister for Environment, John Thwaites, has not been prepared to stick up for his area and has allowed this tax to be imposed; that will impact very badly on Southbank. Some of the areas of Docklands that come south — —

**Hon. E. G. Stoney** — He encouraged it!

**Hon. D. McL. DAVIS** — Yes, he has encouraged it. I think this is ill thought through. This approach will be negative for the long-term improvement and development of these areas. I am concerned about the impact on the St Kilda Road area and about those medical and health care centres in that area. The government has not fully understood that this will be a very significant impost. Those costs will be passed straight through to the consumers of those health care services. This is a government tax that ultimately will make Victoria less competitive and less able to provide the services that are needed.

I do not propose to say a lot more about this tax. I believe the government should amend the title of the bill and let it have a truthful title: it is not a congestion levy. The Access Economics study makes it clear that it fails on all grounds. As the study described it:

... on balance, only the third objective cited for its introduction rings true — it appears more likely to be focused on raising revenue through the imposition of a new, selective business tax rather than reducing congestion costs

The bill fails in its objective of reducing congestion but achieves its objective of increasing taxation — but the unintended and undesirable consequences will haunt us for a long time.

### The ACTING PRESIDENT

(**Hon. H. E. Buckingham**) — Order! I call Mr Matt Viney.

**Hon. Bill Forwood** — A government speaker! Yeah!

*Honourable members interjecting.*

**Mr VINEY** (Chelsea) — Are you all right? They like it when I rise to speak; opposition members enjoy it!

I want to get a couple of things clear in this debate. Firstly, it would be useful for members on the other side to refer to the bill by its proper title, which is the Congestion Levy Bill. They have obviously put the email out to members on the other side and said 'Call it a parking tax' and member after member on the other side has started running out the spin line they have developed.

The fact is we need to deal with congestion, air pollution, greenhouse gases and the consequences not only for the current generation in Melbourne, Victoria and Australia but for future generations. This bill will start to deal with the congestion problems we have in Melbourne due to increased traffic usage of our arterial roads into the central business district. This is part of a suite of programs the government has been progressively putting in since its election in 1999 — programs such as properly investing in our public transport system, not like what that lot opposite did when it was in government, when it flogged off our public transport to the private sector and saw a reduction in investment.

The mob on the other side comes in here and talks about increasing taxes. That is a bit rich, because when it was in government it put on the \$100 poll tax for every house under local government jurisdiction. What is more, it jacked up the WorkCover levies and increased the number of people caught through the land tax net. It also failed to do anything about payroll taxes. It jacked up all sorts of fees and charges when it was in government, even down to massively increasing the fees for freedom of information requests.

It is all a bit rich for them to come into this debate and lecture the government that has reduced the cost of doing business, that has reduced WorkCover premiums, that has actually reduced the land tax net, that has reduced the cost of doing business in the state and has softened the impact of taxes — unlike anything the mob opposite did when in government.

The congestion levy is intended to deal with the fundamental problems facing this state and future generations in terms of air pollution and the impact of increased traffic in the central business area of Melbourne.

To understand the situation you only need to look at some of the facts. A Committee for Melbourne report showed that congestion costs for the city were around \$4 billion each year and by 2015 were expected to rise to \$8 billion. The Business Council of Australia estimated that urban congestion already costs Australia about \$16 billion a year, which is 2 per cent of gross domestic product. Emission from motor vehicles is now the biggest contributor to Melbourne's air pollution with levels being the highest in regions with high traffic density such as the central business district and inner city residential areas.

When members like the Honourable David Davis come in here and criticise inner city members, such as the Deputy Premier who is the member for Albert Park in the other place, they ought to remember that members like Mr Thwaites are concerned about representing their constituents. The members of those inner city areas, such as the area Mr Thwaites represents and whom Mr Davis verbalised in this chamber, owe a duty of care to the residents they represent. That duty of care includes trying to minimise the impact of congestion on those residents.

**Hon. David Koch** — You are raising taxes.

**Mr VINEY** — I can tell Mr Koch that those residents will support reduced traffic densities and a reduction of commuters from other parts of Melbourne going through their suburbs and polluting their air, because that is what they deal with every day.

The evidence shows that people's health is quite severely affected by exposure. In fact research in 1990 showed that people's health is much more severely affected by exposure to significantly lower levels of air pollution than had previously been believed. In a study undertaken by the Bureau of Transport and Regional Economics (BTRE), it was estimated that in the year 2000 motor vehicle pollution accounted for between 900 and 4500 morbidity cases — that is, the loss of quality of life due to ill health from such diseases as cardiovascular disease, respiratory disease and bronchitis. Further, it counted air pollution, which is the biggest contributor to — —

**Hon. D. K. Drum** — What are you going to do about it?

**Mr VINEY** — I know Mr Drum has trouble understanding logic, but the fact is that the biggest contributor to air pollution — —

**Hon. D. K. Drum** — You are not going to cut cars. You just want to raise more money.

**Mr VINEY** — It is pretty logical even for someone like Mr Drum to follow. The biggest contributor to air pollution is actually motor vehicle emissions. It contributes to between 900 and 2000 early deaths, so there is a significant cost to the community.

In research done on transport we find that trucks travelling through Melbourne spend almost 3 hours of a normal shift stationary due to transport congestion, so these are issues that we must deal with in this state. No-one on this side has said that a congestion levy will solve the problems that face this state — problems that have caused members on the other side to bury their heads and which they have refused to acknowledge in this debate — such as the real issues of the impact on people's health, particularly people who live in the inner city, and the impact of congestion on the cost of business in Victoria. Members on the other side might not want to deal with or acknowledge these basic facts. They might want to put out their political spin that this is actually about taxation, but we are dealing with a serious issue in this state.

**Hon. David Koch** — It has nothing to do with it.

**Mr VINEY** — Mr Koch can run out his spin as much as he likes, but the government, if it wanted to look at taxation, does not need to introduce a congestion levy. There are plenty of options for a government to look at to increase revenue by the levels contained in this bill. This bill is about trying to deal with a complex and difficult problem for all major cities, and that is congestion. This bill is about dealing with that. It is about improving the quality of life and maintaining the livability of Melbourne, one of the great cities of the world that is rated year after year as one of the most livable cities in the world. We want to maintain that and we have to look at some of the issues — it is not always easy — that have to be dealt with in order to maintain that livability and people's health in this state. That is why we are introducing things like this and is why we have been investing so significantly in public transport.

We are certainly about creating a disincentive for people to drive into the city alone and parking their car all day. They drive in in the morning and home at night, contributing to the congestion. The bill is part of a range of things to deal with this issue.

In addition to that we have to continue to improve our public transport system. Unlike members on the other side of the house this government has been investing in our public transport system. We have invested substantially in new bus networks across the state and in upgrading the train and tram networks. To see that we need only look at the quality of trams on the tracks and at the new stops that are being developed to make it much more efficient for people to get on and off trams in the central city area. These are the initiatives this government has been looking at to encourage people to take public transport and discourage them from driving their vehicles into the city, which adds to congestion and air pollution.

It is spurious and nothing but political spin for members on the other side to be constantly referring in this debate to this levy as a parking tax.

**Hon. D. K. Drum** interjected.

**Mr VINEY** — For Mr Drum's information, everything in this bill is clearly designed — —

**Hon. D. K. Drum** interjected.

**Mr VINEY** — I do not know what Mr Drum is going to say in his contribution or whether he has even made one, but let me remind him that today he came into this house and said something entirely different to what he said two years ago in relation to the amendments to the Fair Trading Act.

This government has a record of being totally committed to improving public transport. That lot opposite completely messed up our public transport system with privatisation. We saw National Express walk away, and this government has had to invest an additional \$1 billion into rescuing our public transport system from the mess they left it in because of their ideological obsession with the privatisation of public services. That is what they did. They ran down that path; not only there but with hospitals and ambulances. No doubt they would have gone down that path with schools as well, and probably with police. That was the path that lot were going down.

The lesson learned was that they completely messed it up with the privatisation of our train system. We had to rescue it. We had to invest \$1 billion, which could have been better used on a range of things, to ensure that our public transport system stayed viable. We are investing in that system and providing encouragement for people to use public transport. At the same time we are putting in disincentives for people to drive their cars into town, park them all day and then drive home. That is what this bill is about.

As we get closer to November 2006 we know that opposition members are going to become increasingly anxious about holding onto their seats and increasing their rhetoric about taxation.

*Honourable members interjecting.*

**Mr VINEY** — You're not, Mr Brideson, because you will be off on your retirement package, with your roses and your flower farm. This bill is about protecting the health and wellbeing of Victorians, and it should be supported.

**Hon. J. A. VOGELS** (Western) — I am pleased to join the debate on the government's intention to impose a parking tax. Having listened to the previous speaker I know that members of the government want to call it something else, but it is a parking tax on people who drive their cars into the inner city area of Melbourne.

Mr Viney usually does a very good job of coming in here and debating issues that we often spring on him. He is not too bad, he does a fairly good job, but today he is completely — —

**An honourable member** — Off the rails.

**Hon. J. A. VOGELS** — Off the rails, as the member says, because there are no rails.

If you want to bring in a parking tax to stop people from driving their cars into Melbourne because it causes congestion — and there is no doubt that there is congestion in the city area — before you do that, you need to give people alternatives. Give them alternatives so that there is a public transport system that can actually cope with people coming into the inner city. They work in here, so they have to get here. They cannot arrive by helicopter; they have to come by car or by public transport.

The public transport system in Victoria at the moment is hopeless. I think it was promised at the 1999 election and at the 2002 election — and I see the member for Yan Yean in the other place and all the Labor Party members out in the northern suburbs are once again, for the third election in a row, promising train services to South Morang and tram services to wherever. But they have not delivered one single extra public transport service to the outer suburbs of Melbourne. How do they expect people to get into the city? People have to come in here to work; they have limited options.

At this stage the parking tax is only going to apply, we have been told, to the central business district (CBD) of Melbourne. This covers the Docklands, Southbank, East Melbourne and St Kilda Road precincts and other

inner city areas. Is the government to be trusted? I do not trust it, because we know what happened in Sydney, for example. This parking levy will start at \$400 a year and then go up to \$800 a year. That is a 100 per cent increase in the following year, and there is nothing to stop it from going up by another 100 per cent in the year following that or another 100 per cent again the next year.

The Treasurer said the levy will go to \$400, and from \$400 to \$800 in two years. He is then going to link it to the consumer price index (CPI). We will only have the CPI increases following the first two enormous hikes.

We do not trust this Treasurer. We do not trust this government because we also read in the papers today that it has 2000 new fees and fines and charges and everything else you can think of. If you have to get married, it is going to cost you for a permit, and that goes up in line with the CPI every year. If you die, a death certificate has to be obtained, and the cost goes up in line with the CPI every year. But the fine print says that it does not have to only go up with the CPI, it can go up according to whatever the Treasurer of the day thinks it should go up by.

As I said earlier, when this congestion tax or parking tax started in Sydney in 1992 it was set at \$200. It went from \$200 to \$300 to \$400 to \$600, where it is at the moment. It was also then only for the business precinct of Sydney, but over 10 years later it is starting to creep into the surrounding suburbs.

I would love to be the Treasurer of this state and to have this win-win situation staring me in the face. Not only can he put up the parking taxes whenever he feels like it, from \$400 a year to \$800 a year, as we have already seen, or to \$1000 a year, but he can say, 'That is still not enough money'. At the moment there are 48 000 car parking spaces in Melbourne's central business district that will be taxed. There is nothing to stop the Treasurer saying he will double that next year.

This greedy government wants more money out of people's pockets, so instead of having a 1 kilometre spread from the GPO in which everyone will pay parking fees and which instantly provides 48 000 car parks, it will extend it to 2 kilometres from the GPO and to 3 kilometres the year after. Not only will the parking fees double but the number of car parking spaces will go from 48 000 to 148 000 and then to 500 000 — it is limitless.

The Treasurer could go to Geelong and say, 'We should have parking taxes in Geelong'. It might spread to Bendigo, Ballarat and Warrnambool, but hopefully

never to Timboon or Terang. However, it could happen because this government is never satisfied. It never has enough money. Let us remember when it was elected in 1999 — —

**Mr Gavin Jennings** — Terang!

**Hon. J. A. VOGELS** — There are students in the gallery listening to the minister, so he should be careful. Members will remember when this government was elected in 1999 the expenditure for the whole of Victoria was \$19 billion. Today it is over \$30 billion — —

**Hon. David Koch** — And rising!

**Hon. J. A. VOGELS** — And it is rising — but the government still does not have enough money to deliver services. You could say to the people of Victoria, 'What is better now than it was in 1999? Name something this government built'. People say to me, 'We kicked the Kennett government out because we did not like it very much, but at least under it we got some infrastructure that will still be here in 50 years time'. Previous Liberal governments built the underground rail loop, the Bolte Bridge and CityLink. There are heaps of things you can point to that will still be here in 100 years time. What has the Labor Party built which you will be able to say of five years from now, 'That is as a result of the Bracks government being in power'. I can think of very little.

I am looking forward to someone from the other side getting up and joining the debate. I give credit to Mr Viney, who is the only government member who has had the guts to get up so far. I do not know where the rest of the Labor members are — they are spread around the house somewhere — but they are not in here debating this very important bill.

This is a typical Bracks government money-raising exercise — and once again it is having an impact on local government. Not long ago local councils lived off parking fees and charges — for example, parking fees and charges are one of the biggest sources of income for the City of Melbourne. Now this government has decided to get into the act and will collect \$57 million dollars in fees over the next four years from the City of Melbourne. I have a copy of a motion moved at the City of Melbourne council meeting the other night headed 'Long-stay car park levy'. It was agenda item 5.6, and it states:

... that the City of Melbourne monitor and report on the extent of compliance with the objectives of the long-stay car park levy in the first two years of its operation.

The City of Melbourne is not stupid. It can see \$57 million disappearing as a result of people driving their cars into the inner city — and it will never come back. The money will go into consolidated revenue to be spent on the things the Bracks government thinks are important, but what it thinks is important is not what the City of Melbourne thinks is important.

I do not think the government should be collecting the car parking levy, but if it is going to do it, it should give some of the money back to the City of Melbourne. If it is a congestion tax the government should spend some of the money on bike paths so people can ride their bikes into the city or it should be spent on public transport. When I talk about public transport I mean real public transport that cannot be taken away. Buses are here today and gone tomorrow, but if you put in a tram line or a light rail line it will be there for the long term. That is where this money should be going, not just into consolidated revenue.

The opposition opposes this bill. It is nothing but a money-raising exercise on behalf of the Labor government. I am intrigued to see what bill will be brought into this house next, what other hollow log the government can find to get some more money from the taxpayers, and in this case motorists of the state of Victoria. We oppose this bill.

**Hon. DAVID KOCH** (Western) — I look forward to making my contribution to the debate on the congestion levy tax — I am sorry, the Congestion Levy Bill. As Mr Viney said, this is about a parking tax. It is one of those bills that provides a catch-all tax — it grabs everyone on the way past. I have to say for openers that the opposition certainly opposes the bill in its current form. There is little doubt consultation undertaken by opposition members reflects the community's dissatisfaction with yet another one of these taxes imposed out of the blue. There is congestion in the central business district for a short period every day, but it could be far better managed than it is currently and the government should focus on the management of that congestion. As members have indicated this evening, it can be moved around.

Our principle concern relates to the fact that congestion taxes worldwide have been set at rates which have not fixed the problems but which have been great revenue raisers for those who put them in place.

**Hon. H. E. Buckingham** — What about London?

**Hon. DAVID KOCH** — I take up Mrs Buckingham's comments. We certainly look forward to the opportunity of this government

demonstrating how this tax is going to fix up the congestion we see in Melbourne for the odd hour during every day through the path proposed in the legislation. As was stated earlier, the levy will apply to our central business district, across to Southbank, over to East Melbourne and certainly in the St Kilda Road precinct. This tax will also affect other inner city suburbs. There is little doubt that the government should explore better and freely available traffic management opportunities.

This congestion — or parking — tax will not benefit anyone who travels to town on a daily basis to conduct their business. Yet again we see this government putting its hands in the pockets of private individuals and small business, as it has done on many other occasions. But more than anyone it is offending against what we would see as its own constituency — people it continues to tell us it supports at every opportunity, people who come into town and who are not in business but who are employees of businesses and who work to support those businesses. The government is only too glad to do everything it can to get them offside with a further tax. This proposed tax will not be a light tax.

They will initially kick in at \$400 a year in relation to — —

**Hon. J. A. Vogels** — That is \$15 a week.

**Hon. DAVID KOCH** — Yes, \$15 a week or \$400 a year to those who propose to park at these long-stay parking opportunities in town. This will double within 12 months, from \$15 to \$30 a week, and beyond that we look at a consumer price index increase from 2008, which we know will be beyond the CPI rate because, with all annual taxes and registrations, the Treasurer has discretionary power to increase rises beyond the CPI. So those who on a daily basis use long-term parking in those particular areas of the central business district, Docklands, Southbank, East Melbourne and St Kilda Road should watch out because they are in the crosshairs of this tax-raising capacity, and there is little doubt that they will not be beneficiaries of what is being put together.

I believe also that many people who travel from regional Victoria — and this was raised earlier this evening — will get caught up in this catch-all and when they are down for business at irregular times, probably three or four times a year, they will be confronted with the same situation. These people on a very irregular basis add to traffic usage around the town but certainly not congestion at the times our people arrive from regional Victoria. They are too smart to drive into

Melbourne when it is congested, and they leave well before it gets congested again in the afternoon, but they will be penalised for bringing their business down to Melbourne; that is something the government looked straight over the top of.

There are many facets of this bill that I believe should give us all major concern. One is in relation to all car parks having to register the parking spots they have available. They must lodge annual returns and be liable to pay the levy for those who use their facilities. Earlier concerns were expressed because the Premier has done a backflip in relation to those areas not used for commercial uses or existing uses of private usage where people have their own properties.

The minister responsible — that is, the Treasurer — has also done a backflip, which was reported as recently as yesterday in a *Herald Sun* article by Tanya Giles under the heading 'Rego laws towed away'. It says:

The Bracks government has backed away from laws forcing thousands of residents and property owners to register their car parks for the congestion tax or face \$6000 fines.

It was only last Saturday, 23 October, that the Treasurer said all owners of inner city car parks would have to register with the State Revenue Office the parking facilities they have at their properties. The article further says:

Under increasing public pressure, Treasurer John Brumby said yesterday —

'yesterday' being 24 October —

all residents and other property owners who were exempt from the tax — —

**Mr Lenders** — It was the 25th yesterday; today is the 26th.

**Hon. DAVID KOCH** — It may be, but this came out on Tuesday. I will refer to 'yesterday', being the 24th, as Monday, the day before Tuesday, for the Leader of the Government's sake —

... all residents and other property owners who were exempt from the tax would not have to fill out forms to register their car parks.

Clarifying his position yesterday, Mr Brumby said the State Revenue Office would send letters to those exempt from the tax confirming the status of their car park.

I wonder why they would even get the letters. Quite obviously the government sees them as the next target at the next round and wants that information up front. Certainly they will get a letter from the office saying, 'According to our records you have space which is

exempt space'. We do not know where that is going to go next round. I would say again they will be caught in the crosshairs, and all of a sudden the tax regime will go further out and pick those people up too.

Also in the *Herald Sun* was an article by John Ferguson, dated 26 September — only a month ago —

**Hon. J. A. Vogels** — What day was that?

**Hon. DAVID KOCH** — Monday was 26 September, it may well pick up — —

**Mr Lenders** — What did John Ferguson have to say about your leader?

**Hon. DAVID KOCH** — For the Leader of the Government's sake, we are talking here about his government's taxes — not leadership.

**Mr Lenders** — What did John Ferguson say about leadership, though?

**Hon. DAVID KOCH** — I think you should give him a call if you have a major concern. But the minister's real problem here is in relation to these sneaky little congestion taxes, as John Ferguson alludes to — and I repeat: Labor's sneaky little CBD congestion tax is built on deception and greed. I do not think that would be anything new to the Victorian community, while doing nothing more than disrupting the lives of tens of thousands of commuters. What a comfort that must offer the government.

Only five months ago the Minister for Environment in the other place sold the tax as a big step in the fight against CBD traffic congestion. What he failed to do was openly articulate just how extensive his policy really was, nor did he state in clear enough terms that the government was secretly — and I repeat 'secretly' — happy for workers, rather than car park owners, to foot the new tax. This typifies the lengths this government will go to again to raise taxes at any opportunity it has. It cannot stand to take its hands out of the pockets of Victorian taxpayers, especially those across the metropolitan area who keep having to foot these bills on the assumption that this is going to relieve any congestion within the CBD.

When I was recently overseas and this subject was raised in London, it was most apparent that this is a sneak tax that is used by Labor governments internationally even though they know it certainly will not tidy up any of the congestion issues, but it is a very handy source of income that they can draw down on which is not that unpalatable to those who pay it. They

prefer to pay it in front of using other means of transport. This will be a great little earner for the government.

In recent publications Access Economics certainly had an economic analysis that confirmed the Bracks government's new parking tax is simply a tax grab and will have minimal effect on traffic congestion levels, which proves up this point. The report says:

The new parking tax of \$800 per parking space is being imposed on long-term non-residential car parking spaces in the Melbourne CBD —

and across those other areas, as earlier raised —

and is projected to raise \$40 million a year.

Access Economics found that:

the tax is 'at best a blunt, poorly targeted and discriminatory method of mitigating the costs associated with traffic congestion in the Melbourne CBD.

... using it to increase the supply of short-term stay off-street parking directly undermines its role in reducing traffic congestion and associated costs.

On page 13 it says:

... the bases for the levy are conflicted, confused, and likely to generate inefficient outcomes and perverse results

The government must gain quite some comfort out of those comments by someone as reputable as Access Economics in relation to this further tax grab. I think, importantly, from our point of view on the opposition side of the house we will continue, and will continue forever, to oppose these types of tax levies, especially on parking, that this creative government will at every opportunity use to raise further finance for a bleeding economy. We see this as bad legislation. It is silly to the point of being laughable. It is just a tax grab for which this government is now becoming infamous.

It will not have any impact on congestion, and it was not meant to have any impact. However, it will encourage more Victorians to dump the Labor government at the 2006 election. They are getting sick of being plundered at every opportunity for more and more tax at the whim of the government, which has lost its way but maintains its lust for further opportunities to gain more tax revenue from the Victorian community. In this instance it is in relation to parking, and once this is resolved, heaven knows where it will go for further opportunities.

As I said, we oppose this bill and will contest it at every opportunity. When the bill is considered in the committee stage the opposition will seek members'

support for an amendment. It greatly concerns us that the government keeps going down this avenue without offering further opportunities for the balance of Victorians to move this great state forward.

**Hon. R. H. BOWDEN** (South Eastern) — I join the rest of the opposition in opposing this bill. The bill is unfortunate, and that is the kindest description I can apply.

**Hon. D. K. Drum** — Unfortunate? You are too kind.

**Hon. R. H. BOWDEN** — I will strengthen that as time goes on, Mr Drum. The general impression one gets from reading this bill is that it is the product at best of naiveté and at worst of a cynical attempt to rob Victorian motorists through a new tax. The truth lies somewhere between those two extremes. I happen to think it is towards the latter extreme — a cynical exercise in state taxation.

The more perceptive members of the house will probably concede that I tend to take somewhat of an interest in roads and motoring issues. I believe this is a tax imposed by the government with nothing being returned to motorists. It is adding costs to motoring at a time when the government could be fairly accused of not doing enough to cater for the legitimate needs of the motoring community in Victoria, and particularly in the metropolitan area.

One example is the increasing unreliability of the so-called Monash Freeway, which has become a car park at many times of the week. We believe it is wrong for the government to employ this new tax and try to dress it up as a levy. Quite frankly, the electorate is far more sophisticated than that. They will see this for what it is — that is, a new cost in the form of an estimated \$40 million tax.

The government is not even hypothecating a part of this back to motorists. Government members have the rather naive and politically correct idea, at least in their minds, of putting it into public transport. It is unbelievable that people sincerely believe that the volume transport needs of people in this great metropolis could be met by taking money off motorists and putting it into public transport. We do need better public transport; improving it is a good investment. There is support for that, but to think you can apply a new tax on one form of transport, hypothecate that to another form of transport and have the people who are paying the tax — and who do not want to pay it — jump onto the newly enhanced public transport, and there are serious doubts about that, is really naive.

It is probably the product of some well-intentioned meetings where people have believed the spin and wanted to be seen to support the politically correct group, who are very vocal in supporting public transport beyond a reasonable case. I have severe reservations about this because tens of thousands of my constituents on the Mornington Peninsula, in the Cranbourne area and even south of Cranbourne depend on efficient road transport.

I can assure government members that it is not possible to have employment in the city with variable and often stringent long hours and expect people from parts of the Mornington Peninsula to commute and depend on public transport for their travel to the central business district (CBD). The idea of this extra cost transferring itself into an incentive for many of my constituents on the Mornington Peninsula to abandon their vehicles and use public transport is dangerous and certainly naive on the government's part. I condemn it strongly on the basis that this is a new tax badly conceived, but it will be even worse in its application and the impost on the community.

Another thing that causes me great concern with the concept of this tax is that the state of Victoria, and in particular the city of Melbourne, is competing with other cities in our nation for business and for economic activity. Melbourne does not operate in an economic vacuum in relation to other cities of our great nation. We are proud of the services, the facilities and the abilities of the work force within the city of Melbourne. This is a further cost impost to doing business in Melbourne. If we were to try to think of ways to handicap the development of our economy, a good way to handicap the economy of the CBD and Melbourne would be by increasing its cost base. To my knowledge there is no parallel tax of this exact kind in another city in Australia. We are adding to the cost base of this city and adding to the costs of doing business — it is as simple as that.

There is another thing that worries me. There is nothing to stop the government, having imposed these costs on the CBD and the geographic area nominated in the bill, from then expanding them as it marches across the city. Indeed, on behalf of my constituents I have been concerned for a long time at the rapid rise in the cost of parking in not only suburban council areas, but also the inner city and the near city. The cost of parking is outrageous. Councils are now starting to look on it not just as minor revenue, but it is a major revenue item. We could have a debate alone on the high cost of parking in the city of Melbourne and even in its surrounds. This is most unwelcome because it is in addition to the unfair and rapidly escalating costs of

parking anyway. That is going to drive up the cost of doing business in our city, and business in our state.

I suggest that another unwelcome side effect of this new tax is that it will give an incentive for businesses to relocate away from the city. That is not necessarily good, because the maximum efficiencies and benefits of public transport are when you have mass usage by large numbers of passengers travelling to a given destination area. It may very well be a situation where many companies will look at the economics of establishing and running a business in the CBD and say, 'We do not need this. Our customers are out in the Dandenong area and the Frankston area', or somewhere else, and they will move closer to their customer base. This is counterproductive and will certainly be unwelcome. Whilst there may be a cheer squad in certain fanatical areas of the conservation and environment movement and some of the fanatics in the public transport support area, a cool evaluation of the impact of this new tax will lead one to conclude it is anti-motorists and antibusiness in the context of driving up costs unnecessarily.

It is a regrettable move and to date in this debate it has really not been justified by the state government. On conservation grounds alone there are reasons to believe that it has only a theoretical benefit. I have not been aware of any mention during the debate of numbers, statistics or credible reports from universities or people with the appropriate qualifications providing data to this house that the application of this tax will actually reduce greenhouse gases by X per cent or X tonnes of carbon or whatever. That scientifically accurate and verifiable data has not been provided.

Unquestionably in some ways this is a rather cynical exercise by the government of just imposing a tax because it can. It is also pandering to vocal and never-ending fanatics in elements of the conservation and environment movement, and some of those people are not responsible. Many of them are responsible and are genuinely concerned about conservation and environment issues, but where that naivety spills over is in imposing costs on families who have no alternative but to use a vehicle to get to work and earn their family's income. Those fanatics in the conservation and environment movement have conned the government into bringing in a new tax which is quite frankly unacceptable.

Another thing that bothers me very much is the cost of compliance. Under the compliance requirements of this bill it may very well be that thousands of residents in the area delineated by the bill will be required to

complete forms with very strong penalties attached to them.

I do not know what the penalties are for various offences these days, but I suggest that to put a \$6000 penalty on a citizen of Victoria implies that they have committed a major crime. I presume you would not get a \$6000 penalty for anything other than a major offence, but under this bill the serious crime of not reporting your car park will leave you liable to just such a penalty. That is totally unreasonable, unsustainable and not justified.

There will be a further compliance cost on the community in the form of stress. Not everyone is as capable as we are. People who have limited physical capabilities, who may travel a lot, who may be ill, who may be in hospital or who may have all sorts of various legitimate family circumstances may miss the compliance responsibilities and render themselves liable to a \$6000 fine. That is absolutely outrageous. Then I presume we will have an army of inspectors with draconian powers who will knock on your door and ask, 'Are you hiding a car park behind your fence?'. This is totally unacceptable.

*Honourable members interjecting.*

**Hon. R. H. BOWDEN** — Inspectors will come after dinner time looking for secret hidden car parks.

**Mr Lenders** — Do not forget the reds under the bed!

**Hon. R. H. BOWDEN** — If the minister wants to see mirth in creating more stress for constituents he can do that. I suspect this army of inspectors who go around with their torches at night looking for hidden car parks or spots of grease on the grass will get a very lively reception — and the government will get a lively reception at the next election.

I shall conclude my contribution by saying that the Bracks government has shot itself in the foot through its greed, its naivety, its desperate desire to pander to the vocal minority and its refusal to understand that people are just not automatons. People will hide their car parks as best they can until they get that knock on the door when the state government inspector arrives. The government will pay a very high price at the next election.

**Hon. RICHARD DALLA-RIVA** (East Yarra) — It is interesting that the Liberal Party is making the statement and carrying the wishes of the people in opposing this draconian tax. I seem to recall another levy that was imposed by the government, an

environmental levy or something similar, which was another grab for tax. When you looked at the fine print of that bill you saw the grubby fingerprints of the Treasurer. He was well and truly collecting money which was supposed to be used for the environment but which was clearly going into consolidated revenue.

We are seeing the same approach with this bill, which is supposedly about a congestion levy. It is not about a levy and is not about congestion. This bill is about a government that is errant in the way that it is managing the state. As the shadow Treasurer pointed out today, even in the Treasurer's own department every year we see an increase in the number of public servants being employed. The government now says it requires this, which it calls the Congestion Levy Bill. Nothing could be further from the truth than to say this is about a congestion levy. This is about imposing a tax on people who are going about their everyday activities in the city and in parts of metropolitan Melbourne. As the Honourable Ron Bowden indicated earlier, the government will have its jackboot people running around the city looking for unusual skid marks or grease on the lawn. They will be snooping around late at night trying to find some poor unsuspecting person who happens to use any part of their land as a parking space for a motor vehicle. The government does not like motor vehicles.

This bill is not about reducing congestion, it is a two-pronged approach. Firstly, the government wants the tax to prop up Victoria's failing economy, and secondly, it wants Green preferences at the next election. It wants to ensure that it gets its Green mate preferences. This is a repressive tax and has nothing to do with reducing congestion.

In New South Wales, which has significantly more congestion than Victoria, the issue of a congestion tax, which was raised for consideration by the now Premier of New South Wales, was rejected outright by the Labor government as an inappropriate mechanism for reducing congestion in even the most congested city in Australia.

What is the purpose of introducing this in Victoria? The New South Wales government realised it would not be an appropriate mechanism for reducing congestion, and we have heard from other speakers that there is clear evidence from around the world that is the case. If you want to reduce congestion, you should fix other areas that need fixing but not start attacking the poor motorist every year. There is now consumer price indexation on registration, and the government has taken away the pensioner concession. The government wants to now increase its \$19 billion budget to well over \$33 billion

because it cannot manage its expenditure. The government cannot rein in the cost of creating new departments and employing an extra 30 000 people in the Victorian public sector. This bill is an admission that the government has failed the people of Victoria in managing our economy.

The government takes for granted the will of the people. One only need look at the State Revenue Office long-term car park levy implementation strategy summary dated September 2005. It is now 26 October, yet an implementation strategy summary by the State Revenue Office talks about frequently asked questions. The second question asks when the levy will apply. The answer is that the levy will apply from 1 January 2006. The government has assumed that the Parliament will pass this bill, and that is why it is being rammed through now.

The government decided in September through the State Revenue Office that it would again use Parliament as a rubber stamp. That is the reason we went through the charade of having the government's lead speaker begin the second-reading debate today in an attempt to ram the bill through. The government clearly placed it on the public record that the State Revenue Office intends to have this levy apply from 1 January 2006.

Another question asked what amount the levy would be set at. The answer was that in 2006 the levy will be \$400 per car parking space. The government has again assumed the will of the Parliament and that the Parliament is a mere rubber stamp of the executive. This week issues have been raised in this house that have never been raised previously by this government.

Legislation is meant to be debated, and it is through the Parliament that we determine responsible outcomes. Yet a month earlier in September, the government had already established what was going to occur. We are now ramming through this legislation under the government's draconian business program because the fact of the matter is it cannot manage the budget or the state, and it cannot even manage its legislative program. It is amazing that we have to be here.

**Hon. David Koch** — It is laughable!

**Hon. RICHARD DALLA-RIVA** — It is laughable, as Mr Koch says. The problem is that the people of Victoria are not laughing. They are hiding because they are scared this government is continuing its jackbooted approach of applying more regulation. It has been demonstrated throughout Australia and in even the most congested city, Sydney, that people do

not want it. Yet what do we do? We bring in a levy that is supposedly designed to reduce congestion.

In its report Access Economics has indicated that the introduction of a congestion levy will not in any way blunt the associated costs of traffic congestion. It will not in any way reduce the traffic flow coming into the city. The fact of the matter is that people will grin and bear it. They will pay the tax and they will still drive their cars in. It will not matter one iota that every morning and evening Monday to Friday the streets around Melbourne will be congested.

It is also of interest to query schedule 1. It does not necessarily comply with what the Treasurer proposed in his initial media jaunt about it being just in the local area. It is quite amazing when you look at the schedule to see that it extends to quite a large area around Melbourne. Other speakers have talked about where this levy is going to be applied. Do we have any other suggestions about this tax being applied in other locations around metropolitan Melbourne, and indeed in regional locations around the state? It is an absolute disaster waiting to happen and a demonstration of the way the government continues to abuse Parliament and the use of its executive in rubber stamping a lot of the legislation that is coming through here. It will use its numbers to ram this legislation through.

I say bring it on. Let the people of Victoria share in the pain of this draconian, hard-edged tax, because the longer it is in the marketplace and the longer people feel this tax is applying to them, the better. It means there will be a good 11 months to feel the wrath of this tax before the next state election. That is 11 months they are going to go through this requirement of further red tape and legislative requirements. What is it with the government? It continually puts red tape in the way. It cannot stop. We now have to fill out forms — or do we have to fill out forms? It depends on what day it is on and on what side of the bed the Treasurer gets out of. One day he says we do, the next day he says we do not. Tomorrow he might be saying it is \$800 or \$12 000 per parking space. We do not know where it will stop. I will tell members where it should stop — it should stop right here in this house. The government should say it agrees with the opposition and support the arguments we have put forward.

The government has failed to legitimately raise balanced, reasoned arguments as to why this is a responsible piece of legislation and a responsible levy, as it calls it. It is a tax will do nothing other than become another oppressive measure on the people of Victoria. It is an oppressive tax in that it does not encourage business to operate in Victoria, and in

Melbourne in particular. Why on earth would a business want to come to Melbourne and have its employees suffer another tax? Why would they? They could go to South Australia. In fact they could go Sydney, which is even more congested, and not pay a congestion tax.

The government is trying to encourage investment in the state and yet it is driving it away. The government does not see it yet, as he does not see the effect of the insidious growth in its spending of taxpayers money. Whether it be on consultants, legal advice or bloating its own departments, the fact of the matter is that the government has bloated everything to the point where the only way it can pay for the bellyful it has imposed on the people of Victoria is to impose additional taxation regimes.

I refer back to my original statement in respect of this legislation. The government brought in the environmental water levy contribution legislation, which was an absolute disgrace because it was designed to rip money from every Victorian who uses water. It is applying the same mechanism in respect of this. There is no doubt there will be no benefit to anyone driving their car in this state.

The government talks about the federal government. Well done! At least the federal government has driven down interest rates, has achieved significant growth and given significant benefits to the people and businesses of Victoria and Australia. The Bracks government cannot measure itself as an economic powerhouse against the powerhouse of the Howard-Costello government. It should not even belittle itself. It is embarrassing not only itself but its Labor mates.

We know this government is on the ropes and is scratching like a hen in a chookhouse. It is trying to find every bit of worm it can find. It does not matter whether it is the head of a worm or any other part. The fact of the matter is it is driving this state broke and down again. It is putting its grubby hands into every person's pockets. This is yet another example. The government should not support this, although I know it will support it. I say bring it on, because there will be 11 months of pain for people to share before the next election. If it changes quite a substantial number of votes, which I think it will, then bring it on.

**Hon. ANDREW BRIDESON** (Waverley) — I rise to oppose the Congestion Levy Bill. I am certainly in very strong support of the proposed opposition amendments. I start by saying that we on this side of the house, the members of The Nationals and the Liberal Party, are prepared to debate this bill for as long as we

possibly can under sessional orders. The circumstances in which we are debating this bill today mean that we are looking at this legislation in absolute detail and in depth. We are doing our job of reviewing this legislation. On the other hand, what have had from the government? So far we have had two speakers who have not been able to defend what we say is the indefensible. Only Mr Viney and Ms Romanes have made contributions.

I pick up a point made by Mr Viney, when he said that this is a levy, not a tax. I have gone to the second edition of the *Oxford English Dictionary* in the library and copied the definitions of 'tax' and 'levy'. You do not have to be Einstein to work out that a levy is actually a tax. According to the dictionary, a tax is:

A compulsory contribution to the support of government levied on persons, property, income, commodities, transactions, et cetera, now at fixed rates, mostly proportional to the amount on which the contribution is levied.

**Hon. J. A. Vogels** — What's a levy?

**Hon. ANDREW BRIDESON** — 'What's a levy?', Mr Vogels asks. According to the *Oxford English Dictionary* 'levy' is a verb:

The action of levying: a. The action of collecting an assessment, duty, tax ...

It could not be any clearer. The second meaning of 'levy' is:

The amount or number levied: a. A duty, impost, tax.

Will any of the Einsteins on the other side of the house dispute the second edition of the *Oxford English Dictionary*? This is an iniquitous tax. It is a tax on the workers of Melbourne. The union movement was not consulted about the tax. If it had been thousands of its members what would be out at the top of Bourke Street, led by Martin Kingham and his comrades. They would not tolerate this tax.

Let me describe the sorts of workers who will be taxed by this. If members look at the map in schedule 1 on page 24 of the bill they see it defines the central business district. If members imagine going along St Kilda Road, the chefs, the cleaners, the gardener, the lawnmowing men, the accountants, the clerks, the doctors — all those people working legitimately will be hit by this tax, another workingmen's tax.

If we look at Parliament House, which is in the central business district, will this tax be levied on the clerks' car parks? That is a question we would like answered. What about Hansard? Will Hansard have to pay this tax? What about the cleaners, the gardeners and all the

other people who work here? What about the red coats and the green coats? Will they be levied this iniquitous tax? This is a tax on the workers of Parliament. It is a tax on all workers in the central business district. I know that come the election on 26 November next year they will be rising as one and not voting for any government that would impose this sort of tax.

I want to chastise the members on this side of the house because it has taken a long time for the members of the Liberal Party and The Nationals to come up with the real reason why this tax is being implemented. The last two speakers on our side have referred to it. The Honourable Ron Bowden touched on it and the Honourable Richard Dalla-Riva certainly mentioned it. The real reason for introducing this bill is to get the preferences of the Greens at the next election. I have proof of that. I have here the passenger transport policy from the Victorian Greens web site. When you look at what is in the policy you see that it is almost word for word what is in this bill. Shame on the government! It is supposed to be open, honest and accountable. It is none of those things. It is accountable to the Greens, though. Who is wagging the tail?

Let us look at what is in the passenger transport policy:

The current direct funding to roads must be redirected to the infrastructure department to appropriately fund public transport,

...

Additional funding measures such as carbon taxes or a 'congestion levy', as implemented elsewhere (e.g. London and Singapore), should be investigated.

This government is doing more than undertaking an investigation; it will implement it on 1 January of next year. The Greens use the word 'levy' — they are as dishonest as the government. The Greens policy states also:

... we see a 'congestion levy' as a more direct demand management method of applying some of these indirect costs to car users who have the choice of public transport.

What about the car users who do not have a choice of public transport? Many members on this side of the house have already mentioned that. It goes on:

Such a levy would be specifically applicable where most needed and would also generate the funds necessary to invest in public transport, improved cycling and walking facilities and more compact and efficient roads and should be investigated.

If this bill is not a sop to the Greens, then I do not know what is. One of the principles of this policy is:

The external costs of transport, such as pollution and congestion, should be internalised through appropriate taxes.

At least the Greens are honest in their principles. Looking at what the Greens are proposing to do in their road transport policy, there is no wonder that they need a tax. They would not be able to implement any of their policies unless more money was available. What the Greens want to do is hypothecate the money, so I suppose there is some difference between them and what the government is doing.

**Hon. Bill Forwood** — Not much!

**Hon. ANDREW BRIDESON** — Not much of a difference, Mr Forwood says — but at least they are honest and open in saying that. The Greens propose going even further. Paragraph 4.2.9.2 of their policy states that they want to:

Freeze and reduce over time parking availability in the CBD.

Paragraph 4.2.10 — —

**Mr Lenders** — On a point of order, Acting President, fascinating as it might be for Mr Brideson to be dissecting the policies of the Greens, I draw his attention to the fact that we are debating the Congestion Levy Bill, not the policies of the Greens. I urge him to stray to the bill in the remaining 7 minutes of his contribution.

**Hon. Bill Forwood** — On the point of order, Acting President, Mr Brideson is completely within his rights to draw parallels between the Greens policy and the bill before the house, which he is doing very well. The point that he is so eloquently making is that the bill before the house is a lift from the Greens policy. He has made it very well. I put it to you, Mr Acting President, that there is no point of order.

**The ACTING PRESIDENT**

**(Hon. J. G. Hilton)** — Order! On the point of order, I believe that Mr Brideson is legitimately drawing comparisons between the government policy and the policy of other parties. However, I draw his attention to the specifics of the bill and ask him in his remaining 6½ minutes to address himself to the bill.

**Hon. ANDREW BRIDESON** — This has been a fairly wide-ranging debate and all sorts of issues have been canvassed. I am elaborating a little bit further on points that were raised by the two previous speakers. I am actually putting on the table the evidence and I think I have done that very well. I think the reason a point of order was raised against me was — —

**Hon. J. A. Vogels** — It hurts!

**Hon. ANDREW BRIDSON** — The Leader of the Government is not only hurt but he is acutely embarrassed.

**An honourable member** — You have chased him out.

**Hon. ANDREW BRIDSON** — I hope he has been chased out. The people of Victoria will chase him out at the election next year.

The final point I was going to make before I was rudely interrupted was that the Greens want to investigate the feasibility of introducing a congestion levy and they claim that the revenue raised will be used primarily for funding public transport expansion and support. As the Honourable Bill Forwood said, this bill is almost an exact lift from the Greens policy. No more needs to be said on that.

**Mr Lenders** — So are you saying it is a congestion levy, not a tax?

**Hon. ANDREW BRIDSON** — It is indisputably a congestion tax. I refer to the Access Economics report which has mentioned by several previous speakers. Because of the time constraints, my colleagues have not been able to get to the conclusions on page 19 of the report. It is very instructive to look at that. The report states that the proposed car parking tax:

...is unlikely to have an appreciable impact on congestion in the CBD as it does not vary in proportion to the amount of congestion caused. It is based on the weak link between congestion and some car park places. The selective nature of the charge means it does not apply to others who create congestion, pollution and greenhouse gases.

It gives some examples:

... does not apply to through traffic (vehicles travelling through the city but not parking);

does not apply to short-stay car park places;

does not apply to parking places used by —

all of the —

exempt groups ... and

does not influence time of travel, as the levy is paid at a flat annual rate.

Furthermore it states:

Access Economics notes that the objectives to which the levy is ostensibly directed are hopelessly compromised — attempting to raise revenue to fund public transport initiatives while simultaneously reducing congestion, pollution and greenhouse gas emissions by reducing traffic in the CBD. That is:

to the extent the levy fails to reduce congestion, it succeeds in raising revenue to fund public transport;

to the extent the levy succeeds in reducing congestion, it fails in raising revenue to fund public transport initiatives —

and finally —

to the extent the levy succeeds in increasing the supply of short-stay parking, it will tend to increase congestion within the CBD for more of the day.

In short, the bases for the levy are conflicted, confused, and likely to generate inefficient outcomes and perverse results.

Perverse results! The report goes on to state:

The proposed Melbourne long-stay car parking —

or tax —

is not good policy. Rather:

it is at best a blunt, poorly targeted and discriminatory method of mitigating the costs associated with traffic congestion in the Melbourne CBD;

using it to increase the supply of short-stay off-street parking directly undermines its role in reducing traffic congestion and associated costs; and

on balance, only the third objective cited for its introduction rings true — it appears more likely to be focused on raising revenue through the imposition of a new, selective business tax rather than reducing congestion costs.

The proposed levy rates poorly against best-practice policy instrument design.

### The ACTING PRESIDENT

**(Hon. J. G. Hilton)** — Order! I believe Mr Bridson is rather slavishly reading from a document. I ask him to draw that to a conclusion and maybe in the last 2 minutes summarise his contribution.

**Hon. ANDREW BRIDSON** — Thank you for your advice, Mr Acting President. I have been quoting from *Melbourne Car Parking Levy — Good Policy or Revenue Grab?*. It is very clear from this policy document, which was prepared for the Property Council of Australia by Access Economics, that this bill is nothing more than a revenue grab. It is quite within order for me to use a document such as this in a debate such as this, and I will continue to do so.

In conclusion, if this congestion tax is going to work, it is going to force more people onto the public transport system. This government hid a report that was done by transport engineers and planners Maunsell Australia. The report showed that with its present capacity our current transport system could not cope with any major increases in the number of members of the public

travelling. This was a report which the government hid and which the *Age* was only able to get by applying under freedom of information. We will find this report and dissect it. It is another document which does not support the implementation of this parking tax.

I conclude my contribution by saying again that it is an iniquitous tax; it is a tax on the working people of Melbourne. Let it be said that we on this side of the chamber are the champions of the workers in this cause.

**Hon. D. K. DRUM** (North Western) — I am also happy to talk on the Congestion Levy Bill. I am drawn to the adage that if it looks like a duck and quacks like a duck, it probably is a duck — and this is certainly a tax.

There is no doubt that congestion is an extremely important and serious issue in this state and particularly in the city. We have had a tremendous contribution by Mr Brideson who took the bill apart and drew parallels with the policy of the Greens. But what worries me more than anything is that the government is well within its rights to introduce a tax or a levy and put on whatever tag it wants, but to call it a congestion levy and then to not have a genuine plan, to not have this broad strategic plan referred to in the second-reading speech, to not have any greater plan of which this is supposed to be some small part is the crime here. This is just one very small part.

Mr Viney more or less acknowledged that this congestion tax is not going to stop people from coming into the central business district. It will not stop people from using car parking spaces. It will simply mean that they pay more. That has been backed up by Access Economics. We all understand that. This is not \$25 a day just to get into the area; this is an extra \$1.50 or \$2 a day that will be added to the impost of people who are just trying to go about their normal working and shopping day.

What could really help the central business district is to look at getting some of the heavy transport traffic off the roads and onto the rail system. That is going to need a total standardising upgrade. This government has had the opportunity to standardise rail in the north and east of this state and to have north-south corridors of standardised rail carrying all our produce. We could bring our dairy produce from the north of the state straight through to the shipping lanes that export through Port Phillip. We understand that the dairy industry is by far the greatest exporter of produce out through Port Phillip. We could be saving an awful amount of congestion by fixing up our railways. But this government will not hypothecate the money from this tax to fixing up the public transport system.

I am speaking not only of the transport system but of the inter-freight system which would also have an enormous impact on taking away some of the congestion from the Melbourne area. No strategic plan has been put in place to take the primary produce onto the national rail grid. We could take away a lot of our produce. Our citrus fruit and wine could go straight across to Albury, up to northern Australia and out to other ports if we were aligned with the national rail grid. A lot of our produce does not need to go to Melbourne; it could go to many other centres without needing to go on heavy transport through to Melbourne, thereby adding to the congestion.

Congestion is a real issue, but what worries me — and I refer again to Mr Viney's contribution — is that he talked about the environmental impact. If he is seriously concerned about the environmental impacts, the costs to business and the health issues that this congestion is supposedly causing, he would then be very clear about hypothecating the money back to those specific areas, and the bill would be more stringent in its detail in relation to making sure that the money that is going to be hypothecated back into the environmental system or into public transport system was going to be over and above — that is, in addition to, not instead of — the previous year's amount.

There is nothing in the second-reading speech or the bill to say that you take the \$40 million and put it in there, and that you take out the previous \$40 million you had put in last year. That is one of the great tricks of this government — to tell you they are going to tag all these moneys into certain areas of expenditure but only to keep the previous moneys stuck back in government revenue.

One of the other things we have to realise with this bill is that it is simply taking the government's take from \$40 million to \$80 million and it is going to put the new \$40 million into public transport because of congestion and all these problems. But what was the government doing with the previous \$40 million? If it were serious about fixing some of the ills here, it would already be spending that \$40 million on some of these areas.

**Business interrupted pursuant to sessional orders.**

**RETAIL LEASES (AMENDMENT) BILL**

*Introduction and first reading*

**Received from Assembly.**

**Read first time for Hon. M. R. THOMSON (Minister for Consumer Affairs) on motion of Ms Broad.**

**MAJOR EVENTS (CROWD MANAGEMENT) AND COMMONWEALTH GAMES ARRANGEMENTS ACTS (CROWD SAFETY AMENDMENT) BILL**

*Introduction and first reading*

**Received from Assembly.**

**Read first time for Hon. J. M. MADDEN (Minister for Commonwealth Games) on motion of Ms Broad.**

**CRIMES (HOMICIDE) BILL**

*Introduction and first reading*

**Received from Assembly.**

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

**ADJOURNMENT**

**The DEPUTY PRESIDENT** — Order! The question is:

That the house do now adjourn.

**Fairhills High School: basketball facility**

**Hon. A. P. OLEXANDER** (Silvan) — I seek the assistance of the Minister for Sport and Recreation, the Honourable Justin Madden. The issue I raise is that of the construction of a basketball facility at Fairhills High School. About three weeks ago the member for Bayswater in the other place, Mr Lockwood, and the government announced that a \$2 million sports complex would be built at Fairhills High School. This announcement came amidst much fanfare and has obviously been welcomed by the school community, which is very supportive of the project.

However, the problem that I wish to draw to the attention of the Minister for Sport and Recreation is that half of the funding — the project is costing \$2 million

in total — is as yet unsecured. The Knox City Council, whose cooperation and involvement with the construction of such a project would normally be required, has not been consulted or involved in the announcement in any way. It has not even seen the formal notification or proposal documents for the project.

The \$1 million announced by Mr Lockwood came from the Community Facilities Fund and is being directed to the construction of that basketball facility, which will include two courts, offices, changing rooms, toilets and a viewing area. The problem is that the partner organisation that was to secure the other \$1 million, Knox Basketball Inc., has yet to decide whether it can or even will participate in this project worth \$2 million that has already been announced. It has stated publicly that its membership still has not agreed to fund the project and that it does not know whether it can obtain the necessary \$1 million required to make the project a reality or anywhere near it.

Knox City Council’s director of community services, Gerard Jose, said that the government should have consulted with the council first and that at this stage the council has not even received any notification from the department that the facilities grant has been made. The council understood that Department of Education and Training regional offices receive these proposals from schools. They then undertake an initial assessment and consult with council about each proposal. Three weeks later the council is still asking for that to occur.

I am asking the Minister for Sport and Recreation whether his department supports this project at Fairhills High School and whether his department will devote the necessary funds of \$1 million to see the project come to fruition.

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

**Breast cancer: rural and regional screening services**

**Hon. KAYE DARVENIZA** (Melbourne West) — I raise a matter for the attention of the Minister for Health in the other place concerning breast cancer, and in particular the availability of the most up-to-date diagnostic equipment for women who live in rural and regional Victoria.

It is timely to raise this issue given that this is Breast Cancer Awareness Week. Women on all sides of politics have been wearing pink ribbons, and they have been involved in a wide range of activities to assist in

making more people, particularly women, aware of breast cancer. They have been involved in making women aware of the action they can take so that breast cancer can be detected early and therefore treated early to give sufferers the greatest likelihood of successful treatment. Breast cancer kills many Victorian women every year, and anything we can do to highlight the disease and encourage early diagnosis is important. It is particularly important that women in rural and regional areas have access to state-of-the-art cancer mammography imaging technology.

I have to declare that my family has been touched by this disease. My mother, who lives in regional Victoria, was diagnosed with breast cancer following a routine mammogram. Thankfully she had an early diagnosis and was successfully treated with surgery and radiotherapy. I specifically ask what action the minister and her department are taking to ensure that women in country Victoria have access to high-quality cancer screening services which can be easily transmitted to medical specialists to allow fast diagnosis and speedy treatment.

### **Premier and Cabinet: correspondence**

**Hon. BILL FORWOOD** (Templestowe) — The issue I raise with the minister at the table tonight, the Minister for Local Government, Ms Broad, is for the attention of the Premier.

I have received correspondence from Mr Ray Smith, who lives in O'Shanassy Street, North Melbourne. Mr Smith wrote to the Premier early in 2003 seeking assistance with a problem to do with electricity. While I am pleased to advise the house that Mr Smith's issue with electricity was eventually solved by the energy and water ombudsman, on 19 May he received a letter from Robyn Skillecorn, manager of the ministerial correspondence unit in the Department of Premier and Cabinet. The letter is addressed to 'Mr Ray Smith' at his address in O'Shanassy Street. It then says, 'Dear Mr O'Shanassy' — in other words, the name of his street has been used in the salutation instead of his name. Mr Smith took exception to this and thought it would be useful if he received an apology from Ms Skillecorn for the mistake that had been made.

Since that time Mr Smith has been attempting to get someone to address the fact that he received a letter from the Premier's department that used the name of his street in the salutation and not his name. He has exchanged a series of letters with the Premier's department. A letter from the department of December this year says:

Given the limited resources of the Department of Premier and Cabinet, it is not possible for the Premier or this department to assist you further with this matter.

I make the point that all he is looking for is an apology from the person who incorrectly addressed the letter to him. He wrote to the Premier again on 5 May, again asking that the Premier facilitate the apology. He has not received a response to that letter, so he contacted the opposition seeking that this matter be finally resolved by someone, preferably Ms Skillecorn or someone on her behalf, apologising for the mistake that was made in 2003 in addressing him.

I ask that the Premier use his good offices to ensure that this matter is finally and completely resolved by Mr Smith getting the apology he deserves.

### **Commonwealth Games: cultural events**

**Hon. S. M. NGUYEN** (Melbourne West) — I direct to the attention of the Minister for Commonwealth Games two very important events that occurred last Saturday at the Melbourne town hall. For the first time in Melbourne the Vietnamese Symphony Orchestra performed a free concert, which was a great success. More than 2500 people attended the concert, and a further few hundred people had to be turned away because the town hall could not accommodate the audience. This was the orchestra's first ever concert in Australia and was the biggest it had ever performed. The audience enjoyed every minute of it.

The other very important event was performed by an international artist who was a refugee from Vietnam in 1975. Mr Le Van Khoa was a well-known musician in Vietnam before the fall of Saigon. In the United States of America he has built a reputation as a world-class composer and conductor. He appeared with the Melbourne Philharmonic Orchestra, comprising over 60 musicians and a 60-member choir who were there to support him in memory of the 30th anniversary of the fall of Saigon.

I understand a number of concerts will be organised before and during the 2006 Commonwealth Games as part of the games festival. I would like to ask the minister to invite Mr Le Van Khoa to the Commonwealth Games. He is happy to come back to perform in Melbourne next year.

### **Housing: Loddon shire**

**Hon. D. K. DRUM** (North Western) — My adjournment matter is for the Minister for Housing. It concerns the lack of housing permit applications and dwellings that have been built in the Loddon shire over

the last financial year. In fact, only three new houses have been built in the shire over that time, with only 19 permits — —

**The DEPUTY PRESIDENT** — Order! It is not in order for Mr Rich-Phillips to have his back to the Chair. I ask him to find some other place in the house.

**Hon. D. K. DRUM** — Loddon shire councillor Gavan Holt has said that this issue is probably the shire's biggest problem. There are instances in the Loddon shire around Boort where the new Timbercorp olive plantation has meant that a lot of people are coming to Boort who are actively involved in work on the plantations but who are simply unable to find accommodation. A lot of other people are living outside the municipality and travelling in because of the shortage of accommodation. Businesses in the shire are finding it very difficult to attract qualified people and professionals into the area when they cannot offer them sufficient housing.

With this situation as the backdrop, I call on the minister to look at a policy of partnership with local government to develop housing estates to complete the earthworks and the arrangement of services such as power, running water and having the phone connected. Having a lot of the preliminary works completed at these housing estates in a partnership between local and state government will effectively increase the financial viability of the developers so they are better able to attract private developers and owners to these estates, so that new housing is attracted into areas where at present only 3, 4 or 10 houses are built each year when it is left to market forces.

I call on the minister to look at a partnership with local government that might stimulate growth in the housing market in some of these smaller municipalities.

### Responses

**Ms BROAD** (Minister for Housing) — The Honourable Andrew Olexander raised a matter for the attention of the Minister for Sport and Recreation concerning funding, including funding from the Community Facilities Fund, for a basketball facility at Fairhills High School, and I will refer that matter to the minister for his response.

Ms Darveniza raised a matter for the attention of the Minister for Health in the other place concerning access by women in country Victoria to diagnostic services and treatment for breast cancer, and I will refer that matter to the minister.

The Honourable Bill Forwood raised a matter for the attention of the Premier concerning correspondence between the Premier's department and Mr Ray Smith, and I will refer that matter to the Premier for his attention.

The Honourable Sang Nguyen raised a matter for the attention of the Minister for Commonwealth Games requesting that the minister issue an invitation to the Commonwealth Games to Mr Le Van Khoa, and I will refer that request to the minister.

The Honourable Damian Drum raised a matter for my attention in my housing portfolio concerning access to housing in the Loddon shire, including access to affordable housing and housing to attract professionals to the shire, and requested that I examine the possibility of partnerships with local government to facilitate improved access to housing in view of the shortage in the shire.

I am pleased to be able to respond to Mr Drum that certainly in relation to a number of government funding programs which are particularly targeted to affordable housing for people on very low incomes, such partnerships are under way in a number of programs and I can provide advice to the member about those. In terms of extending that to a larger housing program, I am happy to take that on notice and respond to the member.

**The DEPUTY PRESIDENT** — Order! The house stands adjourned.

**House adjourned 10.20 p.m.**

**Wednesday, 26 October 2005**

**JOINT SITTING OF PARLIAMENT**

**Victorian Health Promotion Foundation**

**Honourable members of both houses met in  
Assembly chamber at 6.18 p.m.**

**The Clerk**— Before proceeding with the business of this joint sitting it will be necessary to appoint a President. I call the Premier.

**Mr BRACKS** (Premier) — I propose:

That the Honourable Monica Mary Gould, President of the Legislative Council, be appointed President of this joint sitting.

**The Clerk** — As there is no other proposal, the Honourable Monica Mary Gould will take the Chair.

**The PRESIDENT** — The first procedure will be the adoption of the rules. I call the Premier.

**Mr BRACKS** (Premier) — I desire to submit the rules of procedure, which are in the hands of honourable members, and I accordingly move:

That these rules be the rules of procedure for this joint sitting.

**Mr HONEYWOOD** (Warrandyte) — I second the motion.

**Motion agreed to.**

**The PRESIDENT** — The rules of procedure having been adopted, I am now prepared to receive nominations from honourable members with regard to three members being elected to the Victorian Health Promotion Foundation for a three-year term commencing on 27 March 2006.

**Mr BRACKS** (Premier) — I nominate Mr Hugh Francis Delahunty, MP, the Honourable Bill Forwood, MLC, and Ms Maxine Morand, MP, for election as members of the Victorian Health Promotion Foundation. I understand they are willing to accept their appointments if chosen.

**Mr HONEYWOOD** (Warrandyte) — I second the nominations.

**The PRESIDENT** — Are there any further nominations?

As there are only three nominations, I declare that Mr Hugh Francis Delahunty, MP, the Honourable Bill

Forwood, MLC, and Ms Maxine Morand, MP, have been elected as members of the Victorian Health Promotion Foundation for a three-year term commencing on 27 March 2006.

I now declare the joint sitting closed.

**Proceedings terminated 6.21 p.m.**